



Village of Fox Lake



FISCAL YEAR BUDGET 2018-2019



Village of Fox Lake

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Section 1

Transmittal Letter

Anne Marrin – Village Administrator



**MANAGEMENT’S LETTER TO THE
CORPORATE AUTHORITIES OF
THE VILLAGE OF FOX LAKE, ILLINOIS**

June 29, 2018

Dear Mayor Schmit and Board of Trustees:

It is a pleasure to submit the budget for the Village of Fox Lake for the Fiscal Year ending April 30, 2019. Primarily due to the strategic initiatives undertaken in the current and prior years, the Village will enter the Fiscal Year 2018-2019 in a strong position, allowing it to maintain, as well as improve, its levels of service to the community. While the Village’s revenue profile remains relatively stagnant in the current economy, internal strategies for the year include the further strengthening of the reliability of our Public Safety and 911/Dispatch staffs, continued efforts to develop strong incentives for business partnerships, and the start of infrastructure improvement projects that have been planned over the last several years.

As the budget will show, operating reserves in the main funds, including the General Fund, the Water Fund, and the Northwest Regional Water Reclamation Facility will end the year strong. Reserves for capital spending, however, deplete somewhat during the year due to the substantial number of capital projects included. As always, the budget reflects a sound practice of limiting borrowing to necessary projects, maintaining the Village’s borrowing level at exceptional levels as the Village positions itself for the future.

Challenges going forward include identifying non-tax funding sources for the Village’s street maintenance program and finding cost efficiencies to offset the constant pressure of rising prices and personnel expenses. In spite of these challenges, the 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.

Economic and Political Climate

At the national level, the unemployment rate has dropped from 4.4 percent to 3.9 percent year-over-year and is currently at its lowest level in 10 years. The labor force participation (LFP) rates have actually decreased slightly over the last year, which is probably an indicator of several trends, including the tendency for younger adults to stay in school longer and the retirement of adults from the baby boom era. Regardless of the cause, a low LFP does not reflect well on the economy especially as it has been accompanied by a stagnation of household incomes, potentially causing income inequality to become exacerbated and opportunities for business expansion and growth to be limited.

At the state level, the State of Illinois continues to struggle with unfunded and growing liabilities, which continues to affect statewide economic growth and resulting revenue streams to municipalities. The state legislature passed an income tax hike in 2018 increasing the personal tax rate

from 3.75 to 4.95 percent and the corporate rate from 5.25 to 7 percent. In the State's FY2018 budget for July 1, 2017 to June 30, 2018, the state took three actions that reduced revenues for the Village:

1. Despite the increase to the income tax, the basis of municipal distributions of income tax through the Local Government Distributive Fund (LGDF) was stalled at 2011 rates (i.e., 3% personal, 4.8% corporate), and an additional cut to these payments of 10% was enacted for the year.
2. The Personal Property Replacement Tax disbursements to municipalities were reduced when an increase was made to appropriations for community colleges.
3. An administrative charge of 2% was initiated on all local taxes collected through the State, which affected several of the Village's Special Revenue funds.

These changes were taken into account in both the FY2017-18 Amended budget and the FY2018-19 budget being presented here. When the State adopted the FY2019 budget, they did decrease the cut in income tax payments through the LGDF to 5% and reduced the administrative charge to 1.5%, but the State's actions continue to have a negative impact on Village revenues through this budget year. These adjustments will be brought forward in the December budget review session.

Contrarily, the United States Supreme Court provided states and municipalities with good news through their decision on the South Dakota v Wayfair, Inc. case in June 2018. The decision overruled a previous decision that states could not enforce the collection of state taxes on internet purchases delivered in the state from a vendor with no presence in the state. The result in the ruling should increase use taxes collected by the State and filtered to the municipalities. The financial impact of the decision for our Village is not known yet, but will be watched for possible amendments to this year's budget.

Further, the Federal interest rate has continued to climb approximately 0.75% through the last year, which has increased interest rates in local deposits and the Illinois Revenue Fund. This trend should have a positive impact in returns on reserves of the Village and have been reflected as modest increases in the current year budget.

As the State of Illinois continues in its attempts to reduce the amount of State funds distributed to local governments, the Village takes 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 steps that will be taken by the Village to navigate 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 to 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 Methodology

This year's budget methodology continues the evolution of many of the 2017-18 initiatives, including in-depth analysis of organizational processes, personnel requirements, services contracts and long term liability management. The budget process started early with development of a preliminary budget for the General Fund. The General Fund supports the majority of the Village's services, such as public safety, street maintenance, and financial services. 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 COLA increases of 2.5% and merit increases when appropriate.
- Include legal and regulatory requirements.
- Maintain operations at status quo (no additions or cuts in services), with the exception of conducting an in-depth review of staffing in the 911 Dispatch Center and Public Safety departments.

The Village Board completed an in-depth review of the General Fund preliminary budget during its March 9th, 2018 Budget Workshop, April 10th and April 24th, 2018 Board meetings. Changes discussed during the budget workshops and meetings have been incorporated within this budget document to reflect the final adopted budget. A separate review of the budget will be conducted in November and December and budget adjustments will be adopted at that time, if necessary. A more detailed discussion of the budget process is included later in this booklet.

Executive Summary

The following points provide an executive summary of the FY2018-19 budget detail that follows:

Comprehensive Village Outlook

- Total revenue for the Village is \$25.8M, which is \$192k or 0.7% lower than the prior year, and total expenditures are budgeted at \$32.5M, which is \$2M or 6.7% higher than the prior year. This computes to a net use of funds of \$6.7M within the FY2018-19 budget.
- General Fund revenue accounts for 45% of the total revenue and 42% of the total expenditures of the Village.
- Personnel-related expenditures account for 31% of total expenditures in contrast to 32% for non-personnel-related operating expenditures.
- Spending on capital projects included in expenditures total \$7.6M, which is \$533k higher than the prior year's budget.
- Village-wide emphasis has been on the revitalization of infrastructure and local business growth and development as evidenced by the robust capitalization budget and creation of the new Business Development Districts in the south and central areas of the Village starting January 2018.
- Total principle debt outstanding is \$9M both in the form of general obligation bonds and revenue bonds. The Village has additional debt capacity of \$18M in general government obligations before it reaches its regulatory limit.
- The projected fund or net asset balances of the three major funds are: General Fund \$5.7M, Water Fund \$3.8M, and NWRWRF \$11.4M.

General Fund Outlook

- General Fund revenue is \$12M, which is \$222k or 1.8% lower than the prior year budget if one-time grant funds of \$796k are excluded from the prior year budget. This is mostly due to a decrease in Places for Eating Tax which was lowered by the Village Board from 1.5% to 0.5% in April 2018.
- Taxes represent the highest source of revenue for the General Fund at \$8M or 68% of total revenues. Public Safety uses the most resources at \$5.7M or 41% of the total expenditures.
- Total operating expenditures for the General Fund are budgeted at \$11.3M, which is \$570k or 5.3% higher than the prior year budget. Along with normal labor and inflationary cost increases, the following contributed to the increase:
 - Additional staffing in the Public Safety department at a cost of \$231k.
 - Additional staffing in the Parks & Recreation Department at a cost of \$90k.
 - Additional staffing in the Public Works Streets Department at a cost of \$207k
 - Budget for the completion of a comprehensive park plan for \$50k in the Parks and Recreation budget.
- Total debt service payments for the General Fund are consistent with the prior year at \$688k. No new debt will be extended to the Village in the current year within the adopted budget presented here. Ongoing work is being completed to secure financing for the Water/Sewer North and South Interconnect project, which will most likely be added through a budget amendment within the year.
- Capital expenditures are budgeted at \$2.1M for the year. Significant projects to be completed this year include a Grand Avenue lighting project (\$250k), a park lighting project (\$250k), rehabilitation of Sayton Rd (\$350k from Externality Fee Reserve), and replacement of the parking lot at the Public Works campus (\$150).
- Net surplus of revenues over expenditures before capital projects is \$20k. Capital expenditures will be utilizing funds previously set aside for improvements in previous years.
- Total General Fund Balance is \$5.7M, showing a projected reduction of \$2.1M due to capital project expenditures mentioned above. The unrestricted portion is estimated at \$3.9M, which represents 33% of total non-capital expenditures for the general Fund as required by Village policy.

Special Revenue Funds Outlook

- The Tax Increment Financing District Fund will collect \$258k in taxes and will spend \$275k, mostly on sidewalk and land improvements in the District.
- The Motor Fuel Tax Fund shows \$250k in tax revenue, \$211k in operating expenditures for road lighting, deicing and routine maintenance, and \$350k for the Sayton Road, Nippersink, and Grand Avenue street rehabilitation projects. This Fund will utilize \$303k in reserves for completion of the capital projects.
- The FY2018-19 budget includes tax revenue collection for the new Business Development Districts (BDD's) in the South and Central areas of the Village at \$800k and \$340k, respectively.

- Expenditures in the BDD's are expected to be \$905K in the BDD-South and \$270k in the BDD-Central. These expenditures are placeholders for projects that will expand business interests in these Districts such as development of a new parking lot in the central district and rehabilitating roads in the south district.

Enterprise Funds Outlook

- The Commuter Parking Fund shows \$110k in revenues and \$175k in expenditures. Expenditures have increased \$48k or 37.7% over the prior year due to the addition of personnel for patrols in parking areas.
- The Water/Sewer Fund shows revenues of \$4.4M as compared to \$5.1M for the prior year. The decrease is mostly due to the receipt of debt financing in FY2017-18 of \$733k. Inclusive in the FY2018-19 revenue is an increase in water sales due to a 4.6% increase in rates.
- Water/Sewer expenditures are budgeted at \$3.2M as compared to \$3.0M in the prior year. The increase in large part is related to an increase in depreciation and liability insurance associated with the North Tower that was refurbished in FY2017-18.
- Water/Sewer capital expenses are planned at \$1.5M and include engineering for the North and South Interconnect project (\$450K) and replacement of the Sayton Road water line (\$320k).
- The NWRWRF budget includes \$5.1M in revenues, which is consistent with the prior year.
- NWRWRF expenditures are included at \$6.4M, \$320k or 5.2% higher than the prior year mostly due to a 2 employee increase in FTE's and increased maintenance costs.
- NWRWRF capital expenses are scheduled at \$2.5M and include the replacement of an aeration trunk line (\$1.1M), two screw pump rebuilds (\$450k), and the RAS pump design/replacement (\$810k).
- Water/Sewer and NWRWRF reserves remain relatively solid with an estimated Net Unrestricted Asset Balance at year end of 3.8M and \$11.4M, respectively.
- The 911 Dispatch fund remains relatively consistent in revenue at \$1.3M, but shows an increase in operating expenses of \$113k to \$1.5M during the year due to salary and personnel realignments in the department.

Fiduciary Fund Outlook

- The Police Pension Fund shows \$1.8M in revenue as compared to \$1.1M in FY2018-19, mostly due to the change in rationale in budgeting investment revenues at the assumed actuarial rate or return of 7% as opposed to showing no investment proceeds.
- The net surplus of revenue over expenses in the pension fund is projected to be \$867k.

Budget Presentation

The 2018-19 budget documents follow the same format as previous years and allow readers 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 provides an executive summary for the budget as a whole.

Next, 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 middle sections of the report provide a breakdown of revenues and expenditures for each of the funds, including the General Fund, Special Revenue Funds, Enterprise Funds, and the Fiduciary Fund. The General Fund expenditures are further broken down by functional area (i.e., administration, public safety, parks and recreation, community development, motor pool, and public works/streets). Within each of these categories, a narrative with highlights and a Summarized Financial Report appear, followed by the detailed budgets for each account and explanatory notes of budget considerations for each.

The latter sections of the report include the Village's Capital Improvement Plan and ongoing Strategic planning initiatives, which along with the annual operating budget provide a well-rounded look at where the Village is headed.

The development of an annual budget is a significant task that is interwoven with planning at all levels of the organization, which requires contributions from many Village employees. I would like to express my gratitude to the entire Village staff for their diligence and perseverance in improving this important financial tool. Particularly, I would like to thank Assistant to the Village Administrator Laura Linehan, Finance Director Julie McManus, Accounting Manager Laura Rudkin, Police Chief Jimmy Lee, Director of Police Services Mark VanStedum, Community Development Director Donovan Day, Public Works Director Kealan Noonan, FoxComm E911 Manager Lindsay Stroberg, Parks & Recreation Manager Linda Jackson, and Northwest Regional Water Reclamation Facility Director Ryan Kelly for their cooperation, responsiveness and ability to get the job done. Finally, I would like to sincerely thank the Village Board for their ongoing stewardship over Village finances and sound planning for the Village's future.

Sincerely,

A handwritten signature in cursive script, appearing to read "Anne Marrin".

Anne Marrin
Village Administrator

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Section 2

Organization & Services

GFOA Budget Award FY2017-18

Village of Fox Lake Map

List of Principal Officers

Organizational Chart

Village Commissions, Committees, and Board

Community Profile

Community Characteristics

Budget Process and Structure

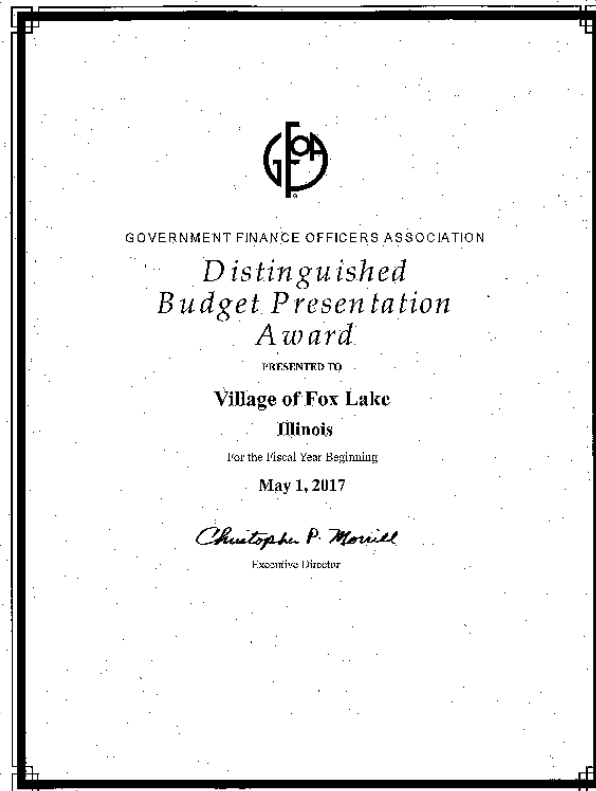
Budget Process

Budget Timetable

Basis for Budgeting and Fund Structure

Account Numbers

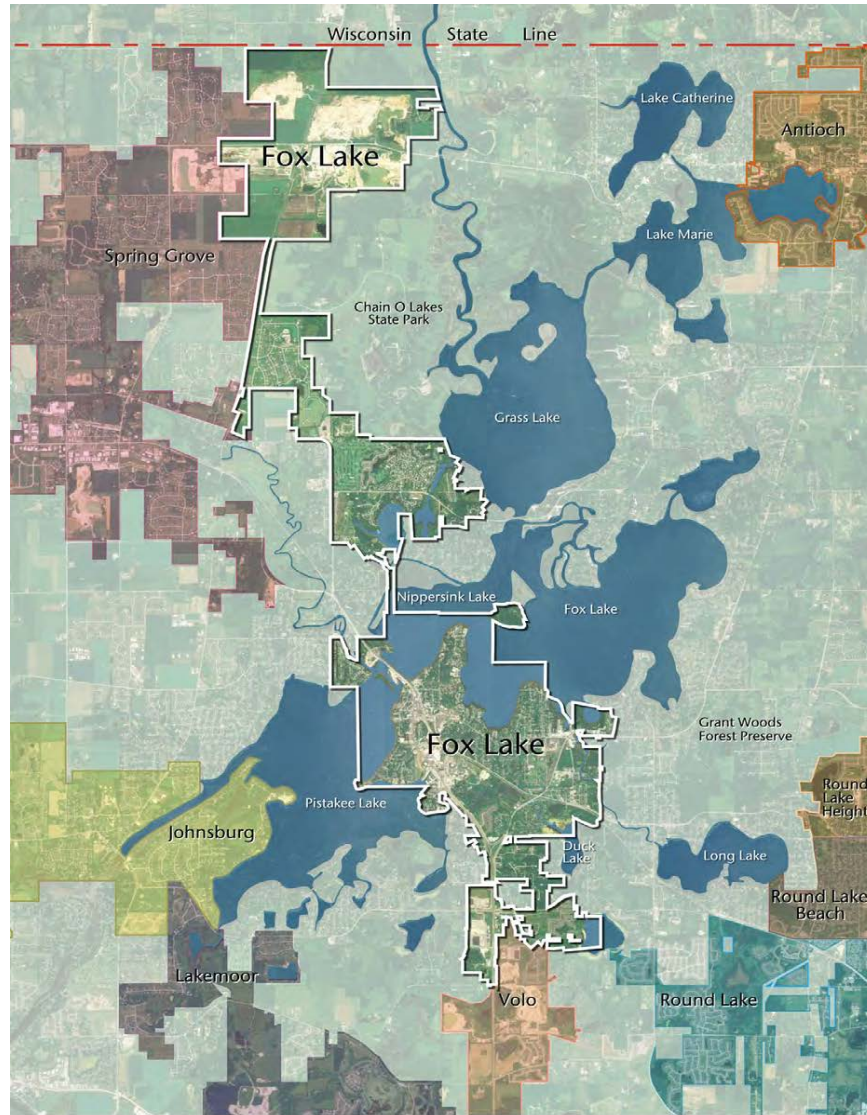




The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Award to the Village of Fox Lake, Illinois for the Annual Budget beginning May 1, 2017. In order to receive this award, a government unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

VILLAGE OF FOX LAKE AREA MAP



VILLAGE ORGANIZATION

Officers and Officials

Mayor

Donny Schmit

Village Board of Trustees

Jeff Jensen

Bernie Konwent

Nancy Koske

Brian Marr

Danice Moore

Ron Stochl

Village Clerk

Debra Dolis

Village Administrator

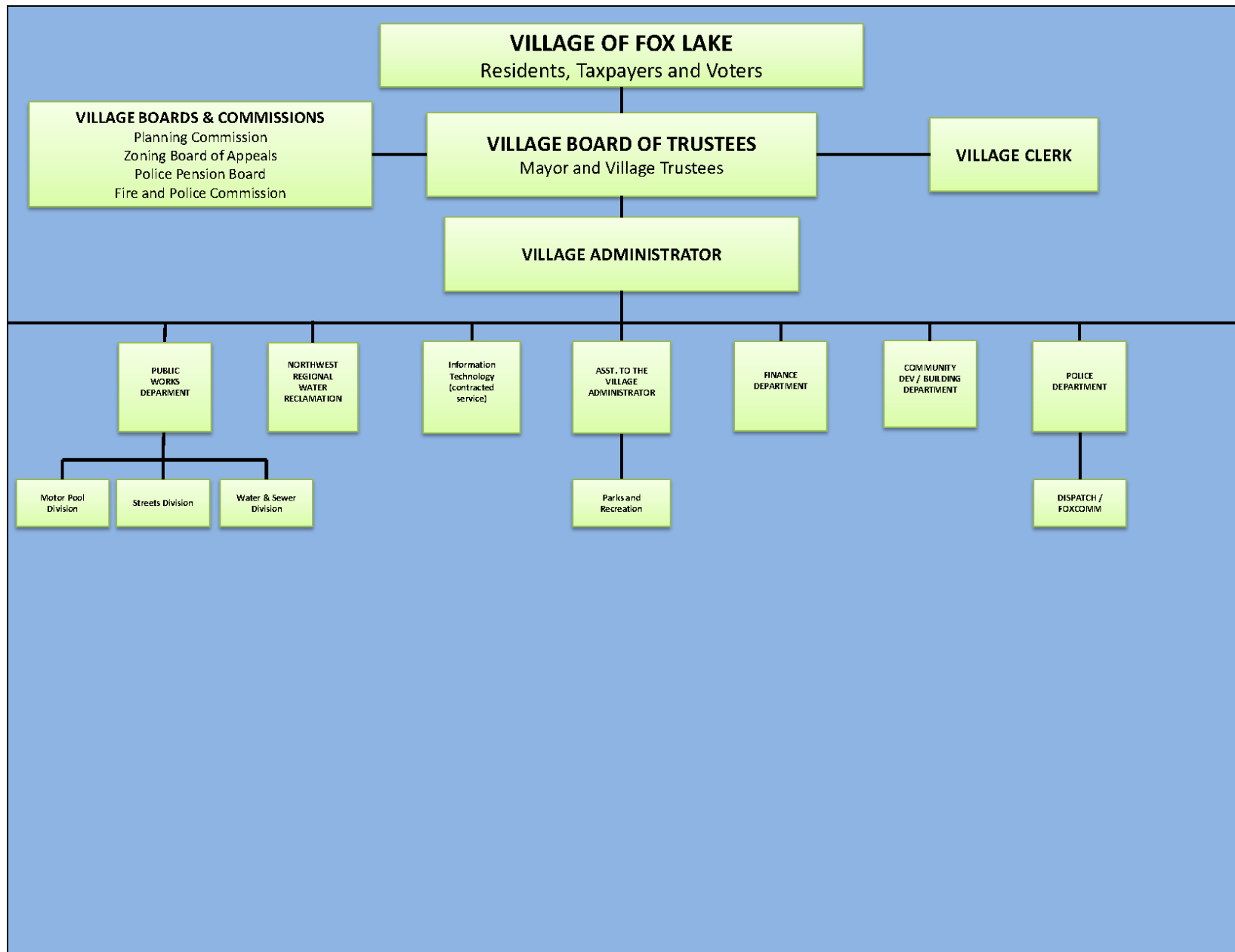
Anne E Marrin

Village Treasurer/Finance Director

Julie A McManus

Village Attorney

Howard Teegan





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 Emergency Telephone System Act, 50 Illinois Compiled Statute 750 and deposited 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 Emergency Telephone System 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 meet as needed.

Planning & Zoning Commission

The Planning and Zoning Commission was established on May 1, 2017. The Village combined the Plan Commission and Zoning Board of Appeals to create one commission in order to allow for greater efficiency in the holding of hearings and provide for a commission with a greater scope of understanding of zoning and subdivision process. The Planning and Zoning Commission will perform the duties and functions provided in Divisions 12 and 13 of the Illinois Municipal Code (65 ILCS 5/11-12-1 et seq.). The Commission will review and make recommendations to the Village Board regarding zoning changes, variations and subdivisions of land. The Planning and Zoning Commission meets on the second Wednesday 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.

Strategic Planning Teams and Committees

The Strategic Planning Teams and Committees were established by ordinance on May 9, 2017. The Village dissolved the Department Committees and the Trustee Liaison roles and created Strategic Planning Teams and Members.

The following Planning Teams were created: Infrastructure, Marketing, Recreation, Technology, Economic Development, and Communication/Public Outreach. The Strategic Planning Teams shall consist of a Chairperson who shall be a department head or staff member appointed by the Village Administrator and two trustees appointed by the Mayor. The purpose of the Strategic Planning Teams shall be to prioritize projects, set goals for specific objectives, evaluate capital projects, recommend funding, and determine performance measurements for projects.

On or before the second regular meeting in May each year, the president shall appoint the two (2) trustees and the Village Administrator shall appoint the staff member to each Strategic Planning Team. The trustee shall serve each committee for a term of one year. The Teams shall meet on a minimum of a monthly basis with dates and times to be determined.

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.

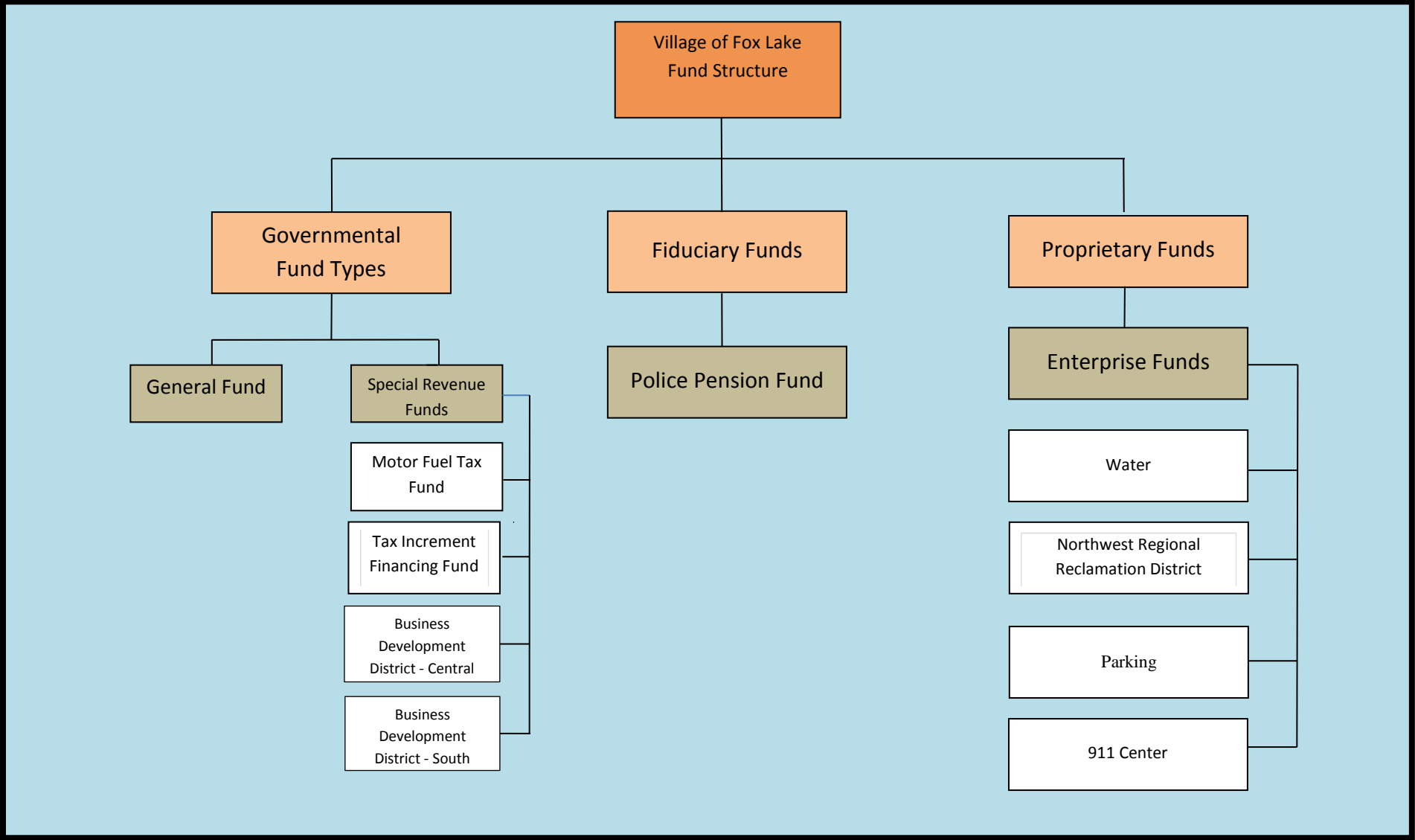
Age Distribution

- 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.

**Village of Fox Lake
Fund Structure
April 30, 2018**



Department Fund Relationship Structure

Fund Type	Fund	Department	Department Summary Page	Operating Expenditures/Expenses, Debt Service & Capital Outlay
General	General	Total		\$14,137,038
		Administration	58-63	\$1,608,367
		Motor Pool	64-66	\$409,731
		Garbage	67	\$945,050
		Public Safety	68-72	\$5,714,415
		Parks & Recreation	73-76	\$502,528
		Insurance	77	\$400,093
		Fire Department	77	\$48,000
		Streets/Public Works	78-81	\$1,198,628
		Community Development	82-84	\$504,822
		Grant Expense	85	\$300
		Debt Service	85	\$688,044
		Capital Expenses	86	\$2,117,000
Special Revenue				\$2,011,000
	Tax Increment Financing District	Administration	89-90	\$275,000
	Motor Fuel Tax	Streets/Public Works	91-92	\$561,000
	Business Development District-South	Business Development/Infrastructure	93	\$905,000
	Business Development District-Central	Business Development/Infrastructure	94	\$270,000
Enterprise Funds		Total		\$15,908,984
	Parking	Building & Development & Public Works	95-96	\$175,653
	Water	Public Works	97-103	\$5,175,909
	NW Regional Reclamation District	Public Works	104-112	\$9,043,589
	911 Center	Dispatch	113-117	\$1,513,833
Fiduciary Fund	Police pension	Non-Departmental	118-119	\$1,014,373
		Total Funds		\$33,071,395

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 to the 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 operating 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 Village Administrator and the Finance Director/Treasurer present 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 Village Administrator and Finance Director. 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, formulate 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

February 6, 2018	FY2018-19 Proposed Budget Worksheets distributed to staff
February 20, 2018	Completed General fund budget worksheets due to Administration
February 21 – 23, 2018	Budget Review Meetings with Village Administrator and Finance
February 26 – March 7, 2018	Finance prepares preliminary budget and provides copies to the Village Board.
March 9, 2018	11:30 a.m. FY2018-19 Budget Workshop
March 12 – 16, 2018	Finance prepares budget narrative, tables, schedules
March 19, 2018	1 st Public Hearing Notice appears in Publications. FY2018-19 Proposed Budget Available to Public.
March 20, 2018	FY2018-19 Proposed Budget document distributed to Board/Staff
March 29, 2018	Second Public Hearing Notice sent to paper for publication.
April 10, 2018	6:00 pm Public Hearing Fiscal Year 2018-19 Proposed Budget 6:30 pm. Regular Village Board Meeting Fiscal Year 2018-19 Proposed Budget (1 st Reading)
April 24, 2018	6:30 p.m. Regular Village Board Meeting Adopt FY2018-19 Budget (2nd Reading)
April 30, 2018	Deadline for adopting Fiscal Year 2018-19 Budget
May 24, 2018	Filing Deadline with Lake and McHenry County Clerk Certified copy of Fiscal Year 2018-19 Budget
May 28, 2018	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)

Proprietary 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:

The first two digits indicate the fund		The second three digits indicate the department		The third four digits indicate category to be charged	
01	GENERAL FUND	000	BALANCE SHEET	4000-4099	SALARIES
12	TIF FUND	100	REVENUES	4100-4199	INSURANCE BENEFITS
15	MOTOR FUEL FUND	105	LOCAL TAXES	4200-4299	PENSION BENEFITS
20	BUSINESS DEVELOPMENT DISTRICT - SOUTH	110	INTERGOVERNMENTAL REVENUES	4300-4399	OTHER BENEFITS
21	BUSINESS DEVELOPMENT DISTRICT - CENTRAL	115	GRANTS REVENUE	5000-5099	MAINTENANCE SERVICES
50	COMMUTER PARKING FUND	120	LICENSES & FEES	5100-5199	PROFESSIONAL SERVICES
51	WATER FUND	125	FRANCHISE FEES	5200-5299	COMMUNICATIONS
52	NW REGIONAL RECLAMATION FACILITY	130	BUILDING REVENUE & FEES	5300-5399	PROFESSIONAL DEVELOPMENT
72	POLICE PENSION FUND	140	PUBLIC SAFETY FINES & FEES	5400-5499	SERVICE CHARGES AND FEES
91	911 FUND	145	PUBLIC SAFETY SPECIAL REVENUE	5500-5599	OTHER CONTRACTUAL SERVICES
		155	REIMBURSABLE INCOME	5600-5649	MAINTENANCE SUPPLIES
		165	GARBAGE REVENUES	5700-5799	GENERAL SUPPLIES
		170	OTHER REVENUES	5800-5899	GRANT EXPENSES
		180	TOTAL FEES	5900-5999	OTHER EXPENDITURES
		195	SERVICE CHARGES	6000-6099	DEBT SERVICE
		200	OTHER FINANCING SOURCES	7000-7099	CAPITAL OUTLAY
		300	EXPENSES	8000-8099	OTHER FINANCING USES
		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		

Section 3

Executive Overview

Budget in Brief

Strategic Planning

Revenue Trends and Projections

Expenditure Trends and Projections

Debt Position

Fund Balance Projections by Fund



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 2016 to 2019.

Revenues by Category

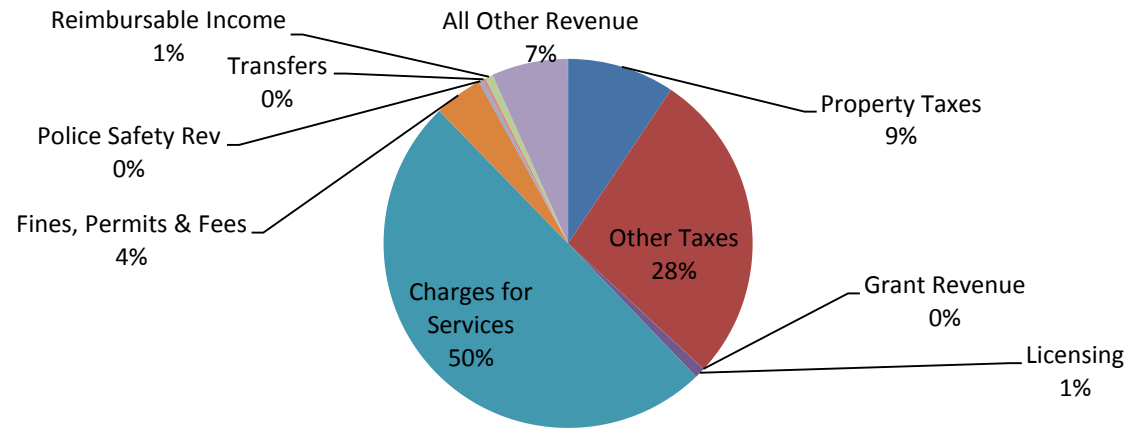
The total revenues budget for fiscal year 2018-2019 is \$25,842,973.

	Actuals	Actuals	Amended Budget	Budget
<u>Account Category</u>	<u>2015-2016</u>	<u>2016-2017</u>	<u>2017-2018</u>	<u>2018-2019</u>
Property Taxes	\$ 3,528,224	\$ 3,567,942	\$ 2,375,287	\$ 2,424,547
Other Local Taxes	1,794,867	1,854,048	1,786,130	1,494,930
Intergovernmental Taxes	4,486,790	4,360,290	4,873,639	5,612,532
Grant Revenue	30,807	23,053	828,600	2,500
Vehicle Stickers	80,209	117,408	145,000	160,000
Licenses	81,357	80,508	80,001	80,000
Franchise Fees	145,779	157,638	145,000	150,000
Building & Zoning Fees	256,531	207,063	205,600	200,000
Public Safety Revenues	540,593	564,464	523,874	533,292
Parks Programs	74,766	72,683	70,380	58,200
Interfund Service Charges	1,022,832	823,911	1,196,310	1,231,481
Reimbursable Income	272,528	269,833	165,542	170,000
Garbage Revenues	934,972	966,437	945,860	947,000
Other Revenues	514,340	426,505	469,901	419,589
Parking Revenues	119,703	110,804	110,125	110,170
Water Revenues	4,154,872	4,231,027	4,365,822	4,420,720
NW Region Revenues	4,985,560	5,845,450	5,043,925	5,042,500
Police Pension	28,657	1,736,306	601,215	1,367,302
911 Revenues	928,638	1,051,805	1,293,482	1,317,366
Proceeds from Debt	1,114,254	1,279,514	733,363	-
Interfund Transfers	-	-	75,964	100,844
Grand Total - All Fund Revenue	\$ 25,096,279	\$27,746,689	\$ 26,035,020	\$ 25,842,973

Summary of Revenues by Source – All Funds

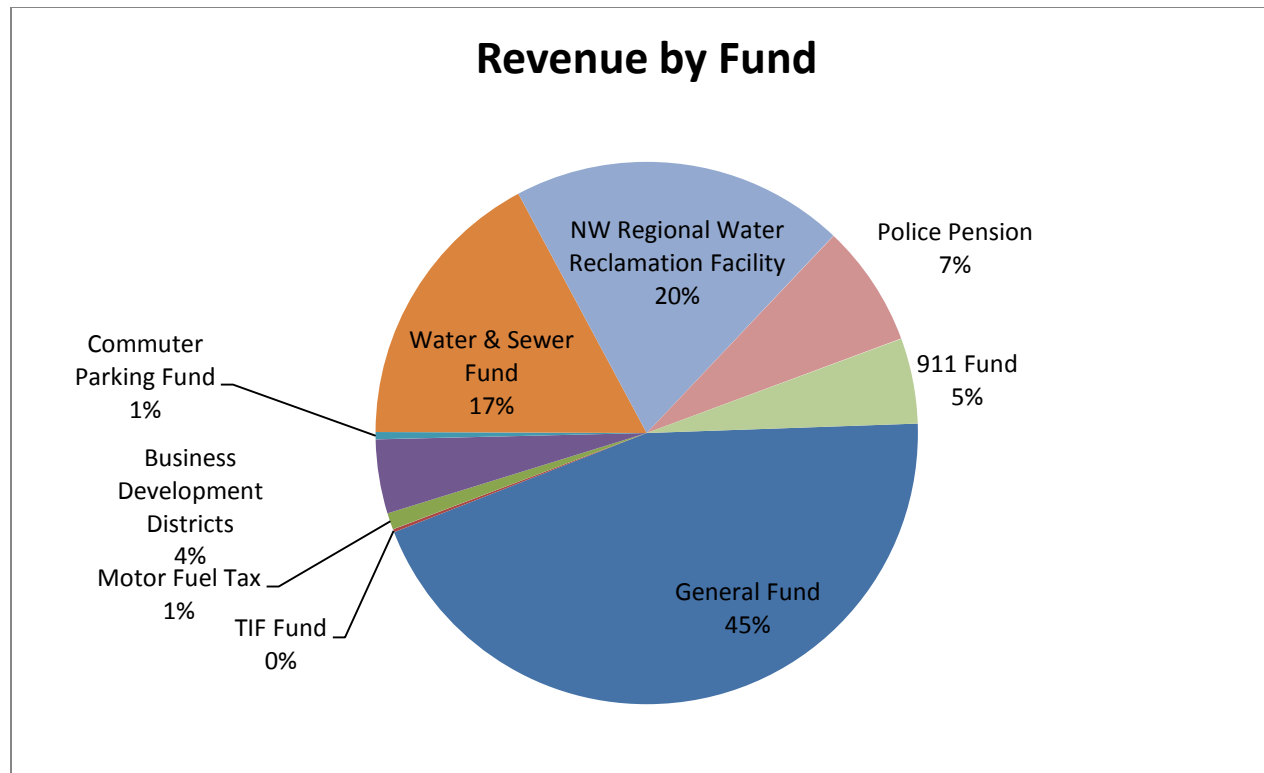
The chart below summarizes total revenues by source including transfers. The other taxes classification incorporates state shared taxes and local taxes, including income, sales, motor fuel, use, telecom, utility, places for eating, rental car, and hotel taxes. Charges for services include service charges,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

<u>Description</u>	<u>General Fund</u>	<u>MFT</u>	<u>TIF</u>	<u>BDD-Central</u>	<u>BDD-South</u>	<u>Commuter Parking Fund</u>	<u>Water/Sewer Fund</u>	<u>NW Region Reclamation Facility</u>	<u>Police Pension Fund</u>	<u>911 Fund</u>	<u>All Funds</u>
Property Taxes	\$1,866,339		44,247						513,961		\$2,424,547
Other Taxes	5,717,462	250,000		340,000	800,000						7,107,462
Grant Revenue	2,500										2,500
Licensing	240,000										240,000
Charges for Services	2,178,481					110,000	4,360,720	4,929,500		1,316,180	12,894,881
Fines, Permits & Fees	1,098,100										1,098,100
Police Safety Rev	70,292										70,292
Transfers								100,844			100,844
Reimbursable Income	170,000										170,000
All Other Revenue	183,189	8,000	1,500			170	60,000	113,000	1,367,302	1,186	1,734,347
Total Revenue	\$11,526,363	\$258,000	\$45,747	\$340,000	\$800,000	\$110,170	\$4,420,720	\$5,143,344	\$1,881,263	\$1,317,366	\$25,842,973



Summary of Revenue by Fund

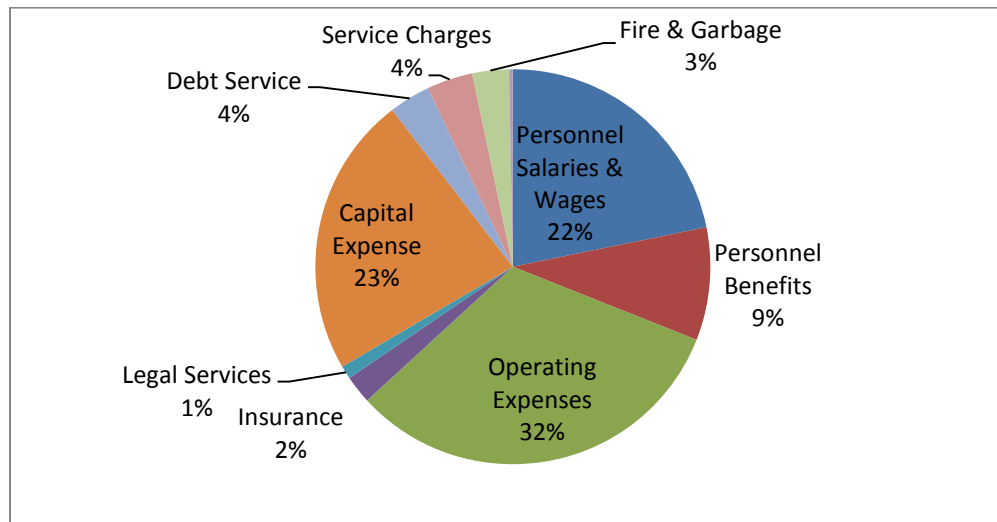
	Actuals 2015-2016	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Increase/ (Decrease)
General Fund	\$12,952,239	\$12,668,900	\$12,554,807	\$11,526,363	\$(1,028,444)
TIF Fund	37,983	38,915	47,517	45,747	(1,770)
Motor Fuel Tax	281,569	281,420	280,410	258,000	(22,410)
Business Development Districts	-	-	425,000	1,140,000	715,000
Commuter Parking Fund	119,703	110,804	110,125	110,170	45
Water & Sewer Fund	5,269,126	5,510,541	5,099,185	4,420,720	(678,465)
NW Regional Water Reclamation Facility	4,985,560	5,845,450	5,119,889	5,143,344	23,455
Police Pension	521,461	2,238,854	1,104,605	1,881,263	776,658
911 Fund	928,638	1,051,805	1,293,482	1,317,366	23,884
Total Funds	\$25,096,279	\$26,746,689	\$26,035,020	\$25,842,973	\$(192,047)



Summary of Expenditures by Category – All Funds

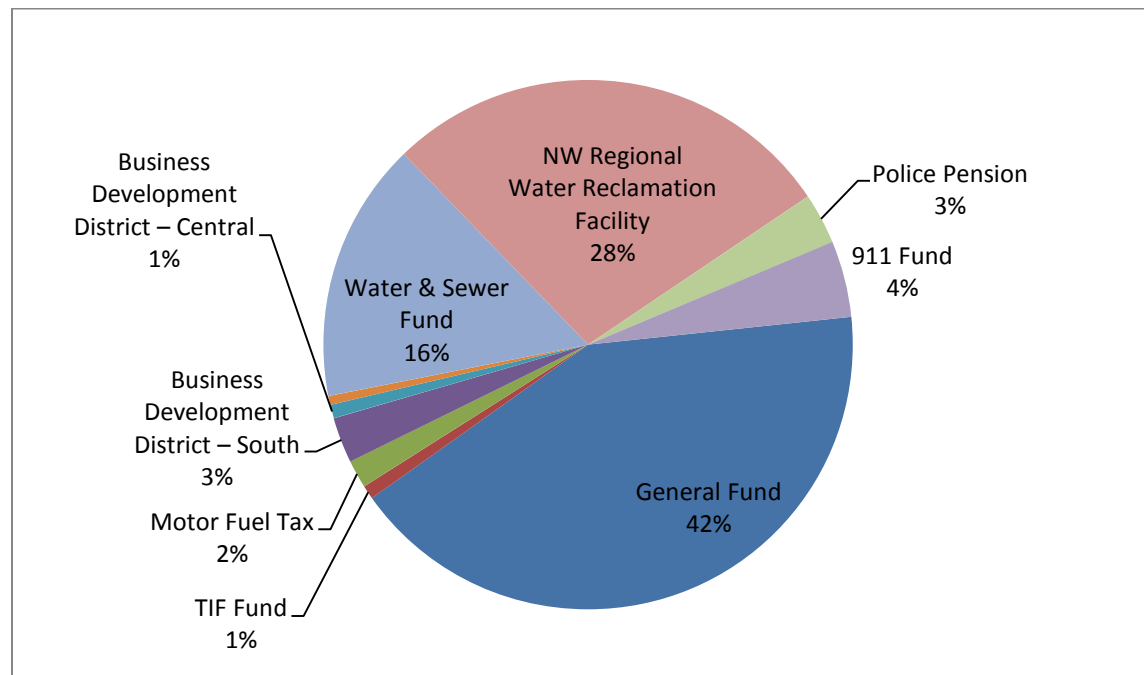
The development of projected expenses relies upon the forecasting of categorical expenditures in the areas of personnel salaries and benefits, operating expenses, insurance and liability expenses, legal expenses, capital equipment and improvement expense, and interfund transfers. As a service provider, a significant portion of the Village's budget (31 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 2016 to 2019 :

	<u>Actuals 2015-2016</u>	<u>Actuals 2016-2017</u>	<u>Amended Budget 2017-2018</u>	<u>Budget 2018-2019</u>	<u>Increase/ (Decrease)</u>
Personnel Salaries & Wages	\$ 6,120,506	\$ 6,047,084	\$ 6,462,746	\$ 7,207,419	\$ 744,673
Personnel Benefits	2,738,540	2,011,611	2,409,937	2,542,310	132,373
Operating Expenses	7,784,183	8,823,183	10,119,088	10,636,028	516,940
Insurance	636,483	569,021	695,746	762,236	66,490
Legal Services	300,933	414,775	507,000	353,500	(153,500)
Capital Expense	3,634,476	5,360,497	7,069,895	7,603,000	533,105
Debt Service	1,218,702	1,138,291	997,616	1,120,478	122,862
Service Charges	1,022,832	823,911	1,205,462	1,241,037	35,575
Fire & Garbage	2,401,845	2,325,513	950,103	994,000	43,897
Transfers	-	-	75,964	100,844	24,880
Grants	-	-	300	300	-
Total Expenses	\$ 25,858,501	\$ 27,513,886	\$ 30,493,857	\$ 32,561,152	\$ 2,067,295



Summary of Expenditures – All Funds

	Actuals 2015-2016	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Increase/ (Decrease)
General Fund	\$ 11,907,810	\$ 12,586,363	\$ 13,465,642	\$ 13,623,077	\$ 157,435
TIF Fund	9,102	2,995	272,808	275,000	2,192
Motor Fuel Tax	137,937	146,788	579,000	561,000	(18,000)
Business Development District – South	-	-	265,000	905,000	640,000
Business Development District – Central	-	-	75,000	270,000	195,000
Commuter Parking Fund	87,762	89,464	127,470	175,653	48,183
Water & Sewer Fund	5,506,694	6,032,167	6,476,978	5,175,909	(1,301,069)
NW Regional Water Reclamation Facility	6,588,097	6,330,607	6,639,903	9,043,589	2,403,686
Police Pension	611,960	879,192	960,244	1,014,373	54,129
911 Fund	1,009,138	1,446,310	1,631,812	1,517,551	(114,261)
Total Funds	\$ 25,858,500	\$ 27,513,886	\$ 30,493,857	\$ 32,561,152	\$ 2,067,295



Summary of Expenditures by Fund and Category

The chart below provides expenditure summary for the Village's seven funds and the Pension Fund and further divides those fund totals into expenditures by category. The total budget for all Village Expenditures in FY2018-19 is \$32,561,152. The total is 6.8 percent higher than the FY2017-18 budget and 7.5 percent high than actual amounts spent in FY2017-18. Forty-two percent (42%) 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	Transfers	Total
General Fund	\$6,389,313	\$ 2,746,627	\$290,000	\$2,117,000	\$587,200		\$992,000	\$400,093	\$100,844	\$13,623,077
Business Development District - Central		155,000		100,000		15,000				\$270,000
Business Development District - South		100,000		800,000		5,000				\$905,000
TIF Fund		25,000		250,000						\$275,000
Motor Fuel Tax		211,000		350,000						\$561,000
Commuter Parking Fund	77,679	41,386				53,734		2,854		\$175,653
Water & Sewer Fund	616,754	1,851,950	10,000	1,465,000	528,693	573,512		130,000		\$5,175,909
NW Regional Water Reclamation Facility	1,538,206	4,277,111	30,500	2,521,000		452,572	2,000	222,200		\$9,043,589
Police Pension		1,001,373	13,000							\$1,014,373
911 Fund	1,127,777	226,881	10,000		4,585	141,219		7,089		\$1,517,551
Total Funds	\$ 9,749,729	\$10,636,328	\$353,500	\$7,603,000	\$1,120,478	\$1,241,037	\$994,000	\$762,236	\$100,844	\$32,561,152

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 lean workforce competitive with other municipalities in the region. The following table depicts total employees by department for FY2017-2018 and FY2018-2019 in Full-Time Equivalents (FTE's):

Department	Actual FY2017-2018 FTE's		Budgeted FY2018-2019 FTE's	
	FT	PT	FT	PT
Administration	5.5		7.4	
Motor Pool	3.7		3	
Public Safety	26.9	1.4	32	1.4
Parks & Recreation	.9	1.1	2.5	1.6
Public Works/Streets	8.3	.2	11	.9
Community Development	4	.2	4.2	
Commuter Parking	.7		1	.4
Water & Sewer	7.9		7.5	
NW Regional Reclamation Facility	15.1	.3	16.4	.7
911 Center	9	2.3	12	1.7
Total	82	5.5	97	6.7
FTE Total	87.5		103.7	

The actual FTE's of 87.4 in FY2017-2018 fell short of the authorized headcount of 96.3 by 9% due to an unusual amount of retirements and normal turnover. The FY2018-2019 authorized FTE's is approximately 7.7% higher than those planned for the previous year. Additional headcount was added to provide increased focus on road improvements, public safety, and community recreational programs. After the addition of this newly authorized headcount, the Village is in a good position to maintain and even increase services in many of its core services. The new positions added include:

- 2 FTE in Administration for Clerical and Senior Administration Support
- 2 FTE in Parks and Recreation for a Recreation Manager and a Special Events Coordinator
- 3 FTE in Public safety for 2 sworn officers and a records clerk position

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 factors that impact, or may impact, the collection of revenue. Evaluating the impact of the national economy (macro) and the local economy (micro) influences is an 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 selling price of goods and services goes up in response to increased costs to local businesses, increasing retail sales tax revenue. 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 lower 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 rates 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 of the property tax levy: the Police Pension, Ambulance, Audit Tax, Corporate, 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 FY2018-2019 amount reflects the Public Act 096-1495 Tax Levy Requirement determined as the annual contribution necessary to fund the normal cost, plus the amount to amortize the excess (if any) of ninety percent (90%) of the accrued liability over the actuarial value of assets as a level percentage of payroll over a thirty (30) year period which commenced in 2011, plus an adjustment for interest. The 100% amortization amount is equal to the amount to amortize the unfunded accrued liability as a level percentage of payroll over a forty (40) year period which commenced in 1993. The estimated actuary valuation results for 5/1/18 utilizing an interest rate of 7% of return on investment was \$636,671. The Village based its police pension budget upon the actuarial recommended contribution. As the Village is a non-home rule community, tax levies for Pension funds are limited by law commonly called “tax caps,” or 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 taxes 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 since their taxes are capped especially when 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 statute and is based on a sliding scale that net approximately \$0.05 per kilowatt hour. Revenue is budgeted to be \$410,000 for FY2018-2019. 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 \$92,000 for FY2018-2019. 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 FY2016, the utility taxes 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 with the FY2018-2019 budget.

Telecommunications Tax

The tax is levied 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 consumers' 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. The Village set the current year revenue at \$150,000, which is 5 % lower than the expected actual in FY2017-2018. The Village imposes a 11.75% 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 increase by the Lake County CPI factor of 2.1%.

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 from prior year budgeted amounts.

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 was 1.5% in FY2017/2018 but was lowered to 0.5% as of April 1, 2018 as a result of the adoption of new Business Development District taxes. The tax is payable directly to

the Village and only applies to those businesses that prepare food and provide a place for customers to dine in. The 2015-2016 Budget was the first year of this new tax. The FY2018/2019 budget amount was reduced by \$253,000 or 64% as a result of the change of rate.

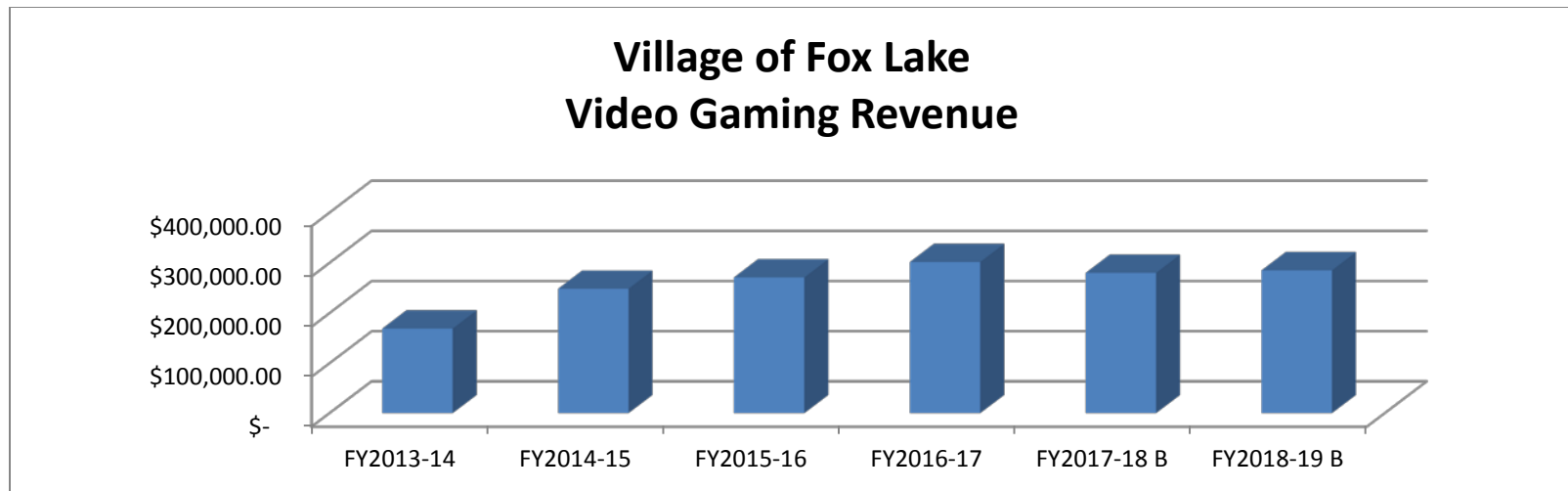
Business Development District Taxes

Two new Business Development districts were formed by the Village, one for the Central Business District and one for the South Business District. A new 1% tax was added as of January 1, 2018 to sales taxes collected by businesses in each of the designated areas. Taxes will be utilized for projects and incentives in the business districts to attract and retain viable businesses selling necessary services and products to Village residents, creating new jobs, and improving the attractiveness of the area as allowed by law. The new revenue generated in the FY2018-19 budget is expected to be \$800,000 and \$340,000 for the South and Central districts, respectively.

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. Since the passage the Village's gaming ordinance, there are now 26 establishments that are licensed under the Act. We are projecting \$285,000 in income for FY2018-19. 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

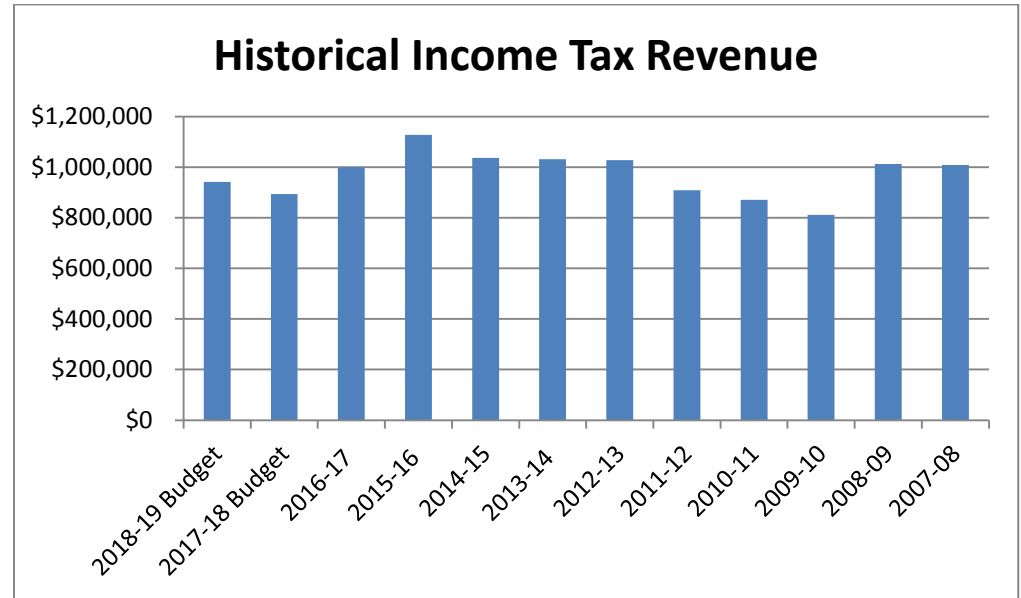
Illinois Income Tax is imposed on every individual, corporation, trust and estate earning or receiving income in the state. The tax is a flat 4.95% of income for individuals and 7% for corporations effective July 2017. Approximately 6% of income taxes collected by the State were allocated on a per capita basis to municipalities. However, the Illinois Legislature passed Public Act 100-23 which allowed the State to reduce income taxes passed through to municipalities to be reduced by 10% for FY2018 (i.e., July 2017 - June 2018). This resulted in a loss of over \$100,000 to the Village spread across two Village fiscal years.

The 2010 Census Population and Housing Occupancy Status information reflects the Village at a population rate of 10,579. Based upon data provided by the Illinois Municipal League (IML), the tax is projected for FY2018/2019 at \$89.00 per capita or \$941,500 assuming the continuation of the 10% reduction by the State, which is expected.

Unemployment in the state of Illinois is beginning to recover to pre-recessionary levels. The state unemployment rate is 3.6 percent (April 2018) compared to 4.5 percent one year ago. Sectors still adding jobs include construction, government and manufacturing.

Historical Income Tax is reflected below:

Fiscal Year	Revenues	Per Capita	% inc/(dec)
2018-19 Budget	\$ 941,500	\$ 89.00	5.4%
2017-18 Budget	\$ 893,062	\$ 84.42	(10.7%)
2016-17	\$ 999,978	\$ 94.53	(11.3%)
2015-16	\$ 1,127,431	\$ 107.00	8.8%
2014-15	\$ 1,036,050	\$ 98.32	.5%
2013-14	\$ 1,030,884	\$ 97.83	.3%
2012-13	\$ 1,027,830	\$ 97.54	13.1%
2011-12	\$ 909,022	\$ 84.96	4.4%
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 was estimated at estimate of \$26.30 per capita; however, the budget was based upon \$25.52 to remain conservative similar to the prior year. History of local use taxes is presented below:

Fiscal Year	Revenues	Per Capita	% inc/(dec)
2018-19 Budget	\$ 270,000	\$25.52	3.7%
2017-18 Budget	\$ 260,264	\$24.60	5.1%
2016-17	\$ 247,620	\$23.50	0.8%
2015-16	\$ 245,469	\$23.30	12.5%
2014-15	\$ 218,194	\$20.71	17.6%
2013-14	\$ 185,604	\$17.61	11.0%
2012-13	\$ 167,196	\$15.87	10.3%
2011-12	\$ 151,609	\$14.17	(0.8%)
2010-11	\$ 152,832	\$14.28	20.1%
2009-10	\$ 127,233	\$11.89	(16.4%)
2008-09	\$ 152,245	\$14.23	0.8%

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. The current year budget is \$270,000, 3.7% higher than the prior year budget.

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 and is distributed on a per capita basis to municipalities. It is paid by distributors and suppliers of motor fuel who collect the tax from their customers. The FY2018-19 budgeted MFT proceeds of \$250,000 as a conservative estimate, which is lower than the amounts estimated by the Illinois Municipal League at \$25.75 per capita.

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

Sales Tax

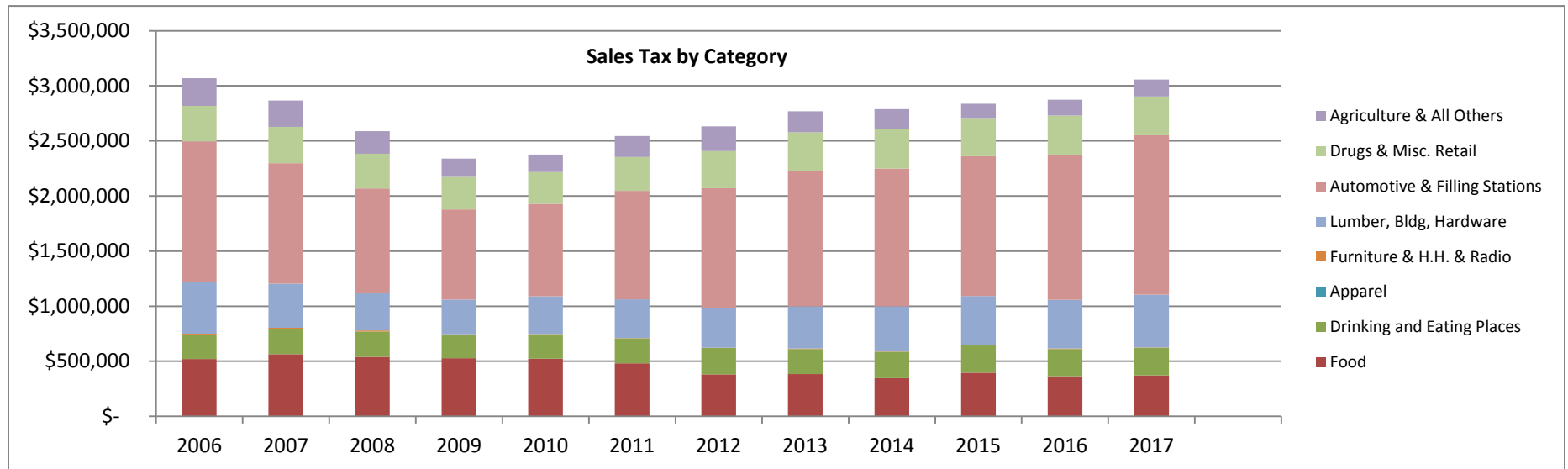
The Village receives one cent (\$0.01) for each dollar of retail sales. The Village's Sales taxes are collected by the State of Illinois and divided among the taxing districts as follows: State Tax: 6.25%, Regional Transportation Authority.75%, and Village Municipal Tax 1% (included in the State Rate) for a total Sales Tax Rate of 7.0%. Additionally, the Village currently added a tax of 1% on sales in their two business districts, as previously discussed.

Within the Village, the largest sales tax generators are auto sales, whose sales are heavily influenced by economic conditions. Additional areas of strong sales tax generation are groceries, constructions/home improvement materials, and pharmaceuticals.

The following chart summarizes sales tax collections over the last ten years. Despite the COGFA projection of a 2% increase in sales taxes, the Village conservatively estimated that Sales Tax revenue would remain level with the previous year at \$3,226,032.

Lake County Sales Tax Collections by Calendar Year

Sales Tax	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Food	\$540,466	\$527,192	\$522,189	\$481,014	\$381,078	\$383,077	\$347,674	\$397,093	\$363,159	\$371,699
Drinking & Eating Places	229,205	215,499	223,768	228,608	239,470	228,940	239,173	249,525	248,735	252,475
Furniture & H.H. & Radio	9,516	3,375	2,474	2,308	3,554	2,940	1,473	3,258	2,695	1,947
Lumber, Bldg, Hardware	336,271	313,370	341,702	349,903	362,996	384,466	411,442	440,941	443,582	478,760
Automotive & Filling Stations	952,671	819,569	838,954	985,218	1,084,031	1,229,127	1,250,317	1,271,559	1,311,629	1,446,017
Drugs & Misc. Retail	314,369	302,174	288,182	306,314	335,845	349,119	359,823	346,635	361,138	353,178
Agriculture & All Others	205,603	157,073	159,155	192,115	225,447	192,005	178,934	150,541	142,631	152,798
Manufacturers	36,180	28,910	27,180	24,721	28,381	31,006	37,414	53,674	41,192	37,204
Total	\$2,626,290	\$2,369,172	\$2,405,614	\$2,572,212	\$2,662,815	\$2,800,680	\$2,826,252	\$2,913,227	\$2,914,762	\$3,094,078



Franchise Fees

The Village receives Cable Franchise Fees from Comcast, which are set at 5% of the semi-annual gross revenues. The Cable franchise fees are projected to increase slightly from year to year; therefore, the revenues were projected to show a 3% increase over prior year totaling \$150,000.

Vehicle Stickers & Licenses

The vehicle sticker fee program was changed beginning with May and June of 2018 to be set at \$25 per residence instead of the prior fee of \$20 per vehicle. A revenue loss of \$6,000 is expected to take place from this change, as homes and businesses with multiple cars only pay the fee once. Other license fees are expected to remain consistent with the prior year.

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 \$160,000 which consistent with 2017-18 revenues. The Village has experienced a slight increase in economic development activity which is expected to continue into FY2018-19. Impact fees are fees collected from developers to pay for the purchase of land to be used for parks. The Village expects a slight decline in these revenues and the estimate has decreased \$4,000 from prior year at \$40,000.

Park Fees

The Parks & Recreation department sponsors classes, events and programs such as the Egg Hunt, Polar Plunge, Concert by the Lake, Fish Fest, Holiday Parade/Tree Lighting, Santa's House, Turkey Dinner, Fall Festival, Senior Events, Plays, Sports Programs, Movie by Lake, and Triathlon. Fees for these programs are projected to bring in \$55,000.

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 was extended to October 31, 2024. The contract includes a rate freeze through December 31, 2018 and an annual 2.5% increase in user fees for collection and disposal services thereafter. Fees are expected to remain consistent with the prior year at \$930,000, but may be adjusted later if the Village Board considers a rate increase in January to offset the additional costs of the service provided.

Fees

The Village receives several fees: Cell Tower rental income of \$98,987, rent for the 911 center's use of the Police Department facilities of \$15,000, and an externality fee of \$226,900. The externality fee is received from the NW Region to be used for beautification and improvements, and is based upon 4.5% of NW Region Water Reclamation revenues. All offsetting reductions to the externality fee for payments to Round Lake Beach and the credit to the NW Region based upon an agreement with Lake County will be recorded as an expense in the Administration Department.

Public Safety Fines and Fees

Public Safety Fines and Fees are anticipated to be higher than the prior year by \$10,000. This is after the anticipated loss of \$16,000 related to vehicle sticker enforcement that will be eliminated under the new vehicle sticker program. Refined collection efforts will be continued into FY2018-19 with an emphasis on collecting fines related to red-light tickets and various ordinance fines.

Police Special Revenue

Police Special Revenue includes revenue from: 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 receipt of Charitable Games Taxes related to a tax which is imposed on the net proceeds of charitable games.

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 services; Motor Pool reimbursable, which includes labor and expenses the Motor Pool department performs for outside agencies and enterprise funds; and, Fire Department reimbursable costs, 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, the Village allocates these types of costs utilizing the indirect cost method. 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 will allocate indirect costs based upon the activity based costing model utilizing revenues, number of employees, number of transactions, equalized assessed values, and number of departments as allocation bases. In general terms, an indirect cost rate is the percentage of an organization's indirect costs to its direct costs and is a standardized method of charging individual programs for their share of indirect costs.

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. Without the benefit of an indirect cost rate, there would be no standard way for each program to contribute its share of the general management costs without spending a lot of staff time having to "time account" to each activity. By using an indirect cost rate, the Village has a standardized, efficient way to recover a share of general management costs from individual programs.

Certain costs are excluded from the calculation of the indirect costs because they require relatively minimal administrative support compared to the amount of dollars spent. These costs will distort the indirect cost process and are excluded from the calculation of the indirect cost rate. The following costs have been excluded from the calculation: refunds and incentives, electricity charges included in the street department, capital outlay which includes expenditures for items such as the acquisition of land, improvements to sites, construction or purchase of new buildings, major expansions, and capitalized equipment and other financing uses such as transfers out, debt service, and transfers between 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 \$217,372 for non-Pension funds. The Village funds are currently invested in money market accounts with expected yields over 1%, which is an increase over the prior year of over 25%. However, the investment funds in non-pension accounts were budgeted relatively even to the expected revenue received in FY2017-18 since there is some anticipated use of reserves from capital expenditures this year that would offset gains continuing to be made in increased interest rates over the same period.

Police Pension Revenues

The Village maintains a police pension trust fund mandated by Illinois Compiled Statutes for sworn police officers. All other full-time Village employees are covered by the Illinois Municipal Retirement Fund (IMRF). As it relates to Police Pension investment revenues, the Village projected the investment proceeds to be consistent with the assumed actuarial investment return of 7%, as actual investment results from the previous year exceeded this level. This is broken down into \$300,000 in interest/dividend revenue and \$750,000 in investment gains. The Pension fund is the only Village fund that purchases equity investments utilizing an outside investment consultant.

Other revenues estimates for the Police Pension Funds are calculated by an independent actuary in the form of an annual required contribution (ARC). The Village funds this ARC with a combination of tax revenue and general fund contributions, which are budgeted at \$531,063 and \$106,000, respectively, for a combined total of \$637,063 in FY2018-19.

Sale of Village Property

The Village annually sells unused equipment, including police vehicles and public works equipment. The budget for these activities is \$7,000, which is consistent with normal activities in prior years.

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 of \$1.50 or monthly fee of \$30 is comparable to nearby communities.

Water & Sewer Fees

Total fees budgeted for the sale of water and sewer for FY2018-19 is \$ \$4,231,720. Rates increased over the prior year by CPI plus 2.5%, or a total of 4.6%, in accordance with a Board action to cover the increasing costs of operations and capital expenditures planned for system infrastructure, which resulted in additional projected revenue of \$186,098 over the prior year. The water fund accounts for the provision of the potable water services to the residents of the Village as well as sewer collection and treatment. 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. In general, the table below summarizes bi-monthly rates charged for Village water and sewer services:

	Water	Sewer Treatment and Collection	Sewer Collection Only
Base Rate	\$47.02	\$47.02	\$47.02
Consumption Charges	\$3.49/1000 gals	\$3.49/1000 gals	\$0.97/ 1000 gals

NW Regional Water Reclamation Fees

The regional sewer treatment user service charges is determined by the amount of revenue required to operate and maintain the NWRWRF; provide funds for the replacement of component parts; provide funds for contingencies that may arise regarding operation of the NWRWRF; provide for payment of any debt service; and 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 three components of the bi-monthly fee: the basic user charge, consumption charges for usage in excess of \$15,000 gallons per billing period, and inflow & infiltration surcharges detailed below:

	Sewer Treatment Only
Base Rate	\$33.50
Consumption Charges	\$2.23/1000 gals
I&I Surcharges	\$3.00

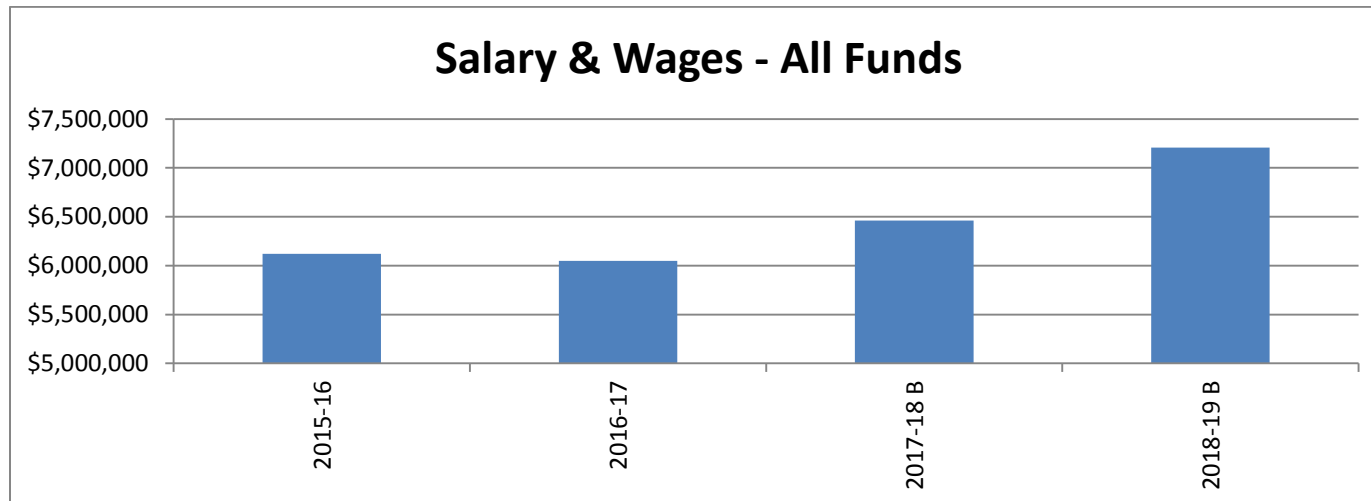
Expenditure Trends and Projections

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 in FY2018-19, 22 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 and a dependable workforce. The Village has budgeted salary increases based upon merit and union contracts effective May 1. The Village has three unionized labor groups subject to collective bargaining agreements:

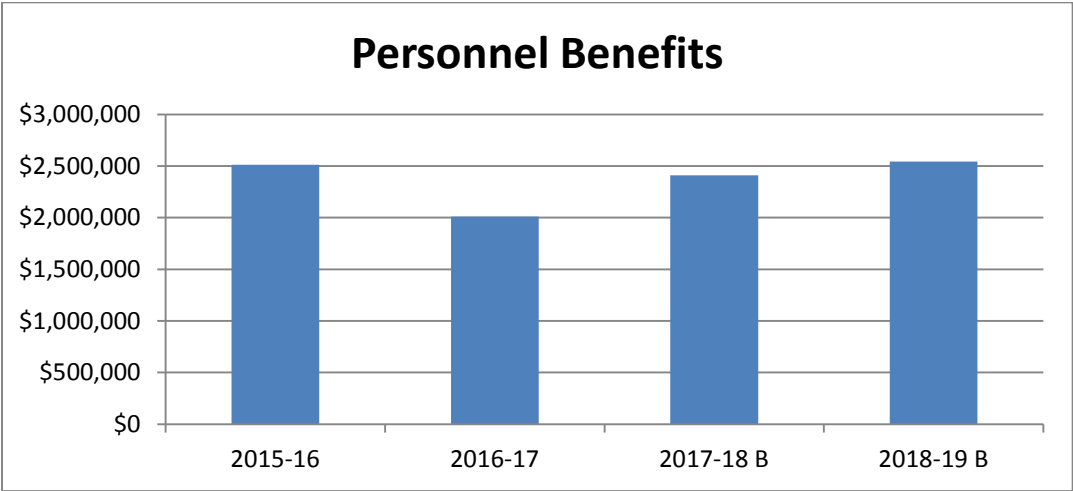
Bargaining Unit:	Representing:	End of Term for Current Agreement
Illinois Fraternal Order of Police Labor Council, Fox Lake Fraternal Order of Police Lodge No. 90	Police Officers and Sergeants	April 30, 2020
AFSCME Council 31	Local Water & Sewer , NWRWRF	April 30, 2021
Fraternal Order of Police Labor Council for Tele-Communicators	Tele-Communicators (911)	April 30, 2021

Current year expenditures for salaries increased significantly in the current year budget, particularly marking an increase in coverage in the public safety, 911 and streets/parking areas of \$228,000, \$218,000 and \$164,000, respectively.



Personnel Benefits

Personnel benefits include Village contributions to employee health insurance, IMRF, and payroll taxes. The Village has been proactive in trying to contain medical costs. The Village’s Medical plans between CY 2014 and CY2018 have experienced between 3% and 6% increases. All employees who chose to elect medical benefits contribute 20 percent of the medical benefits and receive various reimbursement amounts of their deductibles based upon their chosen plans. In order to provide cost savings and more bargaining power, the Village joined the Northshore Employee Benefit Cooperative in January 2017.



Capital Equipment and Projects

Capital equipment and project expenses are those that typically exceed \$20,000. Each year, all proposed capital assets are assessed in terms of reliability, performance and forecast maintenance experience. Particularly, the water and sewer plan have conducted master planning activities to ensure that future growth and regulatory needs are addressed as well. The Village of Fox Lake prepared its first five year Capital Improvement Plan in FY2015-16, which is being utilized as a guideline to schedule capital expenditures to maintain assets in any given budget year. This maintenance is either done by rehabilitating assets to extend their service life or placing new assets into service.

The Village has included a total of \$7,588,000 in the FY2018-19 budget for improvements this fiscal year. The capital improvements related to the general fund are Sayton Road improvements, land acquisition, lighting projects on Grand Avenue and Village parks, various equipment replacement, and engineering to have shovel-ready projects for future grants. The water department capital improvements are mostly centered on the start of the interconnect project that will connect water and sewer facilities in the North to the South system, and the replacement of the water main on Sayton road. Additionally, the Northwest Regional sewer facility plans to install a new aeration trunk line during the fiscal year.

Other Operating Expenditures

In general, when prices cannot be accurately determined or specific quantities identified, an incremental analysis is performed for each cost category comparing the estimated actual expense for FY2017-18 with expenditure trend information. A reasonable estimation of expenditure is developed for FY2018-19 and included within the line item budget. Details of these cost categories with explanations are provided within subsequent sections of this book.

Debt Service Expenditures

The Village currently has six bond issues outstanding as of May 1, 2018. The Village has four General Obligation Bonds (Series 2003A, 2007, 2011B, 2014B) and two Waterworks & Sewerage System Revenue Bonds, IEPA Junior Lien Series. Bond descriptions and amortization schedules are listed within the Debt Profile of this section.

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 FY2018-19, there are no anticipated advances to any Enterprise Funds.

Debt Position

From time-to-time, the Village may use 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 the general Fund and the Water Fund. Total debt outstanding as of April 30, 2018 will be \$9,012,632 in principal and \$1,612,441 in interest for a total of \$10,625,073.

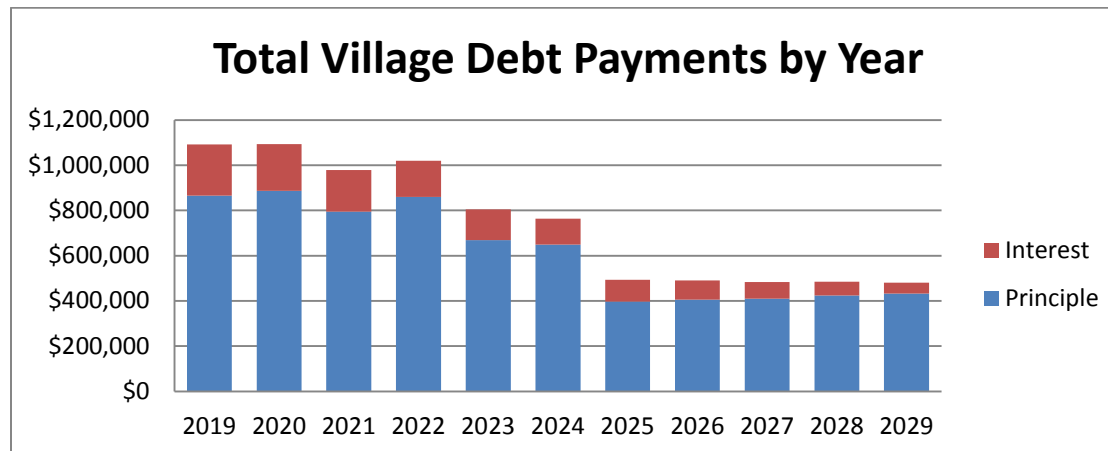
Debt Service Schedules

Fiscal Year Ending	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%			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			Waterworks & Sewerage System Revenue Illinois Water Revolving Fund loan Final Closing Date: March 30, 2018 Date of Maturity: December 27, 2037 Amount of Contract: \$1,543,275.00 Interest Rate: 1.64% Interest Payable: 06/27 and 12/27 Principal Payable: Annually on 6/27 & 12/27 Payable to: Illinois Environmental Protection Agency Funding Source: Water & Sewer		
	Principal	Interest	Total P&I	Principal	Interest	Total P&I	Principal	Interest	Total P&I
April 30th									
2019	310,000	85,250	395,250	110,652	45,185	155,837	57,815	21,961	79,776
2020	310,000	79,050	389,050	112,870	42,967	155,837	67,225	24,087	91,312
2021	320,000	72,750	392,750	115,133	40,704	155,837	68,332	22,980	91,312
2022	370,000	64,000	434,000	117,442	38,395	155,837	69,457	21,855	91,312
2023	160,000	56,050	216,050	119,796	36,041	155,837	70,601	20,711	91,312
2024	155,000	51,325	206,325	122,198	33,639	155,837	71,764	19,548	91,312
2025	200,000	46,000	246,000	124,648	31,189	155,837	72,945	18,367	91,312
2026	205,000	38,900	243,900	127,147	28,690	155,837	74,146	17,166	91,312
2027	205,000	30,700	235,700	129,697	26,140	155,837	75,368	15,944	91,312
2028	215,000	22,300	237,300	132,297	23,540	155,837	76,609	14,703	91,312
2029	220,000	13,600	233,600	134,949	20,888	155,837	77,870	13,442	91,312
Remaining	510,000	95,750	605,750	945,602	67,338	1,012,940	761,143	60,665	821,808
TOTAL	\$3,180,000	\$655,675	\$3,835,675	\$2,292,431	\$434,716	\$2,727,147	\$1,543,275	\$271,429	\$1,814,704

Debt Service Schedules (Continued)

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			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			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			Funding Source: General Fund - Parks			Funding Source: General Fund 46.65%, Water 36.85%, Parks 15.07%, 911 1.43%		
April 30th	Principal	Interest	Total P&I	Principal	Interest	Total P&I	Principal	Interest	Total P&I
2019	110,512	10,022	120,534	16,000	3,784	19,784	260,000	60,600	320,600
2020	115,414	5,120	120,534	16,000	3,080	19,080	265,000	52,150	317,150
2021				17,000	2,376	19,376	275,000	44,200	319,200
2022				18,000	1,628	19,628	285,000	34,575	319,575
2023				19,000	836	19,836	300,000	21,750	321,750
2024							300,000	10,500	310,500
TOTAL	\$225,926	\$15,142	\$241,068	\$86,000	\$11,704	\$97,704	\$1,685,000	\$223,775	\$1,908,775

Below is a chart depicting the future principal and interest payment of all Village debt:



The current debt limitation for the Village is \$23,365,019 which is significantly higher than the Village's outstanding general obligation debt as detailed below:

Bond Series	Principle Outstanding
2014 B GO Debt Certificates	\$3,180,000
2003A GO Debt Certificates	\$225,926
2007 GO Debt Certificates	\$86,000
2011B GO Debt Certificates	<u>\$1,685,000</u>
Total Subject Debt	\$5,176,926
Current Limit	<u>\$23,365,019</u>
Surplus Debt Capacity	<u>\$18,188,093</u>

General Fund Balances and Projections

The General Fund is used to account for the resources and activities associated with the core services and day-to-day operations of the Village. The General Fund receives the majority of Village revenues and utilizes these resources to fund expenditures traditionally associated with government, including general administration, police, street maintenance, snow and ice removal, parks and recreations, building and zoning enforcement and planning and economic development. The main sources of revenue for the General Fund are General Sales Tax, Property Taxes, Utility Taxes, State Shared Income Tax and other taxes. These sources make up 67.25% of the FY2018-19 General Fund revenue budget.

Fund Balance Policy

The Village of Fox Lake Board of Trustees adopted a policy that requires the General Fund year-end unrestricted fund balance be maintained in an amount at least 33%, but not more than 50%, of the annual General Fund Operating Budget, including the annual debt service. The 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.

The budget process takes a look at the next three years with a goal of sustaining this policy. The General Fund Balance at the end of FY2017-18 is projected to be \$7,819,212. The FY2018-19 Unassigned Fund Balance is 33% of total General Fund operating expenditures. During the FY2018-19 budget, the Village maintained infrastructure standards by assigning \$2,117,000 for Capital Improvement Programs (CIP), primarily utilizing a capital reserve set aside in FY2016-2017 to remain compliant with the fund balance policy. Below is a chart showing the Village's compliance with the Fund reserve policy, including a model of projected results for the next budget year:

	Actual FY2016-17	Budget FY2017-18	Budget FY2018-19	Projected FY2019-20
Beginning Fund Balance	\$8,647,493	\$8,730,046	\$7,819,212	\$5,722,498
General Fund Revenues	\$12,347,539	\$12,262,098	\$12,040,324	\$12,401,534
Less: General Fund Expenditures	\$10,901,417	\$11,408,032	\$12,020,038	\$12,145,288
Less: Capital Expenditures Net of Grants/Financing	\$1,363,569	\$1,764,900	\$2,117,000	\$703,231
Annual Operating Surplus/(Deficit)	\$82,553	-\$910,834	-\$2,096,714	-\$446,986
Total Ending General Fund Balance	\$8,730,046	\$7,819,212	\$5,722,498	\$5,275,512
Less: Assigned/Restricted/Non-Spendable				
Capital Improvement Assigned Reserve	\$2,120,231	\$2,120,231	\$353,231	\$0
Other Non-Spendable/Restricted	\$1,888,187	\$1,697,948	\$1,460,966	\$1,227,768
	\$4,008,418	\$3,818,179	\$1,814,197	\$1,227,768
Total Ending Unrestricted/Unassigned Fund Balance	<u>\$5,361,961</u>	<u>\$4,001,033</u>	<u>\$3,908,301</u>	<u>\$4,047,744</u>
Unrestrict Fund Balance % of General Fund Expenditures	49%	35%	33%	33%

The projected fund balance for FY2019-20 assumes an increase in revenues of 3% and a very modest level of increase to operating expenditures of 1%, along with capital spending levels consistent only with available reserves. With these relatively restrictive assumptions, the Village will remain compliant with its Fund balance policy with a 33% reserve. The Village plans to look at these reserves at their mid-year budget review to discuss the spending requirements needed to sustain services and its capital plan, and develop strategies going forward to meet these goals.

Fund Balance/Net Position Projections by Fund

The fund balance is the fund equity of governmental funds, while the net position is the equivalent for fund equity in enterprise funds like water, regional water reclamation, and 911. Changes in these balances are the result of the difference of revenues and expenditures, increasing when revenues exceed expenditures and decreasing when expenditures exceed revenues.

In FY2018-19, the Village of Fox Lake changed from using cash balances to using Unrestricted Net Positions as a proxy for fund equity in the enterprise funds. The following table depicts the proposed revenues and expenditures by fund for the FY2018-19 Budget, with surplus (deficit) shown for each fund:

Fund	Estimated Balance 4/30/18	FY2018-19 Revenue	FY2018-19 Non-Capital Expenditures	FY2018-19 Capital Net Expenditures	Excess of Revenue over Expenditures	Fund Balance / Unrestricted Net Balance 4/30/18	Reserve/ Assigned/ Restricted Funds
General Fund	\$ 7,819,212	\$ 12,040,324	\$ 12,020,038	\$ 2,117,000	(\$ 2,096,714)	\$ 5,722,498	\$ 5,722,498
Special Revenue Funds							
TIF Fund	360,695	45,747	25,000	250,000	(229,253)	131,442	131,442
MFT Fund	997,701	258,000	211,000	350,000	(303,000)	694,701	694,701
BDD - South	190,000	800,000	105,000	800,000	(\$105,000)	85,000	85,000
BDD- Central	110,000	340,000	170,000	100,000	70,000	180,000	180,000
Enterprise Funds							
Commuter Parking Fund	(13,951)	110,170	170,617		(60,447)	(74,398)	
Water & Sewer Fund	3,635,986	4,420,720	2,773,152	1,440,000	207,568	3,843,554	
NW Regional Reclamation Facility	12,121,728	5,143,344	4,466,943	1,406,000	(729,599)	11,392,129	
911 Fund	(664,368)	1,317,366	1,438,445		(121,079)	(\$785,447)	
Fiduciary Fund							
Police Pension	15,495,428	1,881,263	1,014,373		866,890	16,362,318	16,362,318
Total Funds	\$ 40,052,431	\$ 26,356,934	\$ 22,394,568	\$ 6,463,000	(\$ 2,500,634)	\$ 37,551,797	\$ 23,175,959

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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



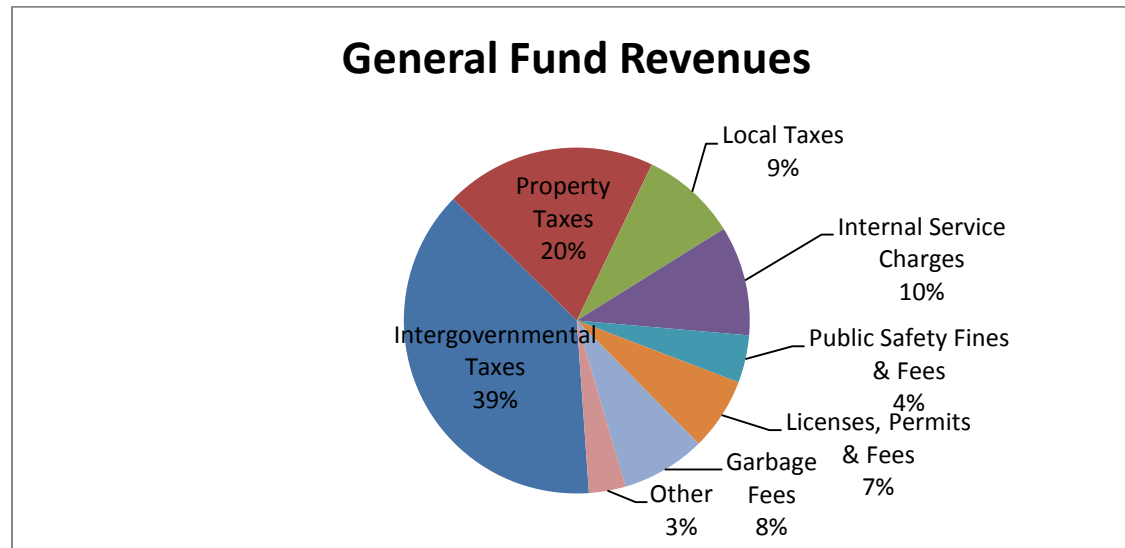
General Fund Summary and Detail

General Fund

The Village of Fox Lake is a non-home rule municipality which levies taxes in two counties, Lake and McHenry Counties. The General Fund Revenue Budget for FY2018-2019 is \$12,040,324 representing a decrease from the prior year. The Village derives the majority of its revenue in the General fund from Intergovernmental Taxes (39%), Property Taxes (20%), and Local Taxes (9%). Intergovernmental taxes include Sales tax, Income tax, Use Tax, Road/Bridge tax and Personal Property Replacement tax. Local Taxes include the, utility taxes (telephone, electricity, and natural gas), auto rental tax, hotel tax, use tax, video gaming, and Places for Eating Tax. Real Estate Taxes include the Audit, Corporate, 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 General Fund department centers including Administration and Motor Pool. 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), Route 12 and 134 (13 acres), and Thelan property north of the Village with mixed use of business and residential.

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



General Fund Revenues

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
01-105-3000	REAL ESTATE TAXES	\$ 1,830,192	\$ 1,835,500	\$ 1,874,300	Current actual estimate plus 2.1% CPI
01-105-3001	REAL ESTATE TAXES - IMRF	130,786	131,240	134,000	Current actual estimate plus 2.1% CPI
01-105-3002	REAL ESTATE TAXES - INSURANCE	363,272	364,300	372,000	Current actual estimate plus 2.1% CPI
01-105-3004	REAL ESTATE TAXES - FIRE	1,206,683	-	-	Fire Department No Longer Part of Village Tax Levy
01-105-3010	UTILITY - ELECTRIC TAX	425,600	424,725	410,000	Estimated 17-18 revenue.
01-105-3011	UTILITY - NATURAL GAS TAX	111,013	91,217	92,000	Estimated 17-18 revenue.
01-105-3012	UTILITY- TELEPHONE TAX	190,631	189,305	150,000	Estimated Decreasing Revenue Base
01-105-3015	USE TAX	260,379	260,264	270,000	IML forecast at \$26.3 per capita, Less \$8k conservatively.
01-105-3020	HOTEL/MOTEL TAXES	5,182	4,220	4,500	Patio Motel closure
01-105-3030	ROAD & BRIDGE TAXES	132,663	141,300	141,330	Current actual estimate
01-105-3040	RENTAL CAR TAXES	186	100	100	Same as Prior.
01-105-3050	PLACES FOR EATING TAX	426,760	395,000	142,000	Reduced to .5% tax from 1.5%.
01-105-3060	VIDEO GAMING PROCEEDS	301,636	280,000	285,000	Estimated 17-18 revenue.
	TOTAL LOCAL TAXES	\$ 5,384,983	\$ 4,117,171	\$ 3,875,230	
01-110-3100	INCOME TAXES	\$ 999,978	\$ 893,062	\$ 941,500	Used rate at \$89 per Capita. This reflects a conservative estimate that the State will continue 10% admin deduction.
01-110-3101	PERSONAL PROPERTY REPLACE TAX	71,731	57,136	55,000	Estimated 17-18 revenue.
01-110-3110	SALES TAXES	3,010,006	3,226,032	3,226,032	A 2% decrease to be seen from collection fee is offset by a 2% increase projected by COGFA-Same as prior year.
	TOTAL INTERGOVERNMENTAL TAXES	\$ 4,081,715	\$ 4,176,230	\$ 4,222,532	
01-115-3200	GRANT REVENUE	\$ 12,067	\$ 30,000	\$ -	Grant funds from prior year were not repetitive.

General Fund Revenues (continued)

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
01-115-3210	GRANT - TRAFFIC	2,428	-	-	Grant funds from prior year were not repetitive.
01-115-3212	GRANT - VEST	3,608	-	-	Grant funds from prior year were not repetitive.
01-115-3215	GRANT - PARKS	-	796,100	-	Grant funds from prior year were not repetitive.
01-115-3211	GRANT - TOBACCO	4,950	2,500	2,500	Grant Continuation into 18-19.
	TOTAL GRANTS	\$ 23,053	\$ 828,600	\$ 2,500	
01-120-3300	VEHICLE STICKERS	\$ 117,408	\$ 145,000	\$ 160,000	Estimated 17-18 revenue.
01-120-3340	LICENSES - ANIMALS	3,350	3,050	3,000	Estimated 17-18 revenue.
01-120-3341	LICENSES - LIQUOR	50,716	52,951	53,000	Additional licenses
01-120-3342	LICENSES - BUSINESS	26,441	24,000	24,000	Estimated 17-18 revenue.
	LICENSES	\$ 197,915	\$ 225,001	\$ 240,000	
01-125-3350	CABLE FRANCHISE FEES	\$ 157,638	\$ 145,000	\$ 150,000	Estimated 17-18 revenue.
	TOTAL FRANCHISE FEES	\$ 157,638	\$ 145,000	\$ 150,000	
01-130-3400	BUILDING PERMITS	\$ 164,717	\$ 155,000	\$ 155,000	Culvers, Dunkin Donuts, Jeep, Studio Hot Rods
01-130-3403	PARK IMPACT FEES	42,000	44,000	40,000	Estimated 17-18 revenue.
01-130-3402	ZONING PERMITS	347	6,600	5,000	Estimated 17-18 revenue.
	TOTAL COMMUNITY DEV FEES	\$ 207,064	\$ 205,600	\$ 200,000	
01-135-3450	PROGRAM FEES	\$ 53,332	\$ 60,140	\$ 55,000	Conservative Estimate from Prior Years.
01-135-3460	DONATIONS - PARKS	15,538	1,000	-	Not Planned.
01-135-3461	SPONSORSHIPS	-	6,000	-	Not Planned.
01-135-3470	PACE FEES	3,813	3,240	3,200	Prior Year Budget.
	TOTAL PARK FEES	\$ 72,683	\$ 70,380	\$ 58,200	

General Fund Revenues (continued)

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
01-140-3500	COURT FINES	\$ 345,452	\$ 300,000	\$ 325,000	Implementation of new programs
01-140-3501	COURT FINES-DUI	5,645	7,000	8,000	Implementation of new programs
01-140-3505	ORDINANCE & PARKING FINES	114,900	146,000	130,000	Loss of Vehicle Sticker Enforcement
	TOTAL PUBLIC SAFETY FINES & FEES	\$ 465,997	\$ 453,000	\$ 463,000	
01-145-3511	FORFEITURES - SEIZED ASSETS	4,240	6,151	4,000	Estimated 17-18 revenue.
01-145-3512	POLICE REV - ABANDENED PROP	411	263	300	Estimated 17-18 revenue.
01-145-3515	POLICE REVENUE - SRO	90,000	61,260	62,792	Estimated 17-18 revenue.
01-145-3520	POLICE REVENUE - GAMING TAX	1,981	1,700	1,700	Prior Year Budget.
01-145-3525	POLICE REVENUE - REPORTS	1,836	1,500	1,500	Prior Year Budget.
	TOTAL PUBLIC SAFETY SPECIAL REV	\$ 98,468	\$ 70,874	\$ 70,292	
01-155-3600	ENGINEERING REIMBURSABLE FEES	\$ 32,852	\$ 22,000	\$ 8,000	Offset to account 01-354-5111
01-155-3605	ATTORNEY REIMBURSABLE FEES	4,755	2,000	5,000	Offset to account 01-354-5125
01-155-3610	MOTOR POOL REIMBURSABLE EXP	94,782	52,100	55,000	Estimated 17-18 revenue.
01-155-3615	FIRE DEPT REIMBURSABLE EXP	43,982	30,000	48,000	Offset to account 01-330-5113
01-155-3625	INSURANCE REIMBURSABLES	52,122	442	-	None anticipated.
01-155-3630	PUBLIC SAFETY REIMBURSABLE EXP	16,821	50,000	50,000	NLCPCN refund & Training reimbursement
01-155-3650	EMPL/ELECTED OFFICAL REIMBURSA	3,473	1,000	1,000	Estimated 17-18 revenue.
01-155-3661	WORKERS COMP REIMBURSABLE	1,046	4,000	1,000	Estimated 17-18 revenue.
01-155-3654	BUILDING/ZONING REIMBURSABLE	20,000	4,000	2,000	Offset to account 01-354-5114
	TOTAL REIMBURSABLE INCOME	\$ 269,833	\$ 165,542	\$ 170,000	
01-165-3815	GARBAGE FEES	\$ 945,899	\$ 929,060	\$ 930,000	Same as Prior.

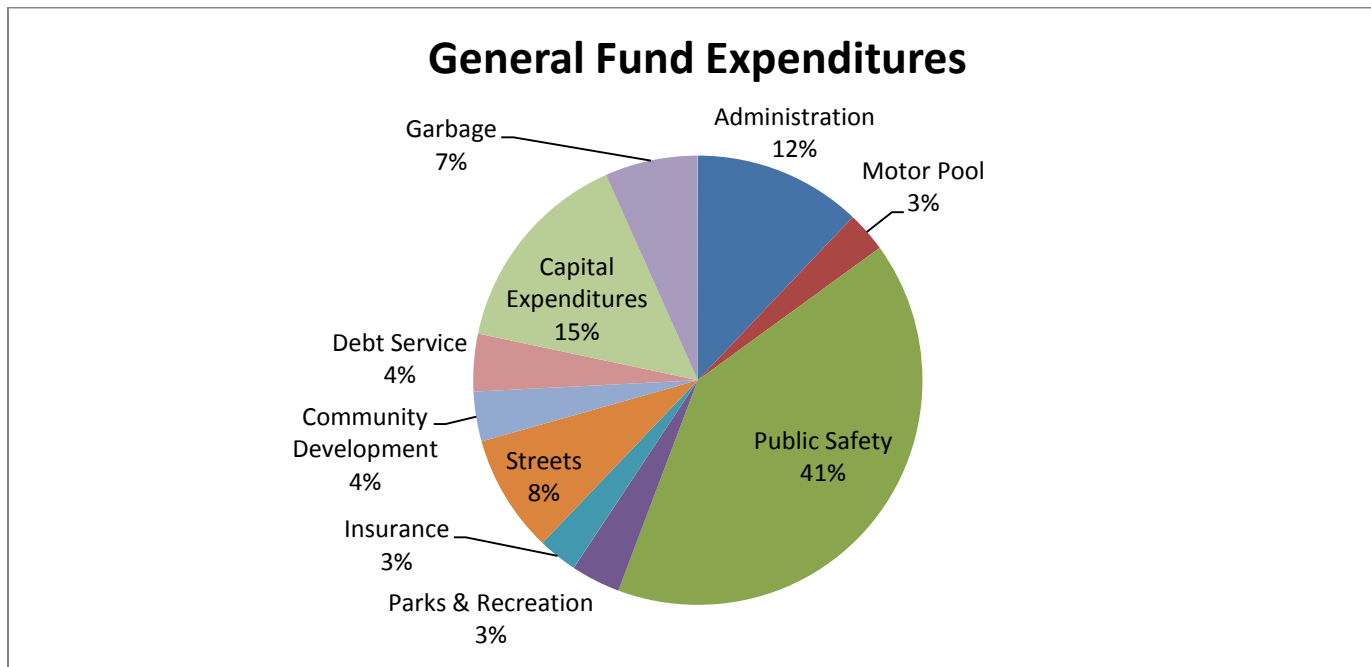
General Fund Revenues (continued)

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
01-165-3816	GARBAGES PENALTIES	17,388	16,800	17,000	Same as Prior.
01-165-3817	RECYCLING REBATE	3,150	-		
	TOTAL GARBAGE FEES	\$ 966,437	\$ 945,860	\$ 947,000	
01-170-3700	INTEREST INCOME	\$ 33,944	\$ 56,702	\$ 56,702	Negotiated higher interest rates in 17-18
01-170-3715	DONATIONS	32,150	28,605	-	Venetian Night eliminated.
01-170-3716	SHOP WITH A COP	500	600	500	Actual Donations
01-170-3717	DONATIONS - COMMUNITY GARDEN	2,000	-	-	
01-170-3720	SALE-FIXED ASSETS	7,151	11,000	7,000	Police equipment to surplus.
01-170-3710	MAYOR'S RUN	3,088	-	-	
01-170-3750	MISCELLANEOUS INCOME	4,919	21,418	5,000	Conservative amount from past
	TOTAL OTHER REVENUES	\$ 83,752	\$ 118,325	\$ 69,202	
01-180-3800	RENTAL INCOME	\$ 101,093	\$ 98,987	\$ 98,987	Prior year budget.
01-180-3802	RENTAL INCOME - 911 CENTER	11,400	15,015	15,000	2017-2018 increase due to addtl sq footage - No change in 2018-19
01-180-3803	EXTERNALITY FEE	225,508	226,303	226,900	4.5% of NW Region Revenues
	TOTAL FEES	\$ 338,001	\$ 340,305	\$ 340,887	
01-195-3850	SERVICE CHARGES - COMMUTER	\$ 32,860	\$ 41,352	\$ 53,734	Higher allocable base due to increased costs.
01-195-3851	SERVICE CHARGES - WATER	465,728	543,575	563,956	Higher allocable base due to increased costs.
01-195-3852	SERVICE CHARGES - NW REGION	325,323	442,103	452,572	2.1% CPI for FY 2018 and 1% CPI estimated for FY 2019.
01-195-3820	SERVICE CHARGES - BDD SOUTH	-	-	15,000	Allocable salaries to BDD administration
01-195-3821	SERVICE CHARGES - BDD CENTRAL	-	-	5,000	Allocable salaries to BDD administration
01-195-3853	SERVICE CHARGES - 911	-	169,280	141,219	Lower revenues pulled lower allocation.
	TOTAL SERVICE CHARGES	\$ 823,911	\$ 1,196,310	\$ 1,231,481	
	GENERAL FUND TOTAL REVENUES	\$ 13,171,450	\$ 13,058,198	\$ 12,040,324	

General Fund Expenditures

The General Fund Expenditures for FY2018-19 total \$14,137,038 which represents a slight decrease from the prior year. The decrease is reflective of a change in the cost of projects included in the current year budget, as the previous year included a large park project that was completed in that year totaling \$1.2M. 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 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 in addition to providing general management, staff leadership, and administrative 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 functions, 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;
- Assistance in the development, maintenance and audit of the accounting systems;
- Oversight of investment portfolios of the Village.

Assistant to the Village Administrator

The Assistant to the Village Administrator is responsible for general services, communications, special projects, Parks & Recreation supervision, and the human resource functions.

Network Administrator – Outside Services

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. This function is outsourced.

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/ Payroll Clerk

The Utility Billing/Payroll 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, and processes and prepares the bi-weekly payroll records.

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.

Administration Department Budget Analysis

The Administration Department FY2018-19 budget is \$78,581 higher than the prior year, which is primarily due to the addition of one headcount for an Administrative Analyst during the year.

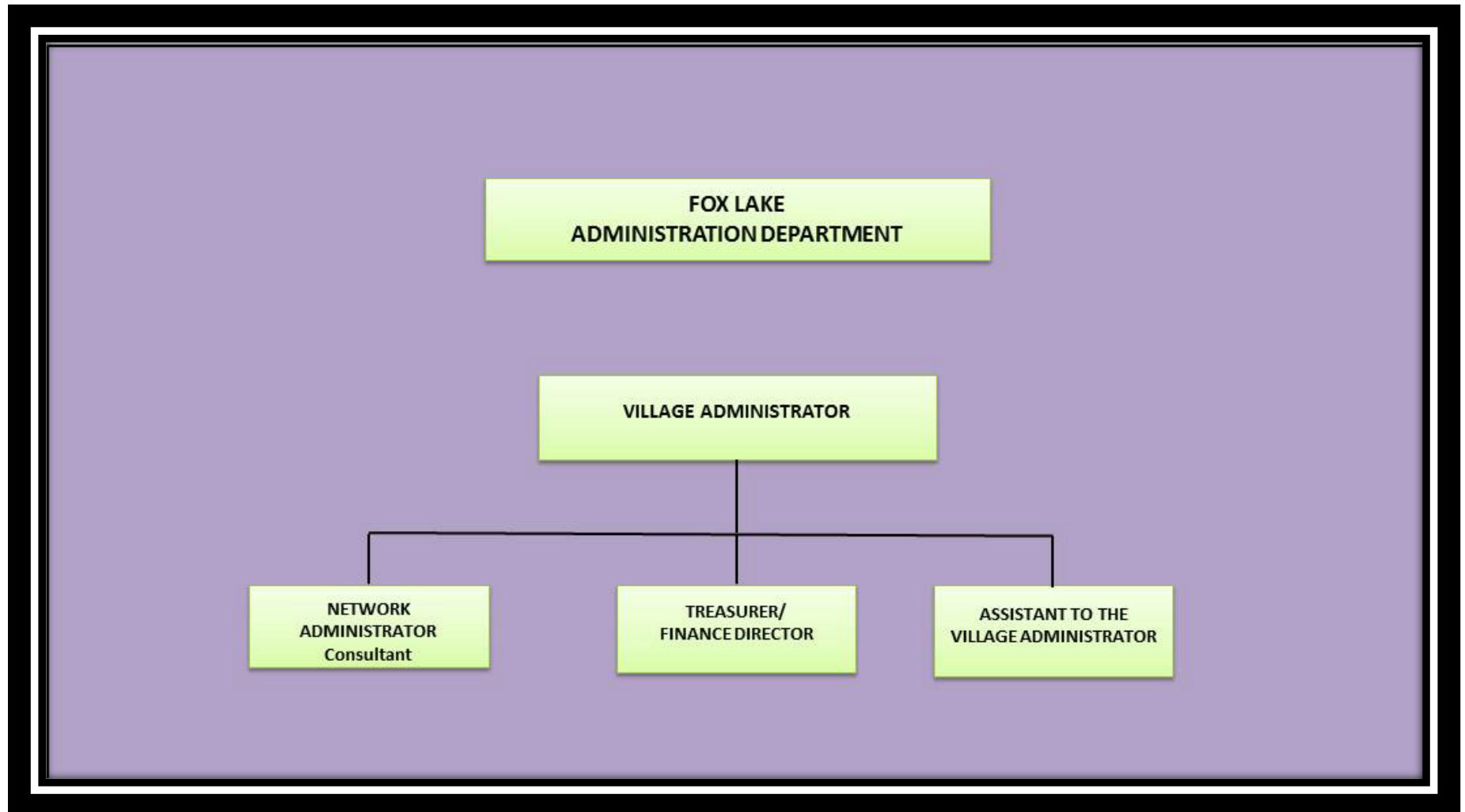
Administration Expenditures

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
01-311-4000	WAGES	\$ 449,796	\$ 497,241	\$ 578,880	Management Analyst, Turnover Impacts, Scheduled increases.
01-311-4010	OVERTIME	494	600	900	Estimated 17-18 revenue.
01-311-4001	WAGES - ELECTED OFFICIALS	47,300	46,846	48,600	Amount for full payment of fees.
01-311-4100	HEALTH INSURANCE	79,044	93,798	125,928	New health insurance plans. Incremented 8-10% in 2018 and 2019.
01-311-4110	LIFE INSURANCE	365	594	702	Estimated 17-18 revenue.
01-311-4200	SOCIAL SECURITY & MEDICARE	35,696	36,284	45,748	6.2% for Social Security and 1.45% for Medicare, Added impact of elected officials not previously included.
01-311-4220	IMRF	42,457	60,092	72,963	IMRF Calendar Year 2018 - 11.16% to IMRF CY 2019 - (anticipated) 12.28%.
01-311-5000	BUILDING MAINTENANCE	17,212	28,000	30,000	Janitorial services, bullet proof glass, front doors
01-311-5100	PROFESSIONAL SERVICES	82,379	70,000	30,000	Website maintenance, social media archive services, back-up services
01-311-5101	AUDIT SERVICES	8,170	10,929	12,800	Increased cost of contract \$1,300
01-311-5103	PAYROLL SERVICE FEES	7,408	2,500	3,000	Pro-Data expenses are allocated to other funds
01-311-5110	ENGINEERING SERVICES	493	-	-	None Anticipated
01-311-5120	LEGAL SERVICES	68,980	100,000	100,000	Full Code Review
01-311-5121	LABOR ATTORNEY	5,020	50,000	25,000	Labor attorney expenses - no contract negotiation in 18/19
01-311-5160	TECHNOLOGY	29,875	103,000	95,000	Contacted technology services, annual software purchases, computer replacement program upgrades
01-311-5200	POSTAGE	12,933	20,600	20,700	Anticipated postage increases
01-311-5220	PHOTOCOPY	8,802	8,000	8,000	Same as Prior.
01-311-5221	PRINTING	18,662	13,200	14,000	Newsletter cost, other printing services (envelopes, business cards etc)
01-311-5224	PUBLISHING	4,874	9,600	15,000	Codifying higher than budgeted due to more anticipated code changes.

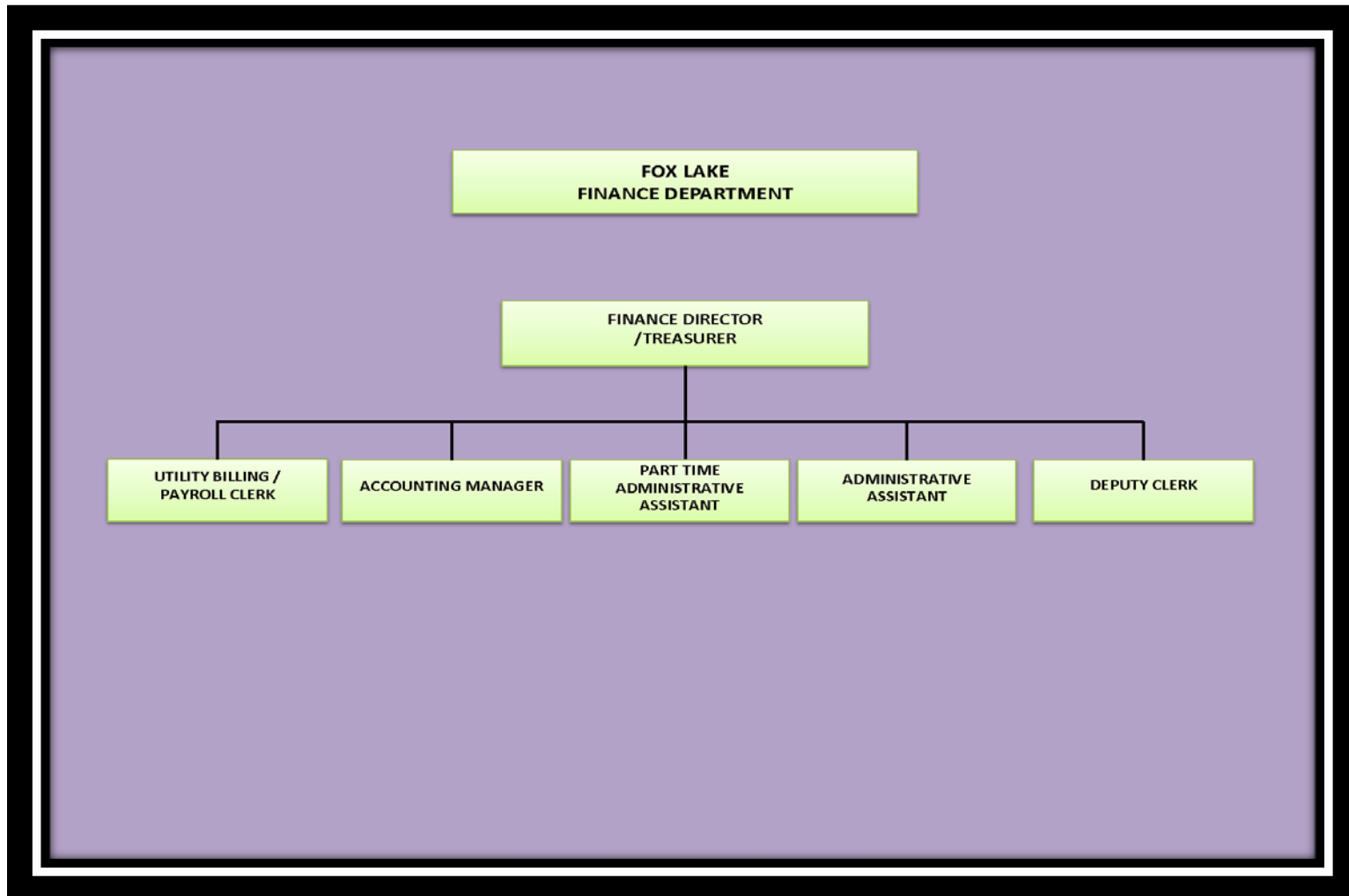
Administration Expenditures (continued)

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
01-311-5310	MEMBERSHIPS	12,625	14,366	15,000	IML \$1,250, LCML \$1,200, Municipal Clerks \$70, ICMCA \$40, ICMA \$1,500, ILCMA \$500, IAMMA \$50, Metro Managers \$30, GFOA \$200, IGFOA \$200, IPELRA \$205, publicsalary.com \$310, NW Municipal Conference \$5,421, Lake County Partners \$2,115, CMAP \$1,000, Costco \$110
01-311-5320	TRAVEL	4,300	5,000	5,000	travel for conference attendance
01-311-5330	TRAINING	4,990	13,000	13,000	Trustees \$450 * 7 = \$3,150, Village Admin = \$1,000, AVA = \$1,000, Finance = \$1,500, \$3,000 for annual anti-harassment training, Management Professional trainings = \$5,000
01-311-5340	TUITION REIMBURSEMENT	874	1,500	1,500	Same as Prior.
01-311-5410	UTILITIES	11,862	6,000	6,100	Cell phones for VA and AVA, electric, phone lines
01-311-5430	CREDIT CARD & BANK CHARGES	8,747	7,200	7,500	Allocation of Credit Card fees = \$600 per month
01-311-5525	BUSINESS INCENTIVES	50,762	285,000	285,000	Ray Jeep Incentive \$270,000, BDI Ray Jeep Incentive - \$7,500
01-311-5600	BUILDING MAINTENANCE SUP.	269	1,500	1,500	Lightbulbs and Filters
01-311-5700	OFFICE SUPPLIES	3,242	4,800	5,000	General Supplies - \$400 per month on average
01-311-5710	OPERATING SUPPLIES	2,703	8,000	8,000	New office furniture
01-311-5751	FUEL	271	440	500	Price Increases anticipated.
01-311-5780	SOFTWARE	7,687	-	5,000	\$5,000 for Caselle Upgrades
01-311-5950	SPECIAL EVENTS	1,230	300	300	5 K race donation
01-311-5951	RECOGNITION	1,310	3,000	3,500	Anchor Award Plaques per quarter
01-311-5970	REFUNDS	445	3,300	150	Sticker program refunds will decrease with new program
01-311-5971	EXTERNALITY FEE REFUND - RLB	19,009	23,096	23,096	Same as prior year. Based on usage through December 2017.
01-311-5972	EXTERNALITY FEE REFUND - LAKE	846,161	-	-	Total impact of agreement recorded in 16-17.
01-311-5999	MISCELLANEOUS EXPENSE	1,432	2,000	1,000	Average past years.
TOTAL ADMINISTRATION		\$1,897,879	\$ 1,529,786	\$1,608,367	

VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Administration Department
April 30, 2018



VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Finance Department
April 30, 2018



Motor Pool Expenses

The Motor Pool Department is an integral internal service department in the Village organization. With a staff comprised of one three (3) full-time mechanics, the department is responsible for ensuring the maintenance and repair of the Village of Fox Lake's vehicle fleet so it remains in safe, operable condition and it is readily accessible. The Motor Pool Department also serves as an 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 and Fox Water Way. 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.

Motor Pool Budget Analysis

The Motor Pool Department FY2018-19 budget is \$125,263 lower than the prior year budget. The decrease is due to the reduction of one headcount for the department supervisor and a reduction in maintenance costs since a roof repair was completed last year.

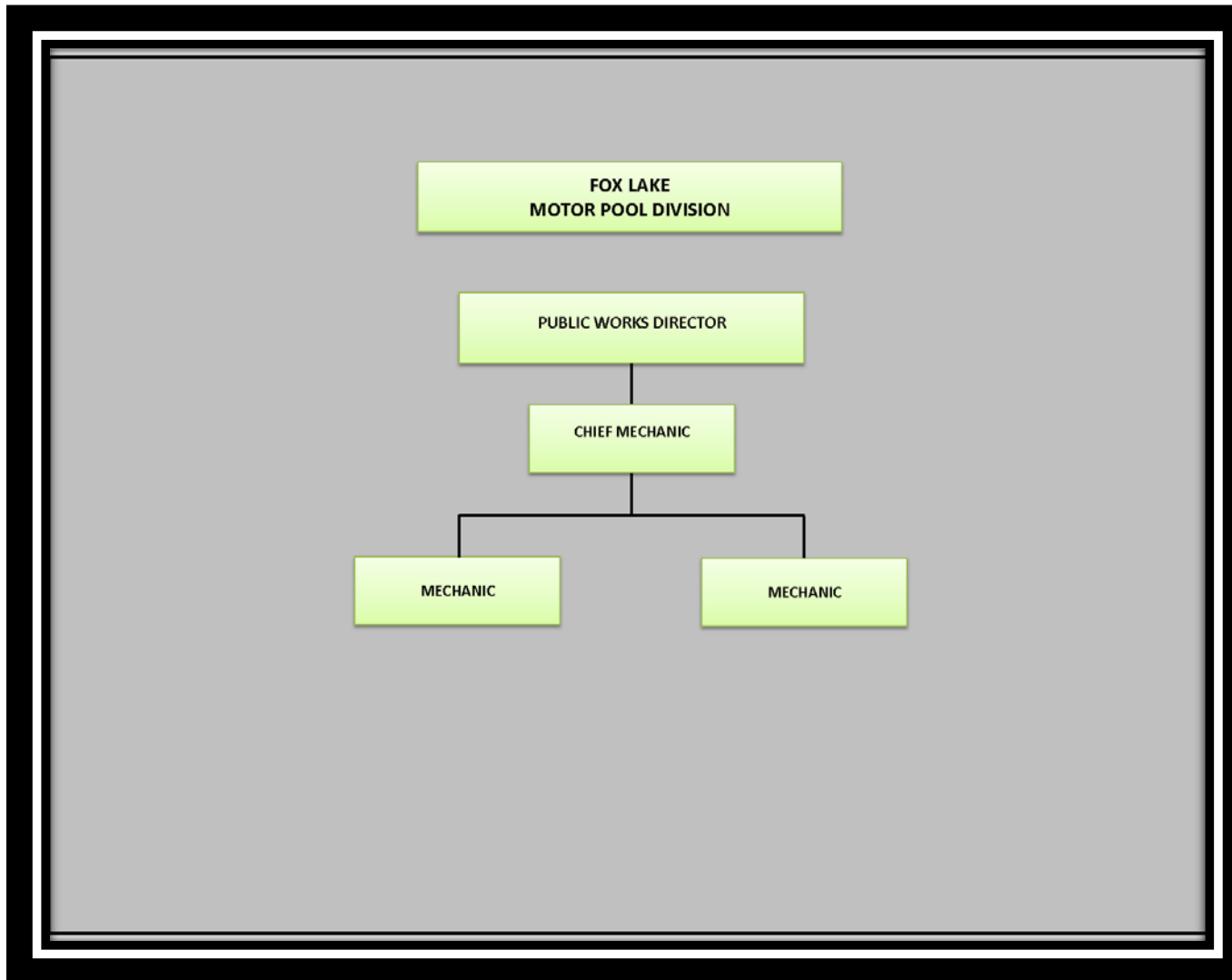
Motor Pool Expenditures

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
01-314-4000	WAGES	\$242,225	\$219,122	\$169,899	Retired supervisor not replaced
01-314-4010	OVERTIME	2,507	5,250	5,000	Prior Year Budget.
01-314-4100	HEALTH INSURANCE	62,584	53,766	44,983	New health insurance plans. Incremented 8-10% in 2018 and 2019.
01-314-4110	LIFE INSURANCE	290	369	277	Retired supervisor not replaced
01-314-4200	SOCIAL SECURITY & MEDICARE	17,758	16,820	12,995	Retired supervisor not replaced
01-314-4220	IMRF	24,217	33,012	19,413	Vacation time for retired supervisor 17/18.
01-314-5000	BUILDING MAINTENANCE	600	32,500	4,300	Overhead door repairs and inspection \$3,500, plumbing inspection \$300, Fire extinguisher inspection \$500
01-314-5100	PROFESSIONAL SERVICES	415	20,400	7,300	LUST Fund; Lift inspection (\$1,300) and Car Lift inspections 2 (\$500)
01-314-5112	MOTOR POOL REIMBURSABLE EXP	5,496	7,315	5,396	Average of last three years actual totals
01-314-5160	TECHNOLOGY	1,271	2,845	7,650	Camera system at MP \$5,000, CFA license \$1,700, IDS License \$650, Equipment repairs \$300
01-314-5310	MEMBERSHIPS	676	500	100	Municipal Fleet Mgr Assoc. \$60

Motor Pool Expenditures (continued)

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
01-314-5330	TRAINING	1,140	1,680	1,000	\$150 ASE training, \$100 EVT testing, \$500 Ford training, \$100 fleet mgr training, \$150 misc.
01-314-5410	UTILITIES	916	900	900	Prior Year Budget.
01-314-5600	BUILDING MAINTENANCE SUPPLIES	1,945	2,500	2,600	\$80x 5 LED upgrades, Furnace maintenance \$200, Furnace Flue \$1,500, \$500 misc
01-314-5700	OFFICE SUPPLIES	298	700	350	\$100-Toner \$100-Paper \$150-misc supplies
01-314-5710	OPERATING SUPPLIES	100,375	124,904	120,000	Shop Rags \$400, lubricants \$6,000, chemicals \$4,000, welding and tank rentals \$75.78/mo \$909, welding supplies \$800, Parts and outside services \$100,291, anti-freeze disposal \$1,200, Parts cleaning tank services \$700, bucket truck inspection \$1,200, fuel system repairs \$900, Tire disposal \$250, safety equipment \$1,500, hand soap \$500, floor soap \$500, hand towel service \$350, water and misc. \$500,
01-314-5730	SMALL TOOLS	7,168	8,000	3,700	Hand tools \$2,000, replace broken tools \$1,000, \$700 misc
01-314-5740	UNIFORMS	2,033	2,243	1,700	\$300 x 3 (uniforms) \$150 x 3 (safety boots) \$300 safety equipment \$200 misc
01-314-5751	FUEL	1,642	1,968	1,968	875 gallons @ \$2.25 avg
01-314-5951	EMPLOYEE RECOGNITION	-	200	200	Employee Recognition
TOTAL MOTOR POOL		\$ 473,556	\$ 534,994	\$ 409,731	

VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Motor Pool Department
April 30, 2018



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 Management became effective in 2016 and was extended to October 31, 2024. The contract includes a rate freeze through December 31, 2018 and an annual 2.5% increase in user fees for collection and disposal services thereafter, which accounts for the increase in the fund expenditures of \$25,907.

Garbage Expenditures

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
01-318-5200	POSTAGE	\$ 948	\$ 1,040	\$ 1,000	Prior Year Budget.
01-318-5420	GARBAGE DISPOSAL	913,397	918,103	944,000	2.5% increase on 1/1/2019.
01-318-5970	REFUNDS	34	-	50	Conservative placeholder.
TOTAL GARBAGE		\$ 914,379	\$ 919,143	\$ 945,050	

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, dispatch services and emergency assistance.

Mission Statement

The mission of the Fox Lake Police Department is to “provide the highest quality police services to residents, visitors and businesses, ensuring a safe place to live, work and visit.”

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, we must recognize and encourage 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 maintains headcount for 24 sworn officers, 3 part-time officers, one Community Service Officer 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 FY2018-19 budget is forecasted to increase budget by \$231,403 as compared to the prior year. This increase is primarily due to the headcount increase of two officers and a records administrative position.

Public Safety Expenditures

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
01-321-4000	WAGES - ADMINISTRATION	\$ 539,075	\$ 530,192	\$ 609,468	Hiring an Evidence Custodian/CSO, Records Clerk
01-321-4002	WAGES - PART-TIME	98,290	151,426	69,000	Less part-time officers hired than anticipated
01-321-4003	WAGES - SWORN OFFICERS	1,589,060	1,798,343	2,030,127	Hire 2 additional officers
01-321-4011	OVERTIME	263,507	350,289	302,090	Full time staffing increase
01-321-4100	HEALTH INSURANCE	353,497	554,901	513,652	2 new CSO officers to replace one
01-321-4110	LIFE INSURANCE	1,737	2,063	2,957	2 new CSO officers to replace one
01-321-4120	UNEMPLOYMENT INSURANCE	7,197	-	-	
01-321-4200	SOCIAL SECURITY & MEDICARE	61,704	71,395	77,466	2 new CSO officers to replace one
01-321-4220	IMRF	10,235	14,381	51,820	Addition of Evidence Custodian and a Records Clerk
01-321-4230	POLICE PENSION - TAXES	502,547	503,390	513,961	Per Ordinance 2017-52 for tax levy.
01-321-4231	POLICE PENSION - VILLAGE PORTI	216,448	205,000	123,102	From actuarial study ARC minus Tax Levy
01-321-5000	BUILDING MAINTENANCE	26,343	41,764	40,000	Janitorial Supplies/Maintenance \$9,000 (MARS Cleaning), Misc \$1,000, HVAC Maintenance \$2,000, Generator Maint \$3,000, Elevator Main/Inspection \$2,000, Fire Alarm Testing/Sprinkler \$500, Pressure Test Elevator \$1,000, Fire Extinguisher testing \$500, Cross Connection Insp \$625, Jail Cell Main \$2,500(paint floor, bedding), Furnace Filters & light Bulbs \$550, Storage/Evidence Building \$3,000, Digest Aid \$300, FLPD Roof \$3,000, Pest Control \$500, Water Softener Maint \$1,200, Mini Split HVAC \$3,539, Seal coat/paint \$5,000
01-321-5010	EQUIPMENT MAINTENANCE	33,466	34,550	34,550	LEADS Comm \$9,000,Digital Cameras \$500, Radars \$2,400, Calibration CO2 \$1,000, Squad Computers \$3,000, Copier Lease \$3,000, Bicycle Repair Main \$1,700, Taser Repair \$1,500, Taser Replacement (3) \$3,600, Misc Repairs \$3,600, Upgrade Hard Drives \$500,Digital Evidence Cameras (2)\$250, Weapon Repair \$1,200, Portable Breath Test (3) \$600, Beast System Supplies \$1,200
01-321-5020	VEHICLE MAINTENANCE	4,245	13,000	12,000	Squad Car Wash \$1,300, Decal Replacement, Batteries, Lights, Sirens, Outfit 1 Squad \$16,000, Outfit 1 Admin Car \$800, Misc Parts \$1,000, Squad set up's

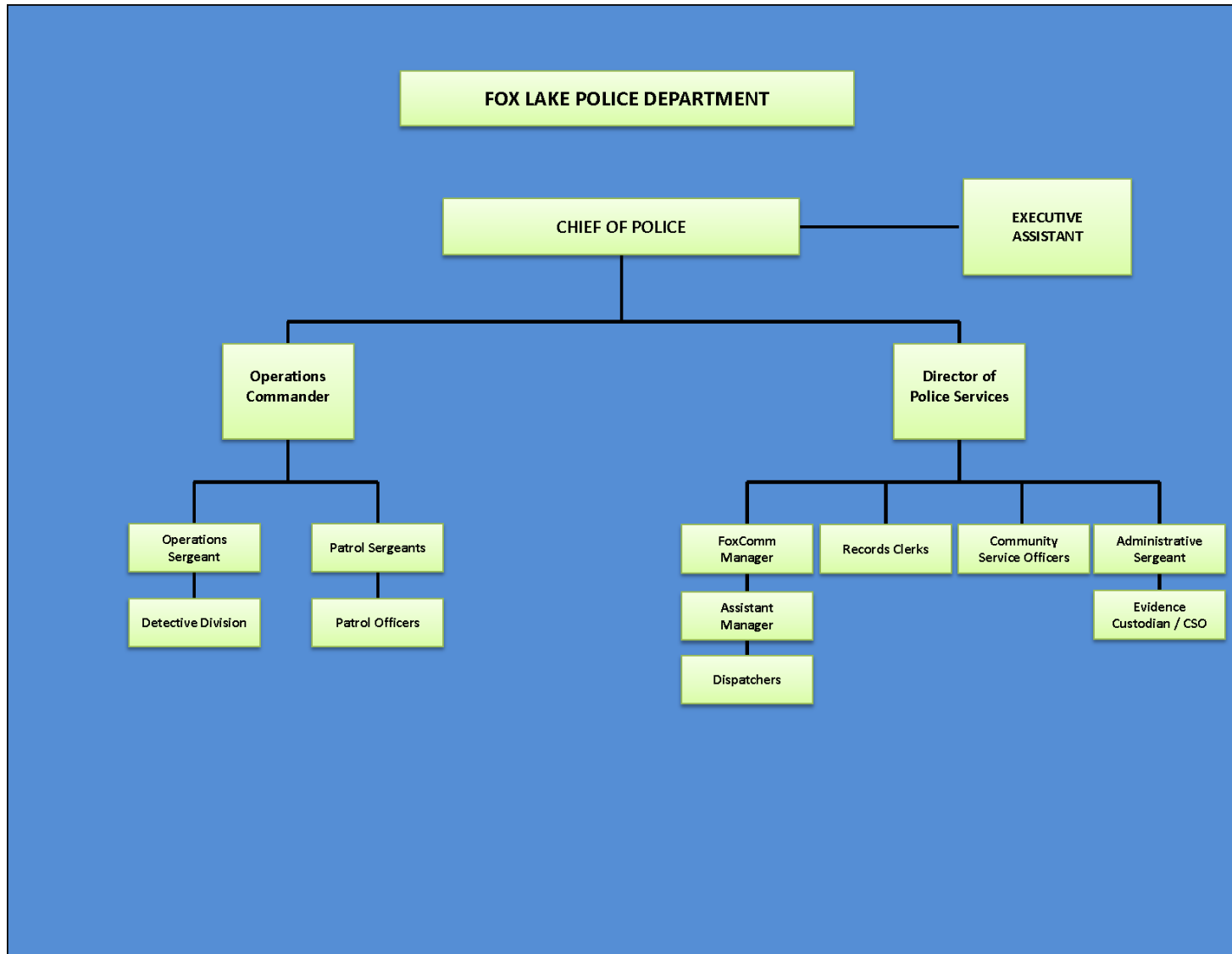
Public Safety Expenditures (continued)

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
01-321-5100	PROFESSIONAL SERVICES	115,182	70,000	79,000	Range Rental \$2,200, Crime Lab \$17,500, Crime Stoppers \$700, Misc Services \$2,500, Job Posting \$500, Public Relations \$20,000, Lexis Nexis \$1,500, Bio-Hazard Destruction \$1,000, Medical Record Copies \$1,000, Critical Reach Support \$1,500, Occupational Health \$2,000, Cops Testing \$4,500, Misc Services \$2,500, Missing Children \$200, Cyber Crimes Lab \$1,500, Administrative Consultants \$19,500, Polygraph Services \$500, LEADS Online Monthly fee.
01-321-5120	LEGAL SERVICES	209,041	135,000	150,000	Pension litigation, Adjudication hearing officer\$3200,
01-321-5135	DISPATCHING	498,941	602,757	693,182	Lost one billable agency in distribution of dispatch charges.
01-321-5140	PRISONER MEALS	-	300	300	Prior year budget level.
01-321-5141	ANIMAL CARE & CONTROL	280	750	400	Lake County Animal Control Services
01-321-5160	TECHNOLOGY	21,809	153,286	150,000	LapTop Computer \$5,000, Repairs \$4,000, Video Surveillance Camera \$5,000, Verizon Cards \$9,100, Comcast \$2,400, Upgrades \$2,000, Data Storage \$3,500, Tri-Tech Software Support \$2,900, Mobile Squad Cameras \$20,000, Beast Support Fee \$825, Network IP Cameras \$5800, Computer Systems \$2800, Additional Beast System \$3500, Livescan Digital Fingerprint \$1980, Maintenance of Radio, Starcomm Fees \$15,000, Quicket Phase I \$27,756 (2313 per month), Quicket Phase II \$17,100 (1425 per month), Beast System License \$825, EnROUTE ETSB (CAD)
01-321-5200	POSTAGE	3,973	1,500	4,000	Postage \$2,800, UPS \$700 & FedEx \$500
01-321-5221	PRINTING	2,596	5,400	5,000	Printing (Pettibone) \$2300 Printing (Classic Printery) \$2600, Hearing Supplies \$500, CPA Material, Crime Prevention
01-321-5310	MEMBERSHIPS	5,587	22,085	25,500	Int'l Chief of Police \$400, IL Police Chiefs \$450, Lake County Chiefs \$300, LSRO Officer \$40, State LESO, Property & Evidence, Illinois Fire and Police Commissioners Association Dues \$375, ILEAS \$120, MCAT \$750, MEG \$7500, LCMCTF \$500, Police Law Institute \$3,000, NIPAS Membership and Emergency Services Enhanced 5,200, NWPA \$570, FBINA \$150
01-321-5320	TRAVEL	790	1,400	2,000	Training \$1,000, ILEAP Conference \$400, Misc \$600
01-321-5321	TRAVEL - POLICE COMMISSION	-	1,500	1,500	Police and Fire Commission \$1500

Public Safety Expenditures (continued)

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
01-321-5330	TRAINING	23,107	35,000	40,000	NEMRT training \$2375, Police Academy SLEA \$2000, Basic Recruit \$9339, Taser Certified Lead Homicide INV \$800, Evidence, Custodian, Staff and Command \$7,200 & OIC Training, \$2,000, NIPSTA \$1500, MISC \$5000, IACP Conf \$2000, FBINA \$2000, ILEAS Conf \$750, IL Chiefs Conf (4) 1600, Mandatory State training, SRO & School Emergency Preparedness \$3,311
01-321-5331	TRAINING - POLICE COMMISSION	-	2,500	2,500	Prior Year Budget level.
01-321-5410	UTILITIES	21,161	20,000	20,000	Landlines, cells new phones, misc supplies, + water/sewer\$1500, Other \$2,000, Smart Phones (3) 1,800
01-321-5700	OFFICE SUPPLIES	10,187	10,000	10,000	Admin Adjudication \$500, Warehouse Direct Office Supplies and cleaning supplies \$9000, Beast Printers, Paper \$885
01-321-5710	OPERATING SUPPLIES	12,462	52,500	50,000	Ammunition \$10,000, Flares \$575, Spotlights - Building \$350, Fingerprinting Supplies \$1,000, Taser Cartridges \$1,500, OC Reliapon Spray \$600, Misc Supplies \$6,000, 35 mm Camera \$1,500, Security cameras \$20,000, Fire Extinguisher and Mounts \$645, Command Vehicle Supplies \$450, Narcan/Epi Pens \$8400, Breath Op Mouth Pieces \$150, Investigation Supplies \$1500, Gas Masks and Ballistic Shields, Video Cameras \$300,
01-321-5720	COMMUNITY RELATIONS	898	2,000	4,000	CPA, NNO, Halloween Event, Senior Fair, Chamber Event
01-321-5721	SHOP WITH A COP	3,124	2,500	3,000	Gifts for community adolescents
01-321-5740	UNIFORMS	29,866	40,000	40,000	Replacements \$16,000, 2 New Issues \$7776, Armor Replacement \$7910, Inv Clothing \$1000, Misc Uniform Items \$3,000, 1st Aid Kits (20) \$1,900, Badges \$4000, Transition to Quartermaster, Nipas Training, Evidence Custodian & Records Clerk
01-321-5751	FUEL	41,896	47,500	47,500	Squad Fuel/ PD Vehicles
01-321-5951	EMPLOYEE RECOGNITION	-	900	900	Recognition
01-321-5980	DUI EXPENSE	-	2,000	2,000	Blood and urine testing for drugs
01-321-5981	INVESTIGATION EXPENSE	-	1,500	1,500	Undercover operations
01-321-5983	NARCOTICS EXPENSE	-	1,000	1,000	Opioid Initiative expense
01-321-5984	SEIZED ASSET EXPENSE	-	1,000	1,000	Seized Asset Expense
	TOTAL PUBLIC SAFETY	\$ 4,708,251	\$ 5,483,072	\$ 5,714,475	

VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Public Safety Department
April 30, 2018



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 Director, an event coordinator, 2 part-time summer assistants, 2 part-time shuttle bus drivers and a part-time maintenance worker. 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

The Parks and Recreation Budget is \$116,086 higher than the last year due to the addition of 1.5 FTE in its headcount.

Parks & Recreation Expenditures

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
01-327-4000	WAGES	\$ 42,693	\$ 47,131	\$ 108,160	Added employee for special event and a portion of maintenance position
01-327-4002	WAGES - PART-TIME	27,067	34,923	38,248	PT Summer Help, Joe
01-327-4010	OVERTIME	334	-	400	Event overtime.
01-327-4100	HEALTH INSURANCE	3,700	22,880	34,112	Additional employees.
01-327-4110	LIFE INSURANCE	26	139	139	Prior year budget.
01-327-4200	SS & MEDICARE	5,206	6,057	10,972	Additional employees.

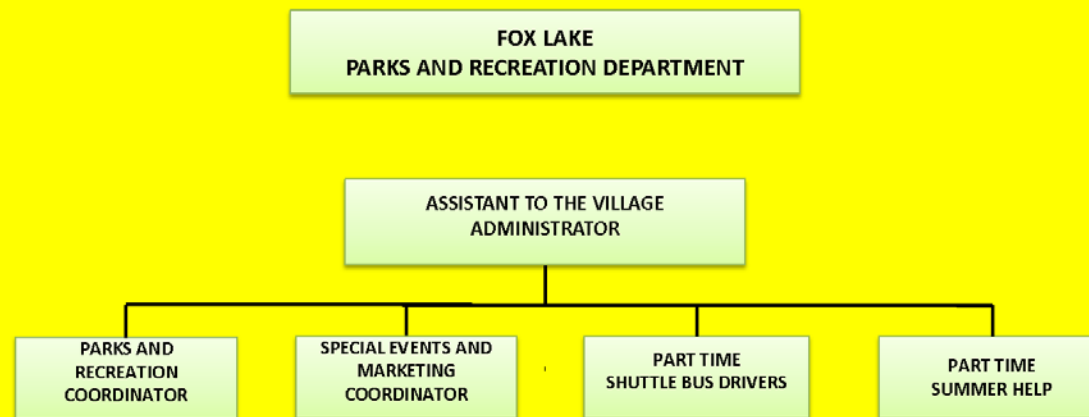
Parks & Recreation Expenditures (continued)

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
01-327-4220	IMRF	4,131	3,012	11,997	Additional employees.
01-327-5000	BUILDING MAINTENANCE	11,321	25,000	16,000	\$5,000 Cleaning services - 95.00 per week, \$2,300 Cleaning services - 2 times per month \$1,000 for HVAC Services, \$4,700 for various supply purchases \$2,000 for security camera installation, \$1,000 for cleaning sup \$1,000 for HVAC Services, \$4,700 for various supply purchases \$2,000 for security camera installation, \$1,000 for cleaning supplies
01-327-5010	EQUIPMENT MAINTENANCE	-	5,000	5,000	Printer and other equipment
01-327-5100	PROFESSIONAL SERVICES	29,613	15,400	56,000	ProData Services, New Hire Services, Parks Master Plan Study \$50,000.00
01-327-5160	TECHNOLOGY	107	3,000	3,000	Security Camera purchase
01-327-5200	POSTAGE	1,798	2,500	5,000	Two seasonal Parks and Recreation Guide Books
01-327-5221	PRINTING	2,692	4,500	5,000	Two Seasonal Parks and Recreation Guide Books
01-327-5222	ADVERTISING	1,042	6,000	6,000	Advertising for special events and programs
01-327-5310	MEMBERSHIPS	950	1,300	1,300	Chamber Membership/Lake County Membership /IPRA Membership
01-327-5320	TRAVEL	-	500	500	Same as Prior.
01-327-5330	TRAINING	-	1,000	1,000	Training for Parks Staff (Excel and Event training)
01-327-5410	UTILITIES	6,227	15,000	20,000	Water for Splash Pad
01-327-5516	PACE PROGRAM - RENTAL FEE	1,424	1,300	1,300	Pace Rental Fee
01-327-5545	PROGRAMS	86,732	100,000	115,000	<p>Programs Senior Lunches = \$6,000 / Yoga = \$6,400 / Sports = \$3,600 / Senior Cardio Drumming = \$4,000 / Arts and Crafts Program = \$4,800 / Safe Sitter Program = \$500 / Adult Dance Program = \$1,800 / Go Fox Lake = \$250 / Teen Event = \$700</p> <p>Community Events Daddy-Daughter Dance = \$1,500 / Polar Plunge = \$500 / Egg-Citing Egg Hunt = \$2,000 / Movie by the Lake = \$2,100 / Concert by the Lake = \$3,500/ Halloween Howl = \$500/ National Night Out = \$500 Children's Holiday Party = \$1,000 / Mayors Fish Fry = \$1,000 Brewers Game = \$2,560 / Cardboard Cup Regatta & Wonder Lake Skiers = \$3,900 / Murder Mystery Dinner = \$2,500/ Florence Fischer Dinner = \$4,000/ Fall Fest = \$3,000</p> <p>Special Events Speakeasy Saturday = \$5,000 / Fox Lake Fish Fest = \$800 / Bloody Mary Fest = \$20,000/ Summer Art series = \$7,000/ Fox Lake Farmers Market = \$2,000 / Festival of Lights = \$8,000/ Fox Lake Triathlon = \$2,000 / Celebrate Fox Lake = \$15,000 Misc Program Expenses = \$2,500</p>

Parks & Recreation Expenditures (continued)

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
01-327-5600	BUILDING MAINTENANCE SUPPLIES	7,351	8,000	6,500	\$3,000 Veterans Parks Bathrooms, \$1,000 new picnic tables, \$2,000 various supplies
01-327-5700	OFFICE SUPPLIES	504	10,000	5,000	Estimated 17-18 expense.
01-327-5710	OPERATING SUPPLIES	14,514	1,000	9,000	\$300 for freezer chest for events, \$8,000 Large Ice Rink
01-327-5751	FUEL	1,227	1,200	1,200	Same as Prior.
01-327-5950	SPECIAL EVENTS	65,448	70,000	40,000	No Venetian Night fireworks
01-327-5951	EMPLOYEE RECOGNITION	-	100	200	Employee Recognition.
01-327-5955	CONTRIBUTIONS TO ORGANIZATIONS	95	-	-	
01-327-5970	REFUNDS	657	1,500	1,500	Refunds
	TOTAL PARKS & RECREATION	\$ 314,859	\$ 386,442	\$ 502,528	

VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Park & Recreation Department
April 30, 2018



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.

Insurance Fund Expenditures

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
01-328-5500	LIABILITY & WORKERS COMP INS	\$ 196,966	\$ 215,000	\$ 250,093	4% Incremental for Possible Renewal Increase (Portion of Year) and Increased Headcount
01-328-5501	INSURANCE DEDUCTIBLE EXPENSE	74,295	150,000	150,000	Same as Prior
	TOTAL INSURANCE DEPT	\$ 271,261	\$ 365,000	\$ 400,093	

Fire Department

For FY2018-19 the Fire Department denotes expenses for the cost related to the Fire Department utilization of the motor pool facilities and staff. 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 collected Fire Protection and Ambulance tax revenues through the Tax Levy which it used to pay the Fire Department for their services through FY2016-17. The Fox Lake Fire Protection District placed on the ballot a referendum to have resident's pay fire and ambulance services taxes directly to the Fox Lake Fire Protection District. The referendum passed; therefore, taxes for these services will no longer pass through the Village of Fox Lake. 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.

Fire Department Expenditures

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
01-330-5450	REAL ESTATE TAX DISTRIBUTION	1,206,683	-	-	
01-330-5530	FIRE DEPARTMENT CONTRIBUTION	142,083	-	-	
01-330-5113	FIRE DEPT BILLABLE EXPENSES	63,349	30,000	48,000	Offset by additional reimbursements from District
	TOTAL FIRE DEPARTMENT	\$1,412,115	\$ 30,000	\$ 48,000	

Public Works/Streets

The Village of Fox Lake Public Works/Streets department incorporates 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, wherein 11 staff members and multiple vehicles are assigned to ensure safe driving conditions.

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 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 to ensure 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 by using 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 replacement of those trees.

The Public Works/Streets department budget in FY2018-19 is higher than the prior year by \$177,055 due to the additional of staffing.

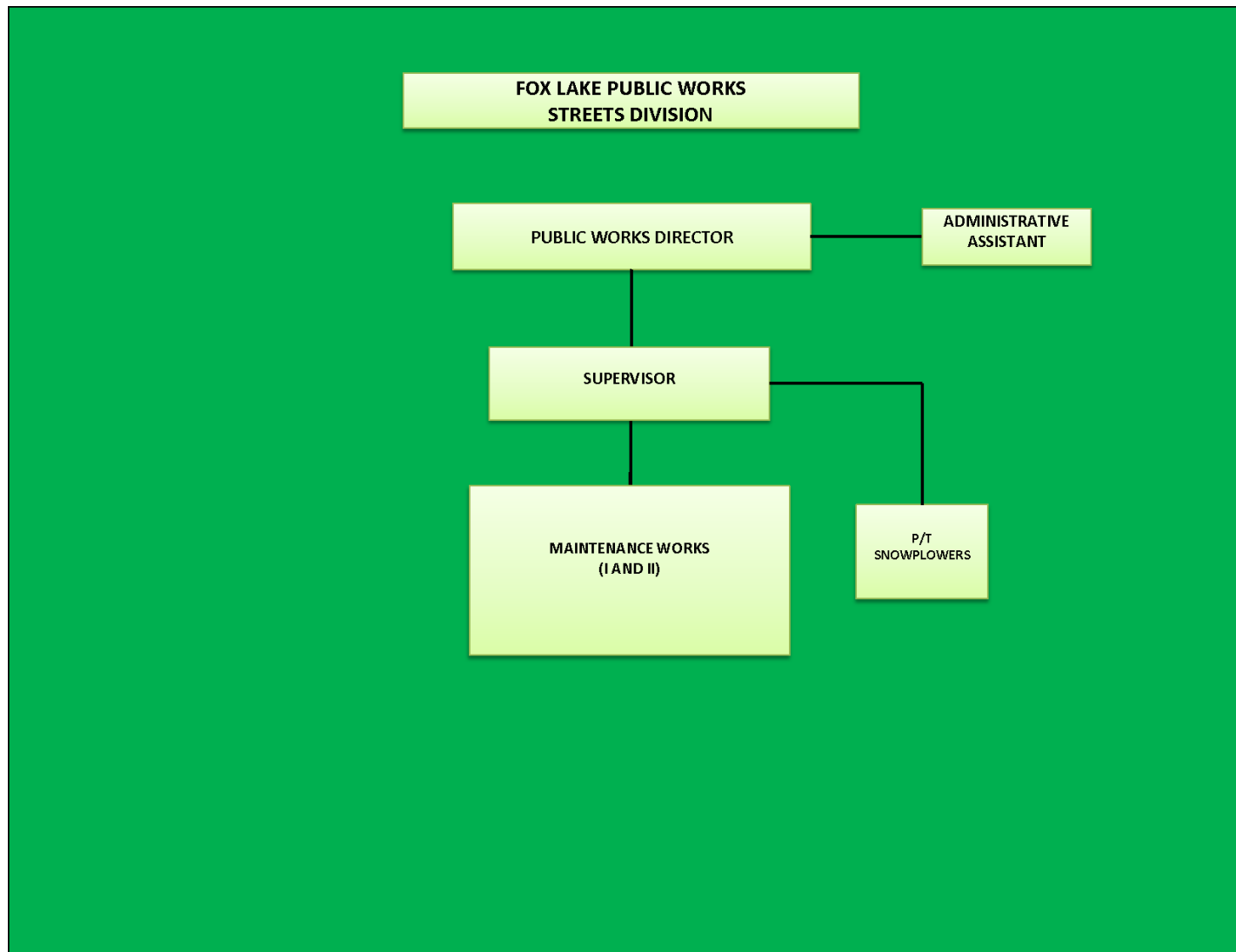
Public Works Street Expenditures

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
01-341-4000	WAGES	\$ 421,593	\$ 442,828	\$ 573,325	2 and 1/2 new maintenance employees
01-341-4002	WAGES - PART-TIME	6,755	26,000	33,300	New employees.
01-341-4010	OVERTIME	9,557	25,000	25,000	Same as Prior.
01-341-4100	HEALTH INSURANCE	83,078	94,425	135,195	2 new employees at family rate for 2 months
01-341-4110	LIFE INSURANCE	590	763	1,016	2 new employees 2 months
01-341-4200	SOCIAL SECURITY & MEDICARE	32,108	35,140	47,155	2 and 1/2 new maintenance employees
01-341-4220	IMRF	54,459	50,117	66,712	2 and 1/2 new maintenance employees
01-341-5740	UNIFORMS	3,004	5,500	5,800	\$250x10 uniforms, \$150x 10 boots, \$200 misc, \$160x10 safety vests, hard hats, winter coats, hats gloves
01-341-5000	BUILDING MAINTENANCE	1,857	8,000	20,500	\$12,000 PW bathroom remodel, \$3,500 Overhead doors, \$3,000 HVAC, \$2,000 misc
01-341-5010	EQUIPMENT MAINTENANCE	-	1,000	1,000	Same as Prior.
01-341-5030	STREET MAINTENANCE	19,046	12,000	18,500	\$5,500 guard rails, \$3000 street lights maintenance, \$2,000 street sweeping debris \$6,500 Holiday décor for streets, \$1,500 stump grinder rental,
01-341-5100	PROFESSIONAL SERVICES	15,222	25,000	40,000	Contractual snow plowing, mosquito abatement \$15,000
01-341-5103	PROF SERVICES - FORESTRY	-	15,000	15,000	\$15,000 professional tree removal for large trees, purchase of trees
01-341-5110	ENGINEERING SERVICES	17,909	30,000	20,000	GIS signage, trees, sidewalks, storm sewer flow
01-341-5160	TECHNOLOGY	820	1,500	6,500	\$5,000 cameras at PW and fuel pumps, \$1,000 computer replacement
01-341-5200	POSTAGE	-	50	50	Permits, mailings for projects
01-341-5310	MEMBERSHIPS	-	650	850	\$150 APWA, \$500 IPWMAN, \$250 Illinois Arborist Association
01-341-5330	TRAINING	340	1,200	3,000	APWA training, Forestry training \$100, Certified arborist training \$700 x 2,
01-341-5410	UTILITIES	8,141	7,500	7,000	Water/Sewer, Nicor, Electric
01-341-5413	ELECTRICITY CHARGES	102,466	70,000	50,000	New LED lighting
01-341-5600	BUILDING MAINTENANCE	315	10,000	1,000	Based on Actual Usage

Public Works Street Expenditures (continued)

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
01-341-5610	EQUIPMENT MAINTENANCE SUPPLIES	3,306	20,000	1,000	\$300 bristles for broom on John Deere, \$300 snow blower/mower repairs \$400 repair parts for chemical sprayer
01-341-5700	OFFICE SUPPLIES	276	650	775	\$175 desk chair, \$200 misc pens folders ink, \$400 paper
01-341-5710	OPERATING SUPPLIES	51,666	85,000	70,000	Signs, posts, \$ 4,000 dirt, sand, gravel, landscaping, striping paint, storm sewer supplies, grass seed/fertilizer, herbicides/pesticides, mosquitos control, \$4,500 jackhammer attachment for bobcat, mulch, furnace for station 1 \$4,500
01-341-5712	SIGN PROGRAM	783	2,000	2,000	replace old faded and outdated signs
01-341-5713	STONE & CONCRETE	-	8,000	9,500	\$6,000 Hickory Cove/Grand Ave. Repairs, \$2,000 repairs for stumps in sidewalk Grand Ave. \$1,500 ADA compliance repairs
01-341-5730	SMALL TOOLS	3,127	6,000	6,200	\$1,500 utility knives tape measures, electrical tools, screw drivers, hand tools, \$1,200 large chainsaw, \$2,000 replace staff tools \$1,500 misc
01-341-5751	FUEL	19,987	38,000	38,000	Regular/Diesel fuel for mowers, snow removal, pickups
01-341-5951	EMPLOYEE RECOGNITION	16	250	250	Employee recognition
	TOTAL STREET EXPENDITURES	\$ 856,421	\$ 1,021,573	\$1,198,628	

VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Public Works/Streets Department
April 30, 2018



Community Development Department

The mission of the Community Development Departments is to provide quality services to all citizens through innovation, continuous improvement, determination and excellence in customer service. Through education and cooperation, the Community Development Department will build positive working relationships within the building community, consumers, businesses and citizens alike. The Community Development Department will safeguard the public and promote the health, safety and welfare of Fox Lake through effective enforcement of the applicable building codes.

The Community Development Department is comprised of the Building Commissioner, Permit Coordinator, Building Inspector, Code Enforcement/Inspector and a part-time receptionist. The 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 current year budget for the Community Development department is up minimally due to the increase of one FTE in headcount.

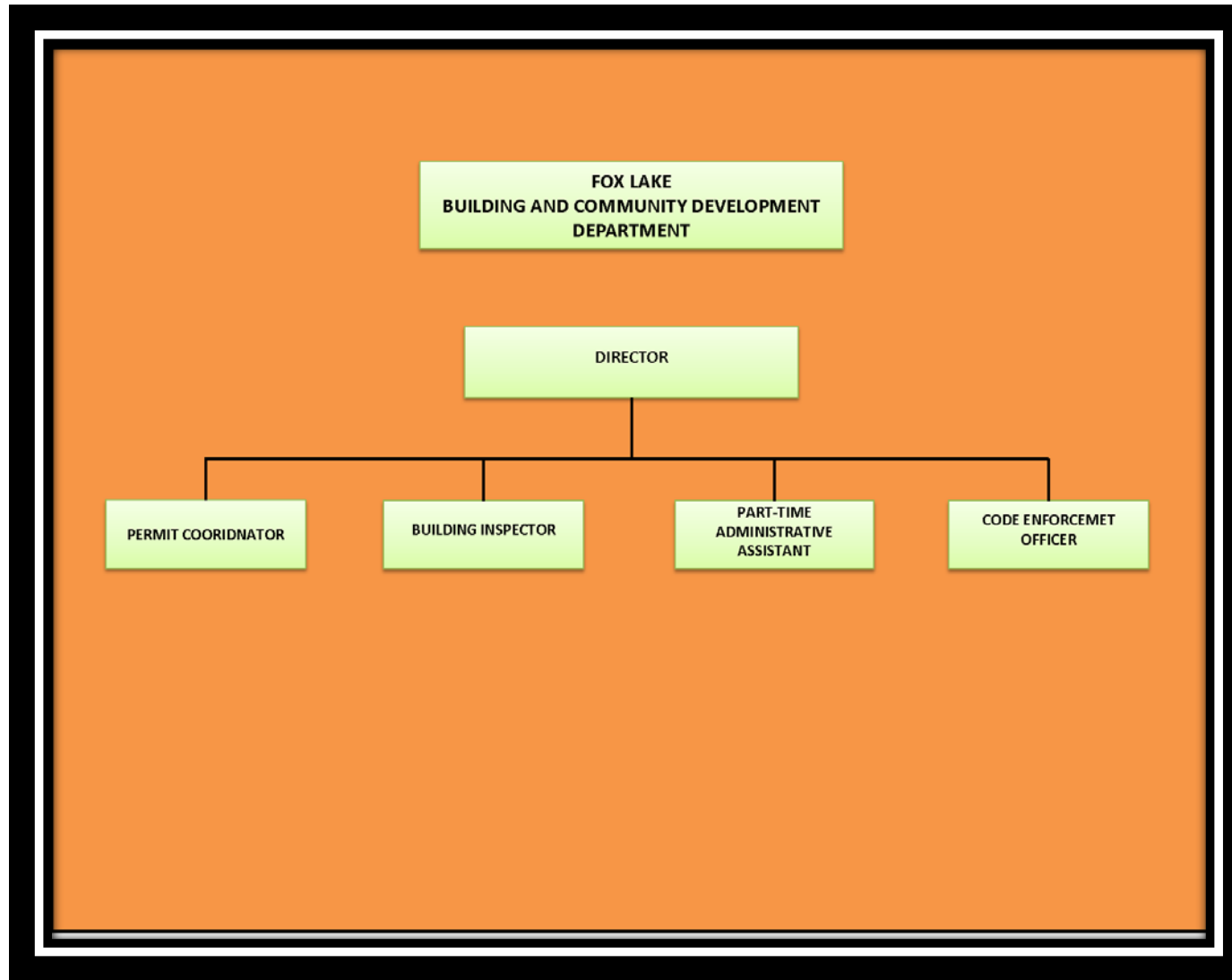
Community Development Expenditures

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
01-354-4000	WAGES	\$ 168,465	\$ 207,469	\$ 269,976	Shared position with admin to be hired
01-354-4010	OVERTIME	857	2,250	1,000	Reduction due to shared employee.
01-354-4002	WAGES - PART-TIME	20,972	21,364	-	Part-time eliminated - Shared position
01-354-4100	HEALTH INSURANCE	51,454	68,730	76,032	New shared position
01-354-4110	LIFE INSURANCE	223	500	388	New shared position
01-354-4200	SOCIAL SECURITY & MEDICARE	13,309	18,198	19,843	New shared position
01-354-4220	IMRF	18,886	24,343	28,873	New shared position
01-354-5010	EQUIPMENT LEASES	711	6,800	6,500	Lanier Copier and Wide Format Scanner/Printer
01-354-5100	PROFESSIONAL SERVICES	35,369	29,000	15,000	Plumbing Inspections \$12,000 (Lake County), Nuisance Abatement \$3,000.
01-354-5110	ENGINEERING SERVICES	4,484	7,000	7,000	Field inspections, Floodplain Violations, CAV List compliance
01-354-5111	BILLABLE ENGINEERING FEES	11,304	8,000	8,000	Engineering WDO Permit/Plan Reviews
01-354-5114	BILLABLE BUILDING & ZONING EXP	4,386	3,000	2,000	Reimbursable legal notices
01-354-5120	LEGAL SERVICES	2,868	12,000	10,000	Non-reimbursable expenses, code updates

Community Development Expenditures (continued)

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
01-354-5125	BILLABLE ATTORNEY FEES	4,094	5,000	5,000	Attorney Expenses reimbursed by developer
01-354-5160	TECHNOLOGY	4,186	12,000	6,320	BS&A Annual Service Fee for Building, Business, Field Inspection software \$1,700 equipment replacement
01-354-5200	POSTAGE	518	500	500	FedEx, UPS, Certified Mailings
01-354-5221	PRINTING	1,344	2,000	2,000	Prior Year Trend
01-354-5224	PUBLISHING	115	2,000	1,500	Legal Notices
01-354-5310	MEMBERSHIPS	1,936	2,000	2,420	ICSC \$100, \$105 ICC, \$540 Lake County Recorder of Deeds, \$1,000 IEPA/NPDES Permit, \$85 ABCI, \$50 NW Boca, \$420 IEDC
01-354-5320	TRAVEL	62	500	500	IEDC Training out of state
01-354-5330	TRAINING	613	2,000	2,000	Seminars, IEDC Courses, ICC Permit Tech Course, Excel training
01-354-5410	UTILITIES	2,410	2,520	2,520	Cell phones, \$70 per month x 3 phones
01-354-5700	OFFICE SUPPLIES	2,254	2,500	2,500	Pens, Folders, Forms, Printer Ink
01-354-5710	OPERATING SUPPLIES	(30)	-	-	
01-354-5712	SIGNS	455	15,000	-	Moved to BDD.
01-354-5720	COMMUNITY PROGRAMS	18,774	35,000	33,000	\$30,000 Façade Improvement Program including \$1k allocated to mural initiative, \$3,000 Community Garden
01-354-5740	UNIFORMS	253	300	300	Shirts
01-354-5751	FUEL	1,201	1,400	1,400	Same as Prior.
01-354-5951	EMPLOYEE RECOGNITION	-	150	150	Employee Recognition.
01-354-5970	REFUNDS	80	100	100	Current Trend.
	TOTAL COMMUNITY DEVELOPMENT EXPENDITURES	\$ 371,553	\$ 491,624	\$ 504,822	

VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Community Development
April 30, 2018



Grant Expenditures

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 Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
01-370-5811	GRANT - POLICE TOBACCO EXPENSE	-	300	300	Cigarette purchases for compliance tests.
	TOTAL GRANT EXPENDITURES	\$ -	\$ 300	\$ 300	

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. The remaining principle balance due is \$3,355,308, which was used to fund various capital projects.

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
01-400-6000	PRINCIPAL PAYMENT	\$ 280,876	\$ 398,844	\$ 427,102	2003A, 2011B and 2014B Issues
01-400-6010	INTEREST EXPENSE	113,809	103,908	92,000	2003A, 2011B and 2014B Issues
01-441-6000	PRINCIPAL PAYMENT	16,700	-	-	
01-441-6010	INTEREST EXPENSE	366	-	-	
01-311-5972	EXTERNALITY CREDIT AGREEMENT (NW REGION)	-	75,964	100,844	Annual payment for reimbursement.
01-427-6000	PRINCIPAL PAYMENT	73,020	52,675	55,182	2007 and 2011B Issues
01-427-6010	INTEREST EXPENSE	16,527	14,706	12,916	2007 and 2011B Issues
	TOTAL BOND PAYMENTS	\$ 501,298	\$ 646,097	\$ 688,044	

Capital Outlay

The Village's operational needs for capital expenditures must be weighed against the ability of the Village to finance these projects. Capital outlay the purchase of equipment and infrastructure resources needed to provide resident and business services that exceed \$20,000 in value and provide benefits for future years. A capital expenditure is incurred when the Village spends money to buy fixed assets or add value to an existing fixed asset. Additional information is located in the Capital Improvement Plan detail in Section 8.

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
01-511-7010	LAND - ADMINISTRATION	\$ -	\$ 250,000	\$ 250,000	Non-Specific authorization to purchase land from land bank
01-511-7021	BUILDING IMPROVEMENTS - ADMIN	-	175,000	150,000	Security for government buildings
01-521-7020	BUILDING - POLICE	-	-	100,000	Holiday Park: Roof, alarm, gate, internet, heat
01-521-7030	EQUIPMENT - POLICE	208,944	-	150,000	Range equipment (\$55k) and Weapon Replacement (\$35k)
01-521-7040	VEHICLES - POLICE	53,625	90,000	127,000	Replace 2 squad cars
01-527-7021	BUILDING IMPROVEMENTS - PARKS	825,831	1,200,000	250,000	Park Lighting Project
01-541-7021	BUILDING IMPROVEMENTS - STREET	-	80,000	190,000	Replace Parking Lot in PW Campus (\$150k), Station 1 Roof (40k)
01-541-7081	ROAD IMPROVEMENT - NW REGION	10,842	350,000	350,000	Sayton Rd
01-541-7030	EQUIPMENT - STREETS	140,752	91,000	138,000	5-yard dump truck \$138k
01-541-7040	VEHICLES - STREETS	107,683	175,000	12,000	4x4 Pickup with plow \$12k
01-541-7080	ROAD CONSTRUCTION	-	150,000	400,000	Grand Avenue Lighting Project \$250k, general engineering for road shovel ready projects \$150k
01-554-7040	VEHICLES - COMM DEV	15,892	-	-	
TOTAL CAPITAL EXPENDITURES		\$ 1,363,569	\$ 2,561,000	\$ 2,117,000	

Total General Fund Revenues, Expenditures and Net Income

The Village of Fox Lake General Fund for FY2018-19 will show a \$20k surplus of revenue from operations, but is also budgeted to utilize \$2,117,000 in reserves for capital expenditures included in the budget.

	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019
Total General Fund Revenues	\$13,171,450	\$13,058,198	\$12,040,324
Total General Fund Expenditures	\$13,085,141	\$13,969,031	\$14,137,038
Net Revenue/(Expenditures)	\$86,309	\$(910,833)	\$(2,096,714)

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Section 5

Special Revenue Funds

TIF

Motor Fuel Tax Fund

Business Development District Fund – South

Business Development District Fund – Central

Enterprise Funds

Commuter Parking Fund

Water & Sewer Fund

Northwest Regional Water Reclamation Facility

Dispatch - 911 Department

Fiduciary Funds

Police Pension



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 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 Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
12-100-3000	REAL ESTATE TAXES	\$ 37,007	\$ 44,247	\$ 44,247	Flat development anticipated in fiscal year
12-100-3700	INTEREST INCOME	1,908	3,270	1,500	Anticipated lower cash balance due to road construction projects
	TOTAL REVENUE	\$ 38,915	\$ 47,517	\$ 45,747	
12-300-5100	PROFESSIONAL SERVICES	\$ 2,995	\$ 22,808	\$ 25,000	Attorney expenses related to develop \$20,000 and audit fees \$5,000
12-500-7080	ROAD CONSTRUCTION	-	250,000	250,000	Sidewalks, Road improvements Not expended in 17-18 Carried forward to 18-19
	TOTAL EXPENDITURES	\$ 2,995	\$ 272,808	\$ 275,000	

TIF Boundary Map

The TIF is south of Illinois Route 12 and Sayton 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 FY2018-19 was conservatively developed assuming a decrease in the per capita rate from to \$25.75 to \$23.63.

Motor Fuel Tax Fund Continued

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

Fiscal Year	Revenues	Rate Per Capita
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	\$ 269,666	24.30
FY2015-2016	\$ 281,019	26.56
FY2016-2017	\$ 278,576	25.90
FY2017-2018 (B)	\$ 272,409	25.75
FY2018-2019 (B)	\$ 250,000	23.63

*Includes Job Now & High Growth Cities receipts

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
15-100-3130	MOTOR FUEL TAX	\$ 278,576	\$ 272,410	\$ 250,000	Decreasing trend in revenue source.
15-100-3700	INTEREST INCOME	2,845	8,000	8,000	Same as Prior.
	TOTAL REVENUE	\$ 281,421	\$ 280,410	\$ 258,000	
15-300-5110	ENGINEERING SERVICES	\$ 1,202	\$ -	\$ -	
15-300-5100	PROFESSIONAL SERVICES	10,967	34,000	31,000	Thermoplastic \$15,000, Road striping \$5,000; Traffic Studies for various items \$11,000
15-300-5413	ELECTRICITY CHARGES	17,341	20,000	15,000	LED lighting reduced lighting expense
15-300-5710	OPERATING SUPPLIES	86,864	175,000	165,000	\$50/Ton x 1,800= \$90,000 salt, 10,000gal/\$1.25 = \$12,500 deicing \$62,500 asphalt resurfacing
15-500-7080	ROAD CONSTRUCTION	30,415	350,000	350,000	Sayton Road, Nippersink, Grand Ave
	TOTAL EXPENDITURES	\$ 146,789	\$ 579,000	\$ 561,000	
	TOTAL MOTOR FUEL TAX	\$ 134,632	(\$ 298,590)	(\$ 303,000)	

Business Development Districts

Two business development districts were formed starting January 2018: one for the south business district near Route 12 and Route 134 and one for the central business district along Grand Avenue and Route 12 to the north. A Business Development District allows for special taxing district designation and has a life span of 23 years. This allows for an additional sales tax of 1% on certain items for sale in a limited area. Major items excluded from this tax include groceries, autos, and prescription drugs. Those revenues generated within the Business District can only be utilized within the area in support of redevelopment goals, including:

- Infrastructure
- Street Lighting
- Street Improvements
- Area marketing efforts
- Branding (Banners, wayfinding signage)
- Parking and streetscape improvements
- Façade Improvements

Business Development District - South

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
20-100-3110	SALES TAX	-	\$ 265,000	\$ 800,000	Based upon study estimates
TOTAL REVENUE		-	\$ 265,000	\$ 800,000	
20-300-5100	PROFESSIONAL SERVICES	-	\$ 75,000	\$ 100,000	BDD establishment and Attorney expenses
20-300-5401	SERVICE CHARGES - GENERAL FUND	-	-	5,000	Reimburse for General Fund time spent managing BDD
20-500-7080	CAPITAL IMPROVEMENTS	-	190,000	800,000	Engineering for new projects \$750k, Wayfinding & Signage \$50k.
TOTAL EXPENDITURES		-	\$ 265,000	\$ 905,000	

Business Development District - Central

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
21-100-3110	SALES TAX	-	\$ 160,000	\$ 340,000	Based upon study estimates
TOTAL REVENUE		-	\$ 160,000	\$ 340,000	
21-300-5100	PROFESSIONAL SERVICES	-	\$ 50,000	\$ 125,000	BDD establishment and Attorney expenses
21-300-5525	BUSINESS INCENTIVES	-	-	30,000	Existing Business Incentive Agreement.
21-300-5401	SERVICE CHARGES - GENERAL FUND	-	-	15,000	Reimburse for General Fund time spent managing BDD
	CAPITAL IMPROVEMENTS	-	-	-	Wayfinding/Signage
21-500-7080	ROAD CONSTRUCTION	-	25,000	100,000	Engineering for new projects \$50k, Wayfinding/Signage \$50k
TOTAL EXPENDITURES		-	\$ 75,000	\$ 270,000	

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 \$65,483. 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 Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
50-100-3820	PARKING FEES	110,659	110,000	110,000	Stagnant trend-no change.
50-100-3700	INTEREST INCOME	145	125	170	Interest rates rising.
	TOTAL REVENUES	\$ 110,804	\$ 110,125	\$ 110,170	
50-300-4000	WAGES	\$ 22,622	\$ 20,888	\$ 43,657	Added .5 FTE.
50-300-4002	WAGES - PART-TIME	-	-	13,500	Added Summer Help.
50-300-4100	HEALTH INSURANCE	728	3,663	7,682	Additional FTE.
50-300-4200	SOCIAL SECURITY & MEDICARE	1,786	1,614	4,290	Additional FTE.
50-300-4220	IMRF	2,516	2,309	4,882	Additional FTE.
50-300-4225	NET PENSION EXPENSE	1,735	-	3,668	Placeholder for average net pension exp adjusted for salary increase.
50-300-5010	EQUIPMENT MAINTENANCE	128	5,000	150	Prior years' average.
50-300-5104	PROF SERVICES - SNOW REMOVAL	6,011	10,000	10,000	Hired Snow and Ice Control

Commuter Parking Fund (continued)

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
50-300-5102	ACCOUNTING SERVICES	1,508	1,897	1,400	Proportionate Share of Audit costs.
50-300-5100	PROFESSIONAL SERVICES	932	500	500	Same as Prior.
50-300-5200	POSTAGE	-	50	-	Mailing Parking Passes
50-300-5221	PRINTING	-	500	300	Printing Passes
50-300-5410	UTILITIES	6,088	6,000	5,000	ComEd Nicor
50-300-5500	LIABILITY & WORKERS COMP INS	993	1,296	2,854	Additional salary base.
50-300-5710	OPERATING SUPPLIES	661	22,000	18,000	Salt for parking lots, mowing metra areas
50-300-5401	SERVICE CHARGE - GENERAL FUND	32,860	41,352	53,734	Allocable portion of Admin and Supervisory costs.
50-300-8000	DEPRECIATION	5,036	9,400	5,036	No Capital Expenditures budgeted 2017/18 or 2018/19
	TOTAL PARKING EXPENSES	\$ 89,371	\$ 127,469	\$ 175,653	

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

The Sewer and Water Department has a current staffing level of six (6) personnel for both the South and North System. Staff members attend training sessions yearly to stay abreast of current regulations and maintain IEPA licensing. The Water and Sewer Department provides 24-hour call service to provide 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.

The net income in the Water Fund is lower than prior year mostly due to the receipt of loan funds in FY2018-19 and the inclusion of new assets for depreciation and liability insurance in the current budget year.

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
51-100-3830	WATER SALES	\$ 3,865,055	\$ 4,045,622	\$ 4,231,720	Rate increase of 4.6% (2.1% CPI + 2.5%)
51-100-3200	GRANT REVENUE	86,250	-	-	None Anticipated
51-100-3700	INTEREST INCOME	14,033	40,000	40,000	Conservative estimate.
51-100-3720	SALE-FIXED ASSETS	-	8,200	-	
51-100-3750	MISCELLANEOUS INCOME	30,017	20,000	20,000	Trending like prior year
51-100-3831	WATER METER SALES	6,684	10,000	20,000	10 Country Club Hills
51-100-3840	TAP-ON-FEES	140,263	165,000	37,000	10 Country Club Hills
51-100-3841	REMEDIAL WASTE	27,135	27,000	22,000	Trending like prior year
51-100-3845	PENALTIES	61,590	50,000	50,000	Conservative estimate
	TOTAL REVENUE	\$ 4,231,027	\$4,365,822	\$ 4,420,720	
51-200-3902	NEW IEPA LOAN	-	733,363	-	Loan expended on capital improvement in 17-18. None anticipated.
	TOTAL REVENUE	\$ 4,231,027	\$ 5,099,185	\$ 4,420,720	

Water/Sewer Fund Budget (continued)

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
51-300-4000	WAGES	\$ 480,863	\$ 397,990	\$ 411,886	Down .8 FTE.
51-300-4010	OVERTIME	21,580	23,111	18,750	Down .8 FTE.
51-300-4100	HEALTH INSURANCE	108,031	123,325	93,394	Down .8 FTE.
51-300-4110	LIFE INSURANCE	666	812	767	Down .8 FTE.
51-300-4200	SOCIAL SECURITY & MEDICARE	36,362	31,152	32,068	Down .8 FTE.
51-300-4220	IMRF	49,007	44,230	47,889	Down .8 FTE.
51-300-4225	NET PENSION EXPENSE	11,530	12,000	12,000	Estimate placeholder.
51-300-5000	BUILDING MAINTENANCE	3,687	36,500	38,600	\$5,000 HVAC inspections and repairs, \$2,500 Backflow preventers, \$1,900 Atometer replace at well 5, \$3,500 window and flooring replacements at well 4, \$500 water cooler at shop, \$3,000 seal coat well 4&5, \$10,500 New dehumidifier well houses (replace 15yr old units) \$5,000 LED upgrades at well 4/5, \$5,500 sealcoat and pave tall oaks, repair fence at tall oaks \$1,200
51-300-5010	EQUIPMENT MAINTENANCE	17,011	52,200	41,700	Repair pumps/controls \$35,000, calibration of scales \$1,000, calibration of chlorine gas detectors \$1,200, Jack Hammer attached for bobcat \$4,500
51-300-5021	VEHICLE MAINTENANCE - MP	42,269	30,000	37,000	Vac Truck, (1)F450, (5) F350, 2014 Ford Van, Box Truck,
51-300-5050	UTILITY SYSTEM MAINTENANCE	50,702	180,560	198,560	\$18,000 Ernest/Tall Oaks tank clean and repair, water meter testing & calibration \$6,000, water leak survey \$10,000 annual, Restoration Materials \$10,000, Paving and Patching \$13,000, Bulk Materials \$4,000, Equipment Rentals \$2,000, Root Removal \$10,560, Emergency System repairs \$125,000
51-300-5100	PROFESSIONAL SERVICES	25,046	28,200	68,700	IEPA Permit Tall Oaks \$8,000, Lein Fees \$4,000, Fire Extinguisher service \$600, misc \$500, Fulcrum \$700, GIS ELA Program \$7,000 recurring expense, BSI Cross Connection \$800 , Calibrate Lab Meter HACH \$1,200, Julie Fee \$4,000, Census \$1,900; Baxter & Woodman \$40,000.00

Water/Sewer Fund Budget (continued)

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
51-300-5102	ACCOUNTING SERVICES	6,989	11,308	11,308	Allocation of audit
51-300-5110	ENGINEERING SERVICES	74,417	100,000	85,000	General Engineering Costs \$50,000, GIS Services \$35,000
51-300-5115	OUTSIDE LAB TESTING	16,453	27,432	27,432	NWRWRF Lab \$13,000, sludge handling \$3,000, sludge testing \$2,300, IEPA, State & Federal, public water monitoring requirements North/South systems \$6,552, Admin contract lab \$580, sample contingency \$2,000
51-300-5120	LEGAL SERVICES	8,173	10,000	10,000	Same as Prior.
51-300-5150	PHYSICAL EXAMS	45	100	100	Actuals less than anticipated
51-300-5160	TECHNOLOGY	930	2,500	2,500	Equipment repairs \$1,000, misc \$1,500
51-300-5200	POSTAGE	7,888	12,150	12,150	\$10,900 Sewer & Water Billing, shipping \$1,000, Certified Mailings \$250
51-300-5221	PRINTING	881	2,955	2,630	Postcards \$730, regular env \$150, hang tags \$600, shipping labels \$50, business cards \$100, misc \$1000
51-300-5224	PUBLISHING	7,008	3,000	1,500	Bids, system maintenance
51-300-5310	MEMBERSHIPS	248	1,090	1,090	AWWA \$400, CSWEA \$150, FVOA\$50, WEF \$140, North Suburban Labs \$150, APWA \$200
51-300-5320	TRAVEL	-	-	-	
51-300-5330	TRAINING	2,455	7,000	8,300	Seminars & Workshops \$2,500, safety manuals & videos \$500, Tuition Reimbursement \$800, CL2/Competent Person/Confined Space/ \$4,500
51-300-5401	SERVICE CHARGE - GENERAL FUND	465,728	543,575	563,956	Allocation based upon actual time for HR/Accounting/PW plus overhead
51-300-5402	SERVICE CHARGE - 911	-	9,151	9,556	Based upon calls for Lift Stations

Water/Sewer Fund Budget (continued)

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
51-300-5410	UTILITIES	158,401	156,200	155,540	Verizon Cell Phones 2 Ipads \$4,640 per year, \$2,600 Comcast Phone (Tall Oaks internet) Electric \$130,000, Com Ed \$500, Nicor \$15,000 OMNI site Alarms \$1,000 Fox Utility Bill \$1,800
51-300-5430	CREDIT CARD & BANK CHARGES	18,113	20,000	18,000	Bond handling fee & Credit Card fees
51-300-5500	LIABILITY & WORKERS COMP INS	89,522	99,000	130,000	Allocation based upon Work's Comp audit and actual equipment/building assets - new tower.
51-300-5600	BUILDING MAINTENANCE SUPPLIES	17,776	20,000	20,000	Cleaning Supplies \$1,500, Electrical Parts \$5,000, Lubricants \$1,000, Locks \$1,000, paint/supplies \$2,500, paper products \$1,200, Locate Supplies \$1,500, Construction Materials \$2,500, Landscaping Supplies \$1,000, Plumbing Parts \$1,000, Soap/Disinfectant \$700, Sump Pumps \$800, Signage \$500, Weed Killer \$1,200, Fasteners \$1,000, Misc \$3,500, Cylinder Rental Fees \$100, Batteries \$400, Light Bulbs Fixtures \$2,000
51-300-5610	EQUIPMENT MAINTENANCE SUPPLIES	4,456	4,000	4,000	Pumps, saws, mowers, air compressor, Jet/vac , portable emergency generator repairs
51-300-5620	VEHICLE PARTS	3,118	12,700	12,700	Vehicles \$500, Vactor - nozzles, hoses, tubing \$5,000, Sewer Camera Parts - \$2,000, Camera Inspection \$5,200, Sewer cleaning nozzle
51-300-5630	UTILITY SYSTEM MAIN SUPPLIES	5,446	6,000	8,000	IEPA required field testing CL2 \$1,100, Fluoride \$2,500, Phosphate \$350, Iron \$400, Standards \$500 Contingency \$1,150, Poly/fluoride pumps \$2,000, sewer plugs \$2,000
51-300-5640	WATER METERS	26,826	43,110	45,510	(Water meters(\$200 each including misc. parts) 75 Routine Change outs and 20 Residential Construction Total \$19,000, (MXU Transmitters-75 Meter change outs 40 routine maintenance 12 new construction \$130 each) Total \$16,510, Misc.-Meter Wire Gaskets fittings \$5,000, (New commercial Meter \$5,000)

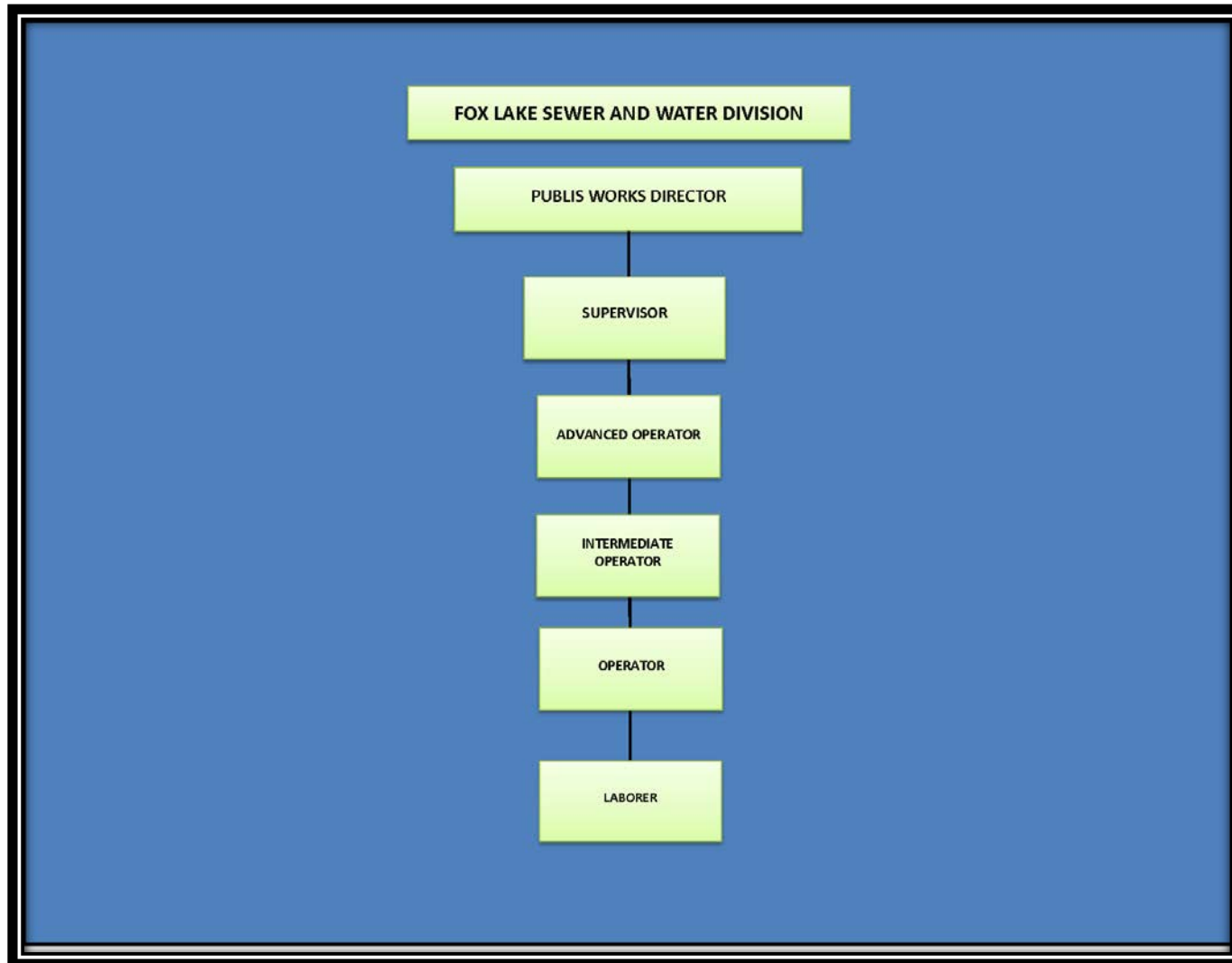
Water/Sewer Fund Budget (continued)

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
51-300-5700	OFFICE SUPPLIES	1,543	3,525	3,525	Water/sewer office, Printer Cartridges \$450, Paper \$250, charts \$250, misc. \$1,000 (Pens, notebooks, post its, paperclips, etc.) Replace Office Furniture \$1,000, Utility Billing \$825
51-300-5710	OPERATING SUPPLIES	27,241	41,000	38,000	System supplies, clamps, sleeves, couplings, b-boxes, valve boxes, water & sewer pipe, manhole and valve box risers \$27,000, chemical feed equipment \$2,000, Hydrant Parts \$9,000
51-300-5730	SMALL TOOLS	5,733	13,200	8,200	Tyvek Suits \$500, Rubber gloves \$500, System tools \$2,000, Small tools \$2,000, Safety Equipment \$3,000, First Aid Supplies \$200,
51-300-5740	UNIFORMS	5,146	5,000	6,000	Uniform cost per each staff member \$500 (6) \$3,000, Boots Safety toe \$1,000, hats, gloves, coats \$2,000
51-300-5750	CHEMICALS	32,401	40,000	40,000	6748 lbs CL2 \$7,086, 4078 lbs Fluoride \$2203, 3500 lbs Poly \$3,300, 200 gallons Hypochlorite \$1098, Sewer: 1900 lbs Cl2 \$1,100, 4500 gallons FERRIC \$8,505, 7000 lbs BI sulfate \$1,820, Dytec Granular 550 lbs \$875, deliver charges \$2,000, contingency 1,000 enzymes for lift station grease \$10,000
51-300-5751	FUEL	15,528	20,000	25,500	Gas - Regular: 100 gallons small equipment, 4000 gallons vehicles @ \$3.00/gallon - Diesel 4,000 vehicles, 500 generators @ \$3.00/gallon
51-300-5752	LAB SUPPLIES	-	-	-	Moved to operating supplies
51-300-5780	SOFTWARE	9,882	-	-	No new expense.
51-300-5951	EMPLOYEE RECOGNITION	32	200	200	Employee Recognition.
51-300-5970	REFUNDS	2,136	5,000	5,000	Same as Prior.
51-300-8000	DEPRECIATION	722,373	863,872	925,205	Last year's actuals plus current assets basis 45 year useful life
51-300-8020	AMORTIZATION EXPENSE	12,552	12,552	12,552	Bond issuance costs amortized over 15 years
	TOTAL OPERATING EXPENSES	\$ 2,596,194	\$ 3,055,700	\$ 3,194,768	

Water/Sewer Fund Budget (continued)

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
51-400-6000	PRINCIPAL PAYMENT	-	304,202	393,256	Principal payment on Bonds: 2011B, 2014B, IEPA Junior Lien Loan, and IEPA North Tower
51-400-6001	PRINCIPAL PAYMENT OFFSET	-	-	(393,256)	Principal payments do not reflect an expense; they are a reduction of a liability.
51-400-6010	INTEREST EXPENSE	112,186	106,180	122,885	Principal payment on Bonds: 2011B, 2014B, IEPA Junior Lien Loan, and IEPA North Tower
51-400-6020	BOND ISSUANCE COSTS	-	-	-	None anticipated
	TOTAL DEBT	\$ 112,186	\$ 410,382	\$ 122,885	
51-500-7020	BUILDING	1,320,701	1,375,895	190,000	Mast Deer Run \$15,000, Repairs from 16-17 Electrical Study \$55,000, back-up generator install Menards & Well #5, \$120,000
51-500-7040	VEHICLES	141,471	100,000	-	New vehicles.
51-500-7050	WATER & SEWER SYSTEM	1,343,398	1,535,000	1,275,000	Washington Tower \$85,000, sanitary sewer lining \$140,000, Engineering, Design, Loan Application, Inspection Services, Interconnect \$450,000, Sayton Road Water main \$320,000, SCADA work \$50,000, Rehab Lippincott lift station \$40,000, VFD \$45,000, Water main replacement by Fire Department \$110,000, replace broken valves in town \$35,000
	CAPITAL IMPROVEMENTS	\$ 2,805,570	\$ 3,010,895	\$ 1,465,000	
51-600-8000	CAPITAL EXP CLASSIFIED ASSET	\$(2,805,570)	\$(3,010,895)	\$(1,465,000)	Assets are capitalized and are not included in expense.
	NET INCOME/(LOSS)	\$ 1,522,647	\$ 1,633,103	\$ 1,103,067	

VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Water & Sewer
April 30, 2018



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.

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

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 shows \$229,686 more operating expenditures in the current year mostly due to the net addition of two FTE and increased maintenance costs.

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
52-100-3505	FINES	188	375	-	None anticipated
52-100-3700	INTEREST INCOME	50,602	104,550	110,000	Estimated based on annual trend. Interest Rates increasing but balance on slight downward trend.
52-100-3720	SALE-FIXED ASSETS	-	1,500	3,000	Sale of Vehicle
52-100-3750	MISCELLANEOUS INCOME	70	-	-	None anticipated
52-100-3803	EXTERNALITY FEE - CREDIT	846,161	-	-	No entry necessary here. Total impact of payback for agreement recorded in 16-17.
52-100-3835	SEWER CHARGES	739,478	720,000	725,000	Estimated based on annual trend.
52-100-3836	SEWER SURCHARGES	8,516	4,000	8,000	Industrial Users - current trend
52-100-3837	COUNTY SEWER CHARGES	3,994,324	4,000,000	4,000,000	Estimated based on agreement with Lake County
52-100-3840	TAP-ON-FEES	110,800	148,000	180,000	Estimated based on current developments
52-100-3841	REMEDIAL WASTE	80,832	50,000	1,000	Plan to eliminate due to process issues and associated expenses
52-100-3845	PENALTIES	14,482	15,500	15,500	Estimated based on annual trend
	OPERATING REVENUES	\$ 5,845,453	\$ 5,043,925	\$ 5,042,500	

Northwest Regional Water Reclamation Facility Budget (continued)

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
52-200-3990	EXTERNALITY CREDIT AGREEMENT	-	75,964	100,844	Credit Agreement/Settlement
	TOTAL REVENUE	\$ 5,845,453	\$ 5,119,889	\$ 5,143,344	
52-300-4000	WAGES	\$ 796,152	\$ 848,350	\$ 939,264	3 new employees
52-300-4002	WAGES - PART-TIME	9,346	25,335	27,730	3 new employees
52-300-4010	OVERTIME	23,110	43,174	45,637	3 new employees
52-300-4100	HEALTH INSURANCE	175,671	200,680	233,999	3 new employees
52-300-4110	LIFE INSURANCE	1,005	1,348	1,423	3 new employees
52-300-4200	SOCIAL SECURITY & MEDICARE	63,749	54,958	74,986	3 new employees
52-300-4220	IMRF	82,580	94,482	110,636	3 new employees
52-300-4225	NET PENSION EXPENSE	9,544	10,000	10,000	Estimated based upon prior year
52-300-5000	BUILDING MAINTENANCE	77,609	106,550	213,300	Janitorial \$9,500, rags and towels \$1,400, Concrete Repairs & Crack Filling \$40,000, Concrete, HVAC repairs \$8,000, security gate \$11,000, fire extinguishers \$800, carpet cleaning \$800, boiler service \$2,000, door/window services \$1,500, weed control \$2,000, bio process diagnostics \$1,500, Asphalt #92 \$8,000, landscaping \$6,500, roof repairs \$45,000, SCADA service \$15,000, Fire alarm Maintenance/Repair \$1,200, Water Softener Service \$600, Brick Repairs \$20,000, backflow service \$1,000, Overhead door Services \$4,000, Outfall Flume Repair \$7,000

Northwest Regional Water Reclamation Facility Budget (continued)

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
52-300-5010	EQUIPMENT MAINTENANCE	32,979	59,760	60,060	Linear Copier \$3,200, Washer \$2,600, seal rebuild/replace Moyno, Wmco, Hayward Gordon \$10,000, vfd repair/replacement \$6,000, Elec Motor Repairs \$5,000, Screw Pump Motor Rebuild \$2,000, gas detectors \$8,500, sump pump \$950, spectrophometer maintenance \$810, generator switch gear \$7,000 (every other year), lab DI water system \$750, hoist inspection \$850, UPS batteries \$600, filter cartridges millipore \$2,100, cogen service \$2,500, prep skid service \$5,000, Meter/pipette Calibrations \$2,200.
52-300-5021	VEHICLE MAINTENANCE - MP	7,572	14,500	14,500	Money allocated to motor pool to perform preventative maintenance to and repair NWRWRF Vehicles
52-300-5100	PROFESSIONAL SERVICES	226,794	200,000	234,000	Odor control service contract \$164,000, NPDES \$52,500, Air emissions \$200, S&W filing fees \$3,660, boiler permit \$500, background checks \$500, credit card fees \$12,000
52-300-5102	ACCOUNTING SERVICES	5,202	6,500	6,500	Allocation of accounting, audit
52-300-5110	ENGINEERING SERVICES	24,881	90,000	85,000	General engineering, Building structural analysis, SCADA
52-300-5115	OUTSIDE LAB TESTING	10,484	14,000	14,400	Same as Prior.
52-300-5120	LEGAL SERVICES	90,904	150,000	30,000	Misc. legal services.
52-300-5130	SLUDGE REMOVAL	101,954	95,000	112,000	Sludge hauling - 8,000 cubic yards @\$14.00 /Cubic yd (fuel prices lower than anticipated)
52-300-5150	PHYSICAL EXAMS	181	300	300	Vaccines and physicals
52-300-5160	TECHNOLOGY	11,914	21,150	18,440	Antivirus (trend micro, app river) \$450, Allmax \$6,600, Offline Data Storage (%50) \$1,500, Misc Tech Upgrades \$3,500, Equipment Repairs \$1,750, Software \$1,000, Monitor Replacement (2) \$600, Computer Replacement (2) \$3,000, Annual Security Software fee \$400
52-300-5200	POSTAGE	4,629	6,000	6,000	General \$1,000, Utility billing \$3,250, lab shipping \$700, pre-treatment postage \$250, instrument shipping \$500, equipment ship/freight \$1,000

Northwest Regional Water Reclamation Facility Budget (continued)

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
52-300-5221	PRINTING	1,014	3,280	3,280	Utility billing \$1,180, job ads \$500, public notices \$200, bids \$600, po's letterhead, business cards, envelopes \$850
52-300-5224	PUBLISHING	551	1,211	1,000	Manuals and references
52-300-5310	MEMBERSHIPS	5,254	6,600	6,545	WEF \$400, FVOA \$200, CHMM \$425, ILWA \$5,000, AWWA \$265, FET \$85, MWAA \$120, IAWPCO \$50
52-300-5320	TRAVEL	31	300	2,200	Conference \$2,200
52-300-5330	TRAINING	686	3,500	4,220	Utility billing clerk \$150, ops seminars \$550, Midwest analysis \$120, lab seminars \$150, mechanics training \$500, electricians training \$250, Supervisor training \$2,500
52-300-5340	TUITION REIMBURSEMENT	-	-	-	None anticipated
52-300-5401	SERVICE CHARGE - GENERAL FUND	325,323	442,103	452,572	Allocable administrative, finance and HR costs.
52-300-5410	UTILITIES	532,859	424,860	421,660	Mid-American Energy Electricity \$330,594 (6 million* .05009/ kwh+10%), NICOR \$2,700/mth \$32,200, Village of Fox Lake water \$4,200/bi mthly, Phone system - \$7,600, \$23,400, Mobile \$650/month \$7,800, SCADA wireless \$180/mth \$2160, WIN 911 equipment alarm dialer \$395
52-300-5420	GARBAGE DISPOSAL	-	2,000	2,000	Chemical waste
52-300-5500	LIABILITY & WORKERS COMP INS	200,907	222,200	222,200	Workers Comp - based upon audit, Liability based upon actual building & equipment values
52-300-5510	RENTALS	-	2,900	3,000	Crane and Lift Rental
52-300-5540	EXTERNALITY FEE	225,508	226,303	226,900	EXTERNALITY FEE-4.5% of Revenue to GF.

Northwest Regional Water Reclamation Facility Budget (continued)

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
52-300-5600	BUILDING MAINTENANCE SUPPLIES	123,246	165,500	254,700	Bldg 10 \$2,000, Bldg 12 \$1,000, Bldg 15 \$1,000, Bldg 20 \$3,300, Bldg 22 \$3,800, Bldg 25 \$1,000, Bldg 30 \$20,500, Bldg 31 \$4,800, Bldg 35/36 \$30,100(grinder installation), Bldg 38 \$1,000, Bldg 40 \$12,000, Bldg 45 \$3,500, Bldg 48 \$4,400, Bldg 50 \$400, Bldg 55 \$2,000, Bldg 60 \$15,200, Bldg 65 \$73,000, Bldg 66 \$2,500, Bldg 68 2,000, Bldg 69 \$4,000, Bldg 70 \$28,500, Bldg 72 \$3,500, Bldg 75 \$12,000, Bldg 77 \$6,200 Bldg 79 \$10,500, Bldg 90 \$2,500, Bldg 92 \$4,000.
52-300-5610	EQUIPMENT MAINTENANCE SUPPLIES	20,188	35,300	46,100	Paint \$4,000, paint supplies \$1,500, plumbing supplies \$2,500, electrical supplies \$3,000, light bulb replacement \$1000, oil \$4,000, grease \$4,000, analyzers/accessories \$10,000, steel stock \$2,000, rubber \$800, belts \$3,000, air filters \$4,500, misc. replacement hardware (Includes door knobs, etc.) \$4,000, SS anchors \$300, Core Plastic \$500, gauges \$1,000
52-300-5620	VEHICLE PARTS	1,229	4,700	5,000	General for pumps, mowers, gators.
52-300-5630	UTILITY SYSTEM MAIN SUPPLIES	-	-	-	Moved to operating supplies
52-300-5700	OFFICE SUPPLIES	1,979	3,825	3,900	Paper, paper clips, pens, pencils staples, folders, hanging folders, loos-leaf notebooks, report folders, tap scissors, hi-liters, markers, computer supplies \$1,500, print cartridges \$1,800, water billing office supplies \$600
52-300-5710	OPERATING SUPPLIES	12,076	24,200	22,400	General supplies \$5,000, Chlorine pump parts \$2000 welding/torch gas \$1,000, mulch/top soil \$1,400, All Hoses & Fittings \$4,000, drinking water \$1,200, mechanics consumables \$2,000, Janitorial Supplies including paper products \$4,400, sampler parts \$1400.
52-300-5711	SAFETY SUPPLIES	3,319	6,300	7,200	Videos/Books \$250, First Aid Supplies \$300, Safety Glasses \$150, face shields \$200, dust masks \$300, work gloves \$400, A.F. glove service \$200, LEL Gas Meter \$3,400, Nitrile gloves \$2,000

Northwest Regional Water Reclamation Facility Budget (continued)

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
52-300-5730	SMALL TOOLS	2,819	19,730	9,850	Electrician Tools \$800, Operator Tools \$800, Mechanics Tools \$2,000, ammonia analyzer maintenance \$1,750, push cam \$1,000, Hypo Pump \$3,500
52-300-5740	UNIFORMS	7,380	15,000	14,000	\$1,000 per employee (coats, pants, boots, t-shirts, rain gear, winter gear, sweat shirts, coveralls) *planning for 3 add'l
52-300-5750	CHEMICALS	259,364	294,271	325,000	Acid-Muriatic \$200, Calcium Hypochlorite \$5,800, Calcium Hypochlorite Tabs \$9,900, Deodorant Blocks \$1,200, Sulfuric Acid \$3,100, Acticlean \$200, Ferric Chloride \$101,000, Micro Nutrients \$8,500, Lime Dry \$2,500, Lime Liquid \$2,000, Polymer \$128,000, Salt (Softeners) \$3,400, Salt (Ice Melts) \$800, Sodium Hypochlorite \$48,000, Fertilizer sticks \$300, Weed Killer \$300, 50-r Caustic Cleaner \$1,600, Hydrex 4900 Filter Cleaner \$1,000, Siloxane Media Bldg 79 \$6,000, Operator chemical PH \$600, Dispersant-polymer \$600.
52-300-5751	FUEL	10,596	15,000	15,000	Diesel \$11,000, Fork Lift \$500, Gasoline \$3,500 (includes pretreatment vehicles)
52-300-5752	LAB SUPPLIES	15,443	31,465	31,500	Equipment: Meters, probes, glass, plastic bottles, balance \$4,000, Consumables: filter paper \$1,000, solutions & soaps \$350, DO membranes \$450, Electrodes, Lab kits \$25,100, Pipette replacement (1 per year) \$600
52-300-5780	SOFTWARE	9,882	-	-	Accounting Software paid for in full - None incurred this year
52-300-5951	EMPLOYEE RECOGNITION	280	500	500	Employee recognition.
52-300-7020	EQUIPMENT	-	20,000	15,000	Riding Mower \$15,000,
52-300-8000	DEPRECIATION	1,846,717	2,070,646	2,070,646	Less Capital Asset purchases
	SUB-TOTAL EXPENSES	\$ 5,362,911	\$ 6,083,781	\$ 6,404,548	
52-310-4000	WAGES	\$ 123,309	\$ 128,670	\$ 60,123	Decreased to 1 employee from 2.
52-310-4010	OVERTIME	2,179	8,745	5,500	Decreased to 1 employee from 2.

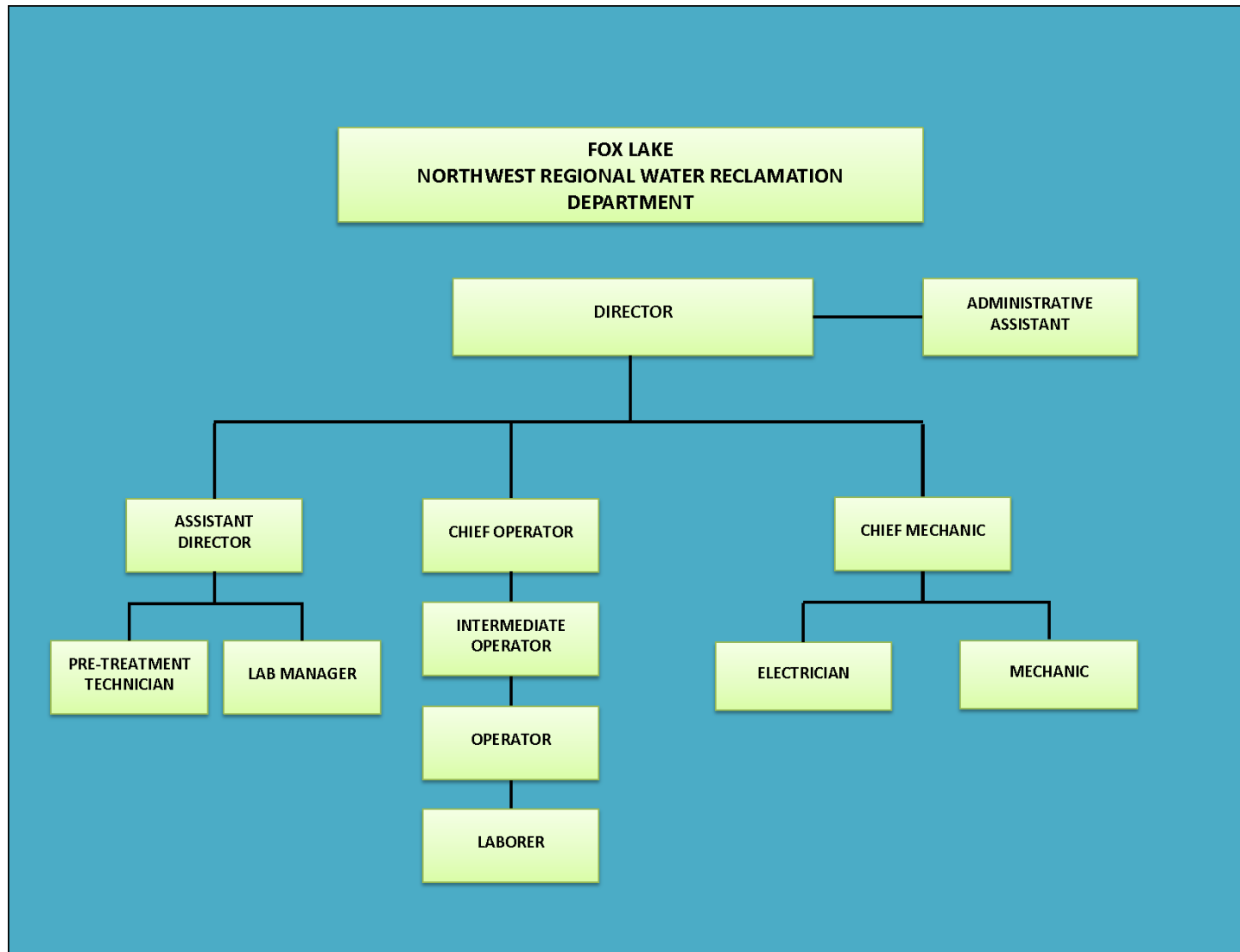
Northwest Regional Water Reclamation Facility Budget (continued)

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
52-310-4100	HEALTH INSURANCE	30,543	27,745	16,821	Decreased to 1 employee from 2.
52-310-4110	LIFE INSURANCE	145	185	92	Decreased to 1 employee from 2.
52-310-4200	SOCIAL SECURITY & MEDICARE	9,039	10,373	4,813	Decreased to 1 employee from 2.
52-310-4220	IMRF	12,218	14,599	7,182	Decreased to 1 employee from 2.
52-310-5021	VEHICLE MAINTENANCE - MP	997	2,500	1,000	Van maintenance
52-310-5100	PROFESSIONAL SERVICES	4	850	13,000	Sample Repair \$500, H2S Meter Service Plan \$500, \$12,000 Pre-Treatment Assessment
52-310-5110	ENGINEERING SERVICES	-	8,500	500	\$500 engineering services
52-310-5115	OUTSIDE LAB TESTING	12,383	14,960	15,100	SIU's \$6,000, FOG monitoring \$1,000, 1/4 INF & EFF \$6,000, Eff LL HG \$1,300, Semi Annual FOC \$800
52-310-5120	LEGAL SERVICES	-	500	500	General
52-310-5160	TECHNOLOGY	300	410	3,000	Spam protection \$50, Anti Virus \$60, Equipment repairs \$300, Rugged Laptop Replacement \$2590
52-310-5330	TRAINING	-	-	600	misc training for technician \$600
52-310-5410	UTILITIES	855	870	450	Cell Phones (1)
52-310-5700	OFFICE SUPPLIES	169	460	460	Toner \$160, Supplies \$160
52-310-5710	OPERATING SUPPLIES	1,226	4,525	3,650	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	-	230	250	Misc. Safety Supplies
52-310-5740	UNIFORMS	965	-	-	moved to 52-300-5740
	TOTAL	\$ 194,332	\$ 224,122	\$ 133,041	
52-500-7011	LAND IMPROVEMENTS	23,643	-	-	None anticipated
52-500-7021	BUILDING IMPROVEMENTS	721,022	300,000	540,000	Screw Pump Rebuilds (2) (#5 on 1st stage & #5 on 2nd stage) \$340,000, Roof Replacements \$200,000

Northwest Regional Water Reclamation Facility Budget (continued)

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
52-500-7030	EQUIPMENT	-	-	810,000	RAS Pump Design/Replacement
52-500-7040	VEHICLES	28,707	32,000	56,000	Replace box truck
52-500-7050	INFRASTRUCTURE IMPROVEMENTS	-	-	1,100,000	Aeration Trunk Line \$1.1M
	TOTAL CAPITAL EXPENSES	\$ 773,372	\$ 332,000	\$ 2,506,000	
52-600-8000	CAPITAL EXP CLASSIFIED ASSET	\$ (773,372)	\$ (332,000)	\$(2,506,000)	Assets are capitalized and are not included in expense.
	NW REGION INCOME/(LOSS)	\$ 288,210	\$ (1,188,014)	\$(1,394,245)	

VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Northwest Regional Water Reclamation District
April 30, 2018



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 six (6) additional outside agencies; Fox Lake Fire Protection District, Grayslake Fire Protection District, Lake Villa Fire Protection District, Park City Police, Lake Villa Police and Lakemoor Police. 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.

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 and one (1) Assistant Manager, who are 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 and requirements. FoxComm E911 operates on a 24-hour a day, 12-hour shift schedule. Two (2) LEAD Telecommunicators assist management with supervising ten (10) full-time Telecommunicators and seven (4) part-time Telecommunicators.

The 911 fund shows an additional net loss of \$189,137 due to a personnel reorganization and compensation adjustments to closer match the labor market.

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
91-100-3700	INTEREST INCOME	\$ 649	\$ 1,000	\$ 1,000	Same as Prior.
91-100-3810	VOIP SURCHARGE	32,568	25,500	32,568	Estimated 17/18 actual.
91-100-3811	WIRELESS SURCHARGE	77,811	72,000	72,000	Same as Prior.
91-100-3812	CONTRACTUAL 911 SERVICES	441,649	582,874	508,874	Antioch not included
91-100-3813	INTERNAL 911 FEES	498,941	602,757	693,182	Higher cost basis due to personnel adds and lower revenues from loss of agency.
91-100-3851	SERVICE CHARGES - WATER	-	9,151	9,556	Higher cost basis due to personnel adds and lower revenues from loss of agency.
	TOTAL 911 REVENUES	\$ 1,051,618	\$ 1,293,282	\$ 1,317,180	
91-200-3901	BOND PREMIUM	186	200	186	Same as Prior.
	TOTAL REVENUE	\$ 1,051,804	\$ 1,293,482	\$ 1,317,366	

Fox Lake Dispatch – 911 Department (continued)

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
91-300-4000	WAGES	\$ 498,517	\$ 419,581	\$ 652,584	1 Manager, 1 Assistant Manager, 10 T/C's: Based upon current union contract - 3 Step A, 2 Step B, 3 Step C, 1 Step D and 1 Step F
91-300-4002	WAGES - PART-TIME	89,334	90,304	77,017	2 (4) Part-Time filling 4 hour OT shifts based on union contract
91-300-4010	OVERTIME	49,525	50,322	48,398	Maintain staffing levels and utilize part-timers
91-300-4100	HEALTH INSURANCE	85,905	170,726	170,754	Staffing lower than anticipated - Hiring 2 new employees in February
91-300-4110	LIFE INSURANCE	797	1,016	1,109	New employee expense.
91-300-4200	SOCIAL SECURITY & MEDICARE	46,948	41,377	57,776	Staffing lower than anticipated - Hiring 2 new employees in February
91-300-4220	IMRF	61,545	55,064	80,139	Staffing lower than anticipated - Hiring 2 new employees in February
91-300-4225	NET PENSION EXPENSE	38,291	40,000	40,000	Based upon prior year amounts
91-300-5000	BUILDING MAINTENANCE	22,534	7,727	7,500	Filters \$600, other \$500, Fire extinguisher inspection \$500, Replacement A/C for transmitter room \$4000, Goodman Plumbing \$400, Allied Heating and Air \$1100, City Lighting \$300
91-300-5011	RADIO LEASE/MAINTENANCE	2,584	3,072	3,264	Motorola User Fee \$3264 (34.00 monthly for 8 units)
91-300-5012	VOICE DATA LOGGING LEASE	-	-	8,000	5 Year Voice Logging Maintenance
91-300-5013	UPS POWER MAINTENANCE	2,859	4,000	4,300	Eaton Corporation - maintenance contract

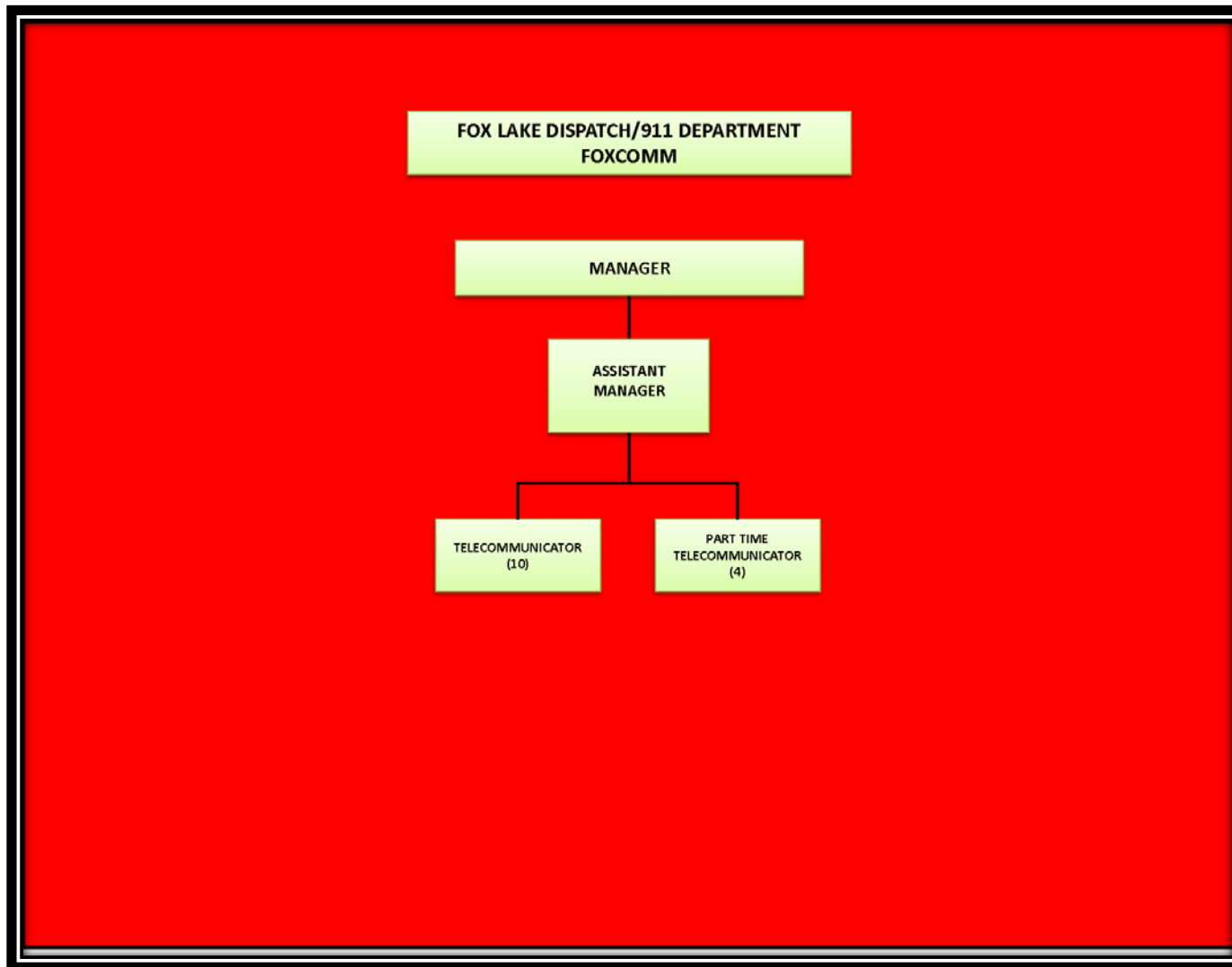
Fox Lake Dispatch – 911 Department (continued)

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
91-300-5014	CAD LEASE/MAINTENANCE	18,560	31,910	37,000	\$465/mo. CAD Maint. \$6000 Annual CAD Usage \$18,883 En Route Maint. interface maintenance \$1400, EMD license \$4800
91-300-5100	PROFESSIONAL SERVICES	6,264	10,000	10,000	Payroll Service, Drug Testing, Audit, Language Line
91-300-5106	REPAIRS	1,404	3,000	3,000	General and consoles equipment related
91-300-5120	LEGAL SERVICES	13,943	40,000	10,000	Agency Contract Review
91-300-5160	TECHNOLOGY	16,091	12,930	16,300	Anti-Virus \$150, Spam Filter \$180, Computer 2 Positions \$1500, 4 monitors 32" LED \$1500, offline data storage 50% - \$1500, Comcast Internet 25% \$1500, Telephone changes/repairs \$1000, NAS storage/redundancy 50% \$3000, Xybix Console Treadmill \$1500, Reverse 911 \$5,000 Everbridge
91-300-5200	POSTAGE	38	150	150	Mailings - County States Attorney requests and FOIA
91-300-5224	PUBLISHING	-	300	300	911 Public Ed \$300 Contribution to NEIL911 Group Fairs
91-300-5310	MEMBERSHIPS	463	4,260	4,311	APCO (3 members) \$300, NENA (3 members) \$411, 9-1-1 Magazine \$100, IAED center \$600, EMD re-accreditation \$2250 plus recert \$650
91-300-5320	TRAVEL	1,784	1,000	3,450	APCO Conference Hotel \$800, IAED Conference Hotel \$1300, Meal Reim \$750, Misc. Travel Air, Car Etc. \$2500
91-300-5330	TRAINING	7,729	7,250	8,500	APCO Continuing Ed \$1000, EMD Continuing Ed \$1800, PowerPhone \$500, PACO 33 \$500, APCO Conference \$1000, EMD Conference \$1200, IDPH Licenses \$150, NEMERT \$600, Staff and Command \$4000, Police Sciences \$700

Fox Lake Dispatch – 911 Department (continued)

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
91-300-5401	SERVICE CHARGES - GENERAL FUND	-	169,280	141,219	Less service charges due as a result of less revenue.
91-300-5410	UTILITIES	486	1,200	1,200	Same as Prior.
91-300-5411	911 SYSTEM PROVIDER CHARGES	-	-	-	No Longer Billed
91-300-5412	ADMINISTRATIVE PHONE LINES	12,009	13,200	13,200	Same as Prior.
91-300-5414	ADMIN WIRELESS PHONES	1,657	1,700	1,700	Same as Prior.
91-300-5500	LIABILITY & WORKERS COMP INS	6,338	8,250	7,089	Estimated 17/18actual.
91-300-5510	RENTALS	11,400	15,015	15,000	Same as Prior.
91-300-5700	OFFICE SUPPLIES	7,011	7,150	8,900	Cleaning Supplies \$800, Warehouse Direct \$4000, Misc. \$300, CD/DVD \$300, Data Storage Hard Drive \$500, Medical Supplie \$150, Headset Replacement \$1000, 4 Chair Replacement \$1600
91-300-5710	OPERATING SUPPLIES	-	-	-	Moved to Office Supplies
91-300-5740	UNIFORMS	884	900	900	15 Fleece Pullovers and 15 Polos
91-300-5951	EMPLOYEE RECOGNITION	1,248	800	800	TC Week \$500, Employee Appreciation \$150, Staff Meeting \$150
91-300-8000	DEPRECIATION	46,006	84,779	79,106	Includes new stations from 2017-18
91-400-6000	PRINCIPAL PAYMENT	-	3,575	3,718	Scheduled principal payments.
91-400-6001	PRINCIPAL PAYMENT OFFSET	-	-	(3,718)	Principal payments do not reflect an expense, they are a reduction of a liability.
91-400-6010	INTEREST EXPENSE	1,084	974	867	Scheduled interest payments.
	TOTAL 911 EXPENSES	\$ 1,053,238	\$ 1,300,812	\$ 1,513,833	
91-500-7030	EQUIPMENT	387,572	331,000	-	None anticipated.
91-600-8000	CAPITAL EXP CLASSIFIED ASSET	(387,572)	(331,000)	-	None anticipated.
	911 CENTER NET INCOME/(LOSS)	\$ (1,434)	\$ (7,330)	\$ (196,467)	

VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Dispatch - 911 Department
April 30, 2018



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 \$637,063 based upon actuarial assumptions. Approximately 80.7% or \$513,961 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 conservatively with returns estimated at the actuarial assumed return of 7%.

Expenses

- The disability expenses reflect 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 12 retirees from the police department, one surviving spouse and three on disability.

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
72-100-3007	PROPERTY TAXES	\$ 502,547	\$ 503,390	\$ 513,961	2.1% CPI
72-100-3700	INTEREST & DIVIDENDS	337,464	205,000	300,000	Budgeted at 7% investment assumption with realized gains and losses on Conservative cash balance of \$15m.
72-100-3701	REALIZED GAINS & LOSS	1,015,672	-	750,000	Budgeted at 7% investment assumption with realized gains and losses on conservative cash balance of \$15M.
72-100-3825	MEMBER CONTRIBUTIONS	166,723	191,215	194,200	Sworn officer wages at 9.91%
72-100-3826	VILLAGE CONTRIBUTION	216,448	205,000	123,102	Determined from actuarial study (ARC minus Tax Levy)
	TOTAL REVENUE	\$ 2,238,854	\$ 1,104,605	\$ 1,881,263	
72-300-4020	WAGES - RETIRED	\$ 615,830	\$ 754,902	\$ 804,000	Current base plus 1 new retirees at \$4,250/mo.
72-300-4024	WAGES - SURVIVING SPOUSE	33,993	36,060	33,993	Current base.
72-300-4025	WAGES - DISABILITY	98,916	104,580	104,580	Current base.
72-300-5100	PROFESSIONAL SERVICES	20,099	21,000	21,000	Same as Prior.

Police Pension Fund (continued)

General Ledger Number	General Ledger Account Description	Actuals 2016-2017	Amended Budget 2017-2018	Budget 2018-2019	Description
72-300-5120	LEGAL SERVICES	11,752	4,500	13,000	Consistent with expected prior year.
72-300-5310	MEMBERSHIPS	3,613	3,500	3,300	Same as Prior.
72-300-5320	TRAVEL	734	100	2,000	Potential additional travel.
72-300-5330	TRAINING	2,475	2,500	2,500	Same as Prior.
72-300-5535	INVESTMENT EXPENSE	27,534	30,000	30,000	Same as Prior.
72-300-5971	REFUND/TRANSFER CONTRIBUTION	64,247	3,102	-	Non Anticipated
	TOTAL PENSION EXPENSES	\$ 879,193	\$ 960,244	\$ 1,014,373	
	POLICE PENSION INCOME/(LOSS)	\$ 1,359,661	\$ 144,361	\$ 866,890	

Section 6

Capital Improvement Plan

Introduction

Community Development

Public Works/Streets

Public Safety

Parks & Recreation

Water & Sewer

Northwest Regional Reclamation Facility

Dispatch - 911



Capital Improvement Plan 2017-2018 Through 2021-2022

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 property taxes may only be levied by referendum.

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 Village Administrator, the Mayor and the 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 Storm Sewer Master Plan, the CIP brings all these together and promotes new investment in locations that can accommodate development with quality systems and services.

As the original FY2017-2018 through FY2021-2022 CIP was utilized as a guideline for improvements that could be completed within budgetary constraints, the presentation of the capital plan within this section has been adapted for actual activities that have occurred within the plan since its inception. While this presentation reflects our current position, more work will be completed in the upcoming months between Staff and the Village Board to realign expectations with the real amount of revenue available to complete projects, especially within the General Fund, and the shifting of priorities for projects in the last couple of years.

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 2017-2018 Through 2021-2022 (Continued)

WHAT ARE THE GENERAL CHARACTERISTICS OF CAPITAL IMPROVEMENTS?

- 1. They are large in scope.
- 2. They have a substantial price tag.
- 3. They have long-term usefulness and permanence (10-30 years).
- 4. They involve expenditures of a non-recurring nature (The routine maintenance of a facility once in place becomes 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	\$ 20,000
6. Water & Sewer mains	\$ 50,000
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 operational 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 2017-2018 Through 2021-2022 (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 2018-2019 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

A five-year CIP plan was initially created because two or three years would have been too little time for effective planning, programing and funding as the processes take a large amount of time and coordination. 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 Department 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 identifiable, available resources. It requires the collective overview of projects from all departments in order to properly set priorities and determine their relative value to the community. This type of advanced programming can help avoid mistakes that can be costly and create 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 2017-2018 Through 2021-2022 (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 years 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, although they have started to increase over the last year.

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 2018-19 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 2017-2018 Through 2021-2022 (Continued)

The Village of Fox Lake detailed Capital Improvement Plan by department are detailed below, as updated for actual anticipated expenditures for FY2017-18 and FY2018-19 budget:

Administration

Project Type (Original Plan)	Prior FY2017-18 Unaudited Actual Expenditures	Current FY2018-19 Budgeted Expenditures	Targeted Future Expenditures			Total Modified for Prior and Current	Description of Current Year Expenditures
			FY 2019-20	FY 2020-21	FY 2021-22		
IT Improvements (\$35k/yr)	\$21,224		\$35,000	\$35,000	\$35,000	\$126,224	
Equipment (\$175k FY17-18)							
Land Purchases (\$250k/yr)	\$180,778	\$250,000	\$250,000	\$250,000		\$930,778	Potential Purchase from Land Bank
Parking Lot Repairs (avg 20 yr life, \$6k/yr)			\$6,000	\$6,000	\$6,000	\$18,000	
Building Improvements (avg 50 yr life, \$60k/yr)		\$150,000	\$60,000	\$60,000	\$60,000	\$330,000	Security for Government Buildings
TOTAL	\$202,002	\$400,000	\$351,000	\$351,000	\$101,000	\$1,405,002	

Community Development

Project Type (Original Plan)	Prior FY2017-18 Unaudited Actual Expenditures	Current FY2018-19 Budgeted Expenditures	Targeted Future Expenditures			Total Modified for Prior and Current	Description of Current Year Expenditures
			FY 2019-20	FY 2020-21	FY 2021-22		
Vehicle - Replacement/upgrade (\$13k/yr)			\$13,000	\$13,000	\$13,000	\$39,000	No Planned Expenditures
TOTAL	\$ 0	\$ 0	\$13,000	\$13,000	\$13,000	\$39,000	

Capital Improvement Plan 2017-2018 Through 2021-2022 (Continued)

Public Works/Streets/Motor Pool

Project Type	Prior	Current	Targeted Future Expenditures			Total	Description of Current Year Expenditures
	FY2017-18 Unaudited Actual Expenditures	FY2018-19 Budgeted Expenditures	FY 2019-20	FY 2020-21	FY 2021-22	Modified for Prior and Current	
Tree Replacement Program (\$50k/yr thru FY19-20)			\$50,000			\$50,000	
Building Improvements (Not Incl in Original CIP)	\$75,931	\$190,000				\$265,931	Replace Parking Lot in PW Campus (\$150k), Station 1 Roof Replacement (\$40k)
Road Repair/Maintenance (\$2M/yr)	\$309,813	\$2,000,000	2,000,000	2,000,000	2,000,000	\$8,309,813	Sayton Rd, Nippersink, Grand Rehabilitation (\$350k from Externality Fund, \$350k from MFT), New Project Engineering \$150k (To Be Decided), Unidentified TIF project \$250k, Unidentified BDD Projects \$900k
Yard Dump Truck (\$167k in FY17-18)	\$130,000	\$138,000				\$268,000	5-yard Dump Truck
Vehicle Replacement Program (Avg 10-yr life, \$130k/yr FY19-20 & FY20-21))	\$32,695		130,000	130,000	130,000	\$422,695	
Storm Sewer Replacement (Avg 50-yr life, \$40k/yr)			40,000	40,000	40,000	\$120,000	
Utility-Street Lighting/Repair/Replacement (\$40k/yr thru FY19-20)		\$250,000	40,000			\$290,000	Grand Avenue Lighting Project
Bridge Improvements (\$12.5k/yr)			12,500	12,500	12,500	\$37,500	
Equipment Replacement (Avg 14-yr life, \$40,714/yr)	\$104,735	\$12,000	40,714	40,714	40,714	\$238,877	Plow for Pick-up
TOTAL	\$653,174	\$2,590,000	\$2,313,214	\$2,223,214	\$2,223,214	\$10,002,816	

Capital Improvement Plan 2017-2018 Through 2021-2022 (Continued)

Public Safety

	Prior	Current	Targeted Future Expenditures			Total	
Project Type (Original Plan)	FY2017-18 Unaudited Actual Expenditures	FY2018-19 Budgeted Expenditures	FY 2019-20	FY 2020-21	FY 2021-22	Modified for Prior and Current	Description of Current Year Expenditures
Building Improvement (\$60k/yr)		\$100,000	\$60,000	\$60,000	\$60,000	\$280,000	Holiday Park roof, alarm, gate, internet, and heat
Equipment (\$17.5k/yr)		\$150,000	\$17,500	\$17,500	\$17,500	\$202,500	Range equipment (\$55k), Weapon Replacement (\$35k)
Vehicles - 2 per year replacements/with Light Bars (\$90k/yr)	\$126,525	\$127,000	\$90,000	\$90,000	\$90,000	\$523,525	Replace 2 squad cars
TOTAL PUBLIC SAFETY	\$126,525	\$377,000	\$167,500	\$167,500	\$167,500	\$1,006,025	

Parks & Recreation

	Prior	Current	Targeted Future Expenditures			Total	
Project Type (Original Plan)	FY2017-18 Unaudited Actual Expenditures	FY2018-19 Budgeted Expenditures	FY 2019-20	FY 2020-21	FY 2021-22	Modified for Prior and Current	Description of Current Year Expenditures
Building Improvements (\$60k/yr after FY 17-18)	\$431,885	\$250,000	\$60,000	\$60,000	\$60,000	\$861,885	Park Lighting Project
Playground Equipment (\$20k/yr thru FY19-20)			\$20,000			\$20,000	
TOTAL PARKS & RECREATION	\$431,885	\$250,000	\$80,000	\$60,000	\$60,000	\$881,885	

Capital Improvement Plan 2017-2018 Through 2021-2022 (Continued)

General Fund - CIP Summary

	FY2017-18 Unaudited Actual	FY2018-19 Budget	FY2019-20 Target	FY2020-21 Target	FY2021-22 Target
Capital Reserve from Prior Year	\$2,120,231	\$2,120,231	\$353,231	\$ 0.00	\$ 0.00
Allocations from General Fund Externality Reserve	\$ 128,253	\$ 350,000	\$ 0.00	\$ 0.00	\$ 0.00
Allocations from General Fund Unassigned Reserve	\$ 671,903	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Loan/Bond Proceeds	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Allocations from Special Revenue Funds: TIF, MFT, BDD's	\$ 181,545	\$1,500,000	\$ 0.00	\$ 0.00	\$ 0.00
Grant/Loan Forgiveness	\$ 431,885	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Unidentified Funding Source	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$2,571,483</u>	<u>\$2,814,714</u>	<u>\$2,564,714</u>
Total Sources of Revenue	\$1,413,586	\$1,850,000	\$2,571,483	\$2,814,714	\$2,564,714
Total Expenditures	(\$1,413,586)	(\$3,617,000)	(\$2,924,714)	(\$2,814,714)	(\$2,564,714)
Ending Capital Reserve	\$2,120,231	\$353,231	\$ 0.00	\$ 0.00	\$ 0.00

As demonstrated in the chart above, the capital budget for FY2018-19 is utilizing the capital reserve set aside in FY2016-17 to fund various projects. This reserve will be further depleted in FY2019-20 if a continuing source of revenue is not identified. For larger projects, like street projects and building renovations that can cost in the millions, it is reasonable to assume that the Village will either finance the projects with loans, grants, or bonds. As previously highlighted, the Village has \$18M in borrowing capacity available at this time for these capital purposes, but will use this authority judiciously as it moves forward only on projects that are deemed as necessities in providing vital services to the public. The Village also has the use of special revenue funds such as the motor fuel tax fund, the TIF fund, and the BDD funds to fund some of these projects to the extent conditions on the use of these funds allow.

For smaller, more repetitive projects, like purchases of public works and police equipment, it will be useful for the Village to identify a reliable source of revenue to ensure that these resources can be renewed. Currently, General Fund revenues only exceed expenditures by \$20,286, so there is very little excess to contribute to these ongoing capital expenditures. Consequently, the Village will need to look towards new sources of revenue or cost-cutting efforts to provide the additional funding needed. While such a plan does not exist for time period's past FY2018-19, the Village is planning to discuss these issues at the Village's December review of the capital plan.

Capital Improvement Plan 2017-2018 Through 2021-2022 (Continued)

Local Water & Sewer Fund – Planned Capital Project Costs

Project Type (Original Plan)	Prior	Current	Targeted Future Costs			Total	Description of Current Year Expenditures
	FY2017-18 Unaudited Actual Expenditures	FY2018-19 Budgeted Expenditures	FY 2019-20	FY 2020-21	FY 2021-22	Modified for Prior and Current	
Towers (\$6.1M for FY 16-17 thru 17-18)							Completed
Repaint/Raise Washington Tower (\$1.4M for FY 17-18 and 18-19)	\$994,499	\$85,000				\$1,079,499	Engineering. See Note 2.
Interconnect North and South System (\$18.25M for FY 17-18 and 18-19)	\$426,083	\$450,000				\$876,083	Engineering. See Note 1.
Rebuild Lippincott Lift Station (\$238,703 for FY18-19)	\$59,775	\$40,000				\$99,775	Engineering/Repairs. See Note 2.
Install Standby Generator Well #5 (\$48k/yr)	\$	\$120,000	\$48,000	\$48,000	\$48,000	\$264,000	Backup Generator Install Well #5
Rebuild Wildwood Lift Station (\$52k/yr)	\$		\$52,000	\$52,000	\$52,000	\$156,000	
Install Auxiliary Generators at All Sites (\$15,5/yr)	\$		\$15,450	\$15,450	\$15,450	\$46,350	
Additional Equipment & Repairs (\$66k/yr)	\$21,008	\$120,000	\$66,000	\$66,000	\$66,000	\$339,008	Mast deer Run (\$15k), Electrical Study Repairs (\$55k), SCADA (\$50k)
Upsize 4" and 6" water mains (\$560k/yr)	\$27,717	\$510,000	\$560,000	\$560,000	\$560,000	\$2,217,717	Sayton Rd Main Line (\$320k), Water Main by Fire Dept (\$110k), VFD (\$45k), Replace Broken Valves in town (\$35k)
Rehab Wells (\$90/yr)	\$20,471		\$90,000	\$90,000	\$90,000	\$290,471	
Sewer Main Lining (\$100k/yr)	\$129,570	\$140,000	\$100,000	\$100,000	\$100,000	\$569,570	Sanitary Sewer Lining
New Vehicles and Equipment (\$80k/yr with FY18-19 an exception at \$190k)	\$81,826		\$80,000	\$80,000	\$80,000	\$321,826	
TOTAL WATER/SEWER FUND EXPENDITURES	\$1,760,949	\$1,465,000	\$1,011,450	\$1,011,450	\$1,011,450	\$6,260,299	

Note 1: This project was formerly three projects in the original plan: Replace Tall Oaks Street, Interconnect North & South System, and Abandon Tall Oaks Flow.

Note2: The Washington Tower and Lippincott Lift Station projects were not completed in the years originally planned, more expenditures will be re-scheduled.

Capital Improvement Plan 2017-2018 Through 2021-2022 (Continued)

Local Water & Sewer Fund - CIP Summary

	FY2017-18 Unaudited Actual	FY2018-19 Budget	FY2019-20 Target	FY2020-21 Target	FY2021-22 Target
Unrestricted Reserve from Prior Year	\$3,337,354	\$3,635,986	\$3,818,554	\$3,818,554	\$3,818,554
Allocations from Local Water/Sewer Fund	\$1,067,286	\$1,647,568	\$ 0.00	\$ 0.00	\$ 0.00
Loan/Bond Proceeds	\$992,295	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Grant	\$ 0	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Unidentified Funding Source	<u>\$ 0</u>	<u>\$ 0.00</u>	<u>\$1,011,450</u>	<u>\$1,011,450</u>	<u>\$1,011,450</u>
Total Sources of Revenue	\$2,059,581	\$1,647,568	\$1,011,450	\$1,011,450	\$1,011,450
Total Expenditures	(\$1,760,949)	(\$1,465,000)	(\$1,011,450)	(\$1,011,450)	(\$1,011,450)
Ending Unrestricted Reserve	\$3,635,986	\$3,818,554	\$3,818,554	\$3,818,554	\$3,818,554

No specific plan has been adopted to isolate funds for the future capital projects; however, revenues have exceeded operating expenditures and current debt service by over \$1.3m for the past two years. If operations remain relatively the same, there should be sufficient revenues forthcoming to support a robust capital plan in the next few years.

The Village is currently focusing on the completion of the North and South Interconnect project for both water and sewer. Funding is being sought through the IEPA which may allow the project to be started in the current year for an estimated cost of \$18M. The Village will review and make changes to the capital plan in December.

Capital Improvement Plan 2017-2018 Through 2021-2022 (Continued)

Northwest Regional Water Reclamation Facility – Planned Capital Project Costs

Project Type (Original Plan)	Prior	Current	Targeted Future Costs			Total	Description of Current Year Expenditures
	FY2017-18 Unaudited Actual Expenditures	FY2018-19 Budgeted Expenditures	FY 2019-20	FY 2020-21	FY 2021-22	Modified for Prior and Current	
Infrastructure (avg 28 year life, \$642,857/yr)	\$118,426	\$1,150,000	\$642,857	\$642,857	\$642,857	\$3,196,997	RAS pump and Design (\$810k), Screw Pump Repairs (\$340k)
Equipment & Vehicles (avg 12.5 yr life, \$464k/yr)	\$31,168	\$56,000	\$464,000	\$464,000	\$464,000	\$1,479,168	Box Truck (\$56k)
Building Improvements - (avg 16 yrs, 625k/yr)		\$200,000	\$625,000	\$625,000	\$625,000	\$2,075,000	Roof Replacement (\$200k)
Sidestream Treatment (\$4M)						\$ -	Planned Before 19-20 – Need to be Rescheduled.
W3 Water Filtration (\$333k FY17-18)						\$ -	Planned Before 19-20 – Need to be Rescheduled.
Sludge Dewatering / Storage Barn (\$2M in FY's 17-18 and 18-19)						\$ -	Planned Before 19-20 – Need to be Rescheduled.
Outfall Pipe Rehab/Replacement \$2.2M/yr)		\$1,100,000	\$2,200,000	\$2,200,000	\$2,200,000	\$15,400,000	Aeration Trunk Line (1.1M)
TOTAL NW REGION	\$149,594	\$2,506,000	\$3,931,857	\$3,931,857	\$3,931,857	\$27,490,039	

Northwest Regional Water Reclamation Facility – CIP Summary

	FY2017-18 Unaudited Actual	FY2018-19 Budget	FY2019-20 Target	FY2020-21 Target	FY2021-22 Target
Unrestricted Reserve from Prior Year	\$11,571,096	\$12,121,728	\$10,292,129	\$10,292,129	\$10,292,129
Allocations from Local Water/Sewer Fund	\$700,226	\$676,401	\$ 0.00	\$ 0.00	\$ 0.00
Loan/Bond Proceeds	\$ 0	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Grant	\$ 0	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Unidentified Funding Source	\$ 0.00	\$ 0.00	\$3,931,857	\$3,931,857	\$3,931,857
Total Sources of Revenue	\$700,226	\$676,401	\$3,931,857	\$3,931,857	\$3,931,857
Total Expenditures	(\$149,594)	(\$2,506,000)	(\$3,931,857)	(\$3,931,857)	(\$3,931,857)
Ending Unrestricted Reserve	\$12,121,728	\$10,292,129	\$10,292,129	\$10,292,129	\$10,292,129

Capital Improvement Plan 2017-2018 Through 2021-2022 (Continued)

The Northwest Regional Water Reclamation Facility (NWRWRF) capital plan for FY2018-19 is shown as being primarily funded by unrestricted reserves, which will cause a reduction in reserves of \$1.8M. While the reserve is still relatively robust at \$10M, future planned annual spending of \$3.9M while showing excess annual revenue less than \$700k to apply to these types of capital projects will cause a complete use of these reserves by the end of the capital plan period. To bridge the gap, the Village will most likely utilize borrowing to accomplish the larger scale projects, particularly since the NWRWRF is currently free of debt. And, as is the case in the general Fund, the Village will be looking to revenue generating and cost-cutting activities to produce a dependable source of funds for the smaller, more repetitive projects. Discussions of these potential sources will occur during the December review of the Capital Plan.

Dispatch/911 Department – Planned Capital Project Costs

	Prior	Current	Targeted Future Costs			Total	
Project Type (Original Plan)	FY2017-18 Unaudited Actual Expenditures	FY2018-19 Budgeted Expenditures	FY 2019-20	FY 2020-21	FY 2021-22	Modified for Prior and Current	Description of Current Year Expenditures
Equipment - (avg 12.5 life)	\$153,104	\$ 0	\$56,000	\$56,000	\$56,000	\$1,552,000	None
TOTAL 911 CENTER	\$153,104	\$ 0	\$ 56,000	\$ 56,000	\$ 56,000		

The 911 Dispatch Fund does not currently have any unrestricted reserves to afford new capital costs. The Village will be reviewing the Capital Plan for the dispatch operation and isolate a program for future funding of these projects at their upcoming CIP review in December.

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Section 7

Strategic Plan and Performance Measurement

Strategic Plan Overview

Strategic Plan 5-Year Goals and Objectives

Goals and Objective – Year 1 Progress

Goals and Objective – Year 2 Priorities

Performance Measurement Overview

Status of FY 17-18 Performance Metrics

FY 2018 – 2019 Departmental Performance Measures



Strategic Planning Overview

A strategic plan is seen as a vital component to planning and execution of core Village goals in addition to the annual budget. In 2016, the Village of Fox Lake contracted with Executive Service Corps of Chicago, a consulting firm, to develop a strategic plan for the Village of Fox Lake. The direction provided by the Village of Fox Lake Board of Trustees was to undertake a strategic planning process and develop a plan to prioritize Village goals and objectives. In February 2017, the Village Board of Trustees officially adopted a mission statement and set of core values developed as part of the strategic planning process. In May 2017, six Strategic Planning Teams were developed, and are based on the six strategic initiative categories ranked as most important during the Strategic Planning Session with the Board and Executive staff. The Strategic Plan created a list of objectives and tactics for each Strategic Planning Team for the next five years provided below.

Mission Statement

Our mission is to take full advantage of opportunities for social and economic development that embrace and inspire strong family values while building an attractive, sustainable and safe environment for the enjoyment of our residents, businesses, and visitors.

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.

- *Sense of Community* where pride and respect prevail
- *Effective Teamwork* through key collaborations and partnerships
- *Resource Planning* that is friendly, professional, and innovative
- *Value Driven* to maximize benefits to our community
- *Integrity* through honesty, transparency, and accountability
- *Commitment* to quality and public safety
- *Efficient Communications* that are open, timely, and informative

S.E.R.V.I.C.E

The planning teams meet on a monthly basis, with two Trustees assigned to each committee. Each Trustee assignment will be assigned for one year at the appointment of the Mayor. A staff member will be assigned as the Chairperson of each Strategic Planning Team and will be responsible for leading and reporting the team's progress to the Board as a whole. Each planning team will be responsible for prioritizing the team objectives and determine a target accomplished date on an annual basis.

The Strategic Planning Teams are as followed:

- Infrastructure
- Recreation
- Economic Development
- Marketing
- Communication / Public Outreach
- Technology

Annually, each Strategic Planning Team will review objectives and tactics for accomplishing each objective. Teams will then prioritize which objectives will be accomplished for the review year (May 1 - April 30). Each Planning Team will submit an annual prioritization report to the Mayor and Village Administrator providing an annual prioritization of objectives each Strategic Planning team will be responsible for, and providing an annual review of accomplishments, and outline what if any priorities have changed, or were not completed during the previous year.

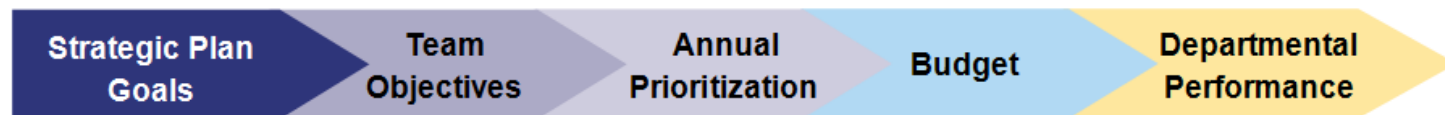
The annual prioritization of objectives within the strategic planning teams will be incorporated into the annual budget process, and departmental performance metrics. On an annual basis, the Department Head team will prepare departmental performance metrics for the annual Village of Fox Lake Budget. These performance metrics will encompass metrics for both day-to-day operations as well as the strategic planning team annual prioritization. These Performance Metrics will be mid-year as part of the budget amendment cycle.

Administrative / Strategic Goal for Performance Measurement

Administrative / Strategic Category	Administrative / Strategic Goal	Strategic Goal Type
Information Technology	Continue to analyze, design, and implementation of information and technology assets to support Village operations.	Strategic Plan Strategic Goal
Marketing / Communications	Enhance the Village's communication program to promote expedient and effective dissemination of information to internal and external customers of the Village.	Strategic Plan Strategic Goal
Public Safety	Promote safety and welfare within the Village of Fox Lake for residents, businesses, and guests through lawful leadership rooted in integrity, excellence, and fairness.	Day-to-Day Operations Strategic Goal
Infrastructure	Continue to provide safe and properly maintained roadways, water systems, and sewers, for residents, businesses and guests.	Strategic Plan Strategic Goal
Recreation	Promote community programming, and enhance recreation opportunities for the Residents of Fox Lake and community partners in a safe and fiscally responsible manner.	Strategic Plan Strategic Goal
Economic Development	Enhance the Village's community planning, business development, and business retention efforts to continue quality of life for residents and businesses within the Village of Fox Lake.	Strategic Plan Strategic Goal
Financial Policies and Practices	Promote strong financial practices to continue improving the operating and capital budget, Village financial policies, service delivery, transparency, and fiscal responsibility.	Day-to-Day Operations Strategic Goal
Operations and Organizational Development	Continue analyzing operations, staffing, and programs to ensure effective and efficient services are provided to residents and businesses. Encourage and enhance professionalism within staff by providing training to Village Employees.	Day-to-Day Operations Strategic Goal

The incorporation of strategic planning team goal and objectives within the budget, and department performance metrics creates a feedback loop of constant measurement and accountability. Known internally as the Performance Metric Feedback Loop, this process continues to enhance Village of Fox Lake professional culture. This also guides the funding of strategic planning team priorities for the annual budget, and budget amendment cycle.

Performance Metric Feedback Loop



Strategic Plan 5-Year Objectives and Tactics

Infrastructure	
Strategic Goal: Continue to provide safe and properly maintained roadways, water systems, and sewers for residents, businesses, and visitors.	
Objective 1	Enhance interconnectivity of water and sewer systems
TACTICS	Construct the sewer interconnect beginning at the Tall Oaks treatment plan, ending at Route 12
	Utilizing GIS, plot location of local sewer and water systems to determine weaknesses in connectivity
	Continue to apply for water related grants and low interest loans
Objective 2	Provide sustainable, safe, and properly maintained roadways
TACTICS	Review and revise completed report of structural health of all Village streets and develop a comprehensive replacement program
	Analyze current street maintenance and plowing procedures to determine if efficiencies exist
	Improve local traffic by analyzing problem areas and other areas of concern for the Village to increase public safety
	Develop a Complete Streets Program
Objective 3	Establish a financially solvent capital improvement and replacement program(s)
TACTICS	Determine funding vehicle for a capital improvement and comprehensive replacement program
	Establish a methodology for determining the replacement of vehicles and equipment based on key measurable indicators
	Analyze all Village owned buildings and property, and determine what if any repairs must be made
	Determine funding model for capital improvement and replacement program
Objective 4	Enhance community walkability and bike ability
TACTICS	Utilizing GIS, document all local sidewalks, and the organizations responsible for maintenance
	Develop sidewalk replacement and enhancement program
	Enhance signage and roadway markings to promote bikeability and walkability
	Work with community partners to encourage communication regarding walkability and bikeability
Objective 5	Continue providing quality services to residents, businesses, and municipal partners
TACTICS	Utilize various forms of communication to receive internal and external feed about services provided, analyze, and develop a method to addressed feedback
	Increase joint purchasing opportunities and partnerships with area governmental agencies, and other municipalities
	Develop a tree maintenance and replacement program
	Continue to provide quality water treatment to existing municipal entities and continue a strong relationship with Lake County
	Develop stormwater management program and continue to work with Stormwater Management Commission
Objective 6	Analyze current practices and evolve best practices based on effective, efficient, and alternate service delivery models
TACTICS	Analyze current methods of service delivery within all departments
	Analyze the strengths of the current workforce, and provide opportunities for growth and succession planning
	Analyze current relationships with Village contractors and vendors to increase efficiencies
	Review opportunities to increase energy efficiencies such as wind technology and green infrastructure

Recreation	
Strategic Goal: Promote community programming, and enhanced recreation opportunities for the Residents of Fox Lake and community partners in a safe and fiscally responsible manner.	
Objective 1	Establish a financially solvent program and event model
TACTICS	Complete a fee analysis of all Village sponsored events and rentals
	Establish a new fee structure based on fee analysis
	Increase sponsorship levels through business and agency partnerships
	Establish Celebrate Fox Lake 501(c)3
	Analyze program efficiencies
Objective 2	Establish a financially solvent equipment improvement and replacement program(s)
TACTICS	Analyze and review current recreation equipment/property
	Develop an equipment replacement program based on analysis
	Review, locate, and apply for new funding opportunities to decrease burden off general fund
	Continue to review building and splash pad expansion opportunities
Objective 3	Provide safe, audience targeted, and functional parks, community buildings, programs, and events
TACTICS	Gather feedback on various programs, buildings, events and property through a customer satisfaction survey
	Review feasibility of a Village "Riverwalk"
	Utilize current trends to develop programing
	Increase Public Safety by installing surveillance cameras at all Village Parks
	Analyze feasibility of "beer can bridge" closure for Lakefront Park Expansion and possible beach area
	Review area properties and determine the feasibility of additional park expansion
	Analyze community needs and develop programming based on feedback from a community survey
	Develop new programs based on community survey results
Objective 4	Increase internal and external partnerships
TACTICS	Increase sponsorships from external stakeholders
	Establish Champion of the Chain 501(c)3
	Increase partnerships with local area establishments and natural resources such as Chain O'Lakes State Park, local marinas, and local resorts
	Continue to develop external partnerships with businesses, organizations and other governmental agencies
	Develop Volunteer and Internship Program
	Streamline use of Village resources to accomplish departmental goals
	Increase marketing of events, buildings, and parks

Marketing	
Strategic Goal: Enhance the Village's marketing program to promote tourism, livability, opportunity, and community events.	
Objective 1	Unify, promote, and enhance the Village of Fox Lake Brand
TACTICS	Develop a Brand style guide for Village publications, mailings, correspondences, and materials
	Review current signage, banners, uniforms and other items within the Villages property and update with new Anchor logo
	Incorporate the new Village Mission Statement and Core Values into the Village of Fox Lake Brand
	Review current marketing materials, social media platforms, and other forms of external communication and update with new Anchor logo
	Provide templates to all Village Departments with new Anchor logo to ensure a smooth transition of the brand
Objective 2	Promote the Village through increased partnerships
TACTICS	Increase and evaluate partnerships with local Village of Fox Lake area charity and community organizations
	Increase and evaluate partnerships with Visit Lake County, and other area tourism organizations
	Increase and evaluate partnerships with other governmental agencies to promote cross-marketing and increase communication
	Increase and evaluate partnerships with area businesses through use of a business focused e-newsletter
Objective 3	Promote the Village on a regional, state, and national scale
TACTICS	Develop a marketing plan that encompasses regional, state, and national promotion of the Village of Fox Lake
	Develop a Village of Fox Lake Mobile Application for Android and iPhone
	Research various regional, state, and national marketing opportunities, and analyze feasibility
	Research current trends in municipal marketing and branding, and apply knowledge gathered to Village of Fox Lake efforts

Economic Development	
Strategic Goal: Enhance the Village's community planning, business development, and business retention efforts to continue and enhance quality of life for residents, businesses, and visitors within the Village of Fox Lake.	
Objective 1	Enhance and develop Route 12
TACTICS	Work to develop TIF property and continue feasibility study on additional TIF Districts
	Review and revise ordinance on Hotel/Motel taxes
	Work with other agencies to increase transportation connectivity and opportunities such as PACE Bus routes, Metra, and Paratransporation system
	Create a developer outreach program to increase new construction as well and revitalization
	Develop partnerships to enhance beautification and safety along Route 12
	Update the sign ordinance to decrease sign pollution
	Seek funding opportunities to enhance walkability and bikeability along Route 12
	Develop partnerships to enhance beautification and safety along Route 12
Objective 2	Enhance Downtown Fox Lake
TACTICS	Increase marketing and funding model for façade improvement program to local area businesses
	Increase beautification, walkability, bikeability, and branding within downtown
	Review options for grants, and alternative methods of funding
	Increase community events to promote downtown engagement
	Analyze current zoning regulations within downtown
	Develop changes to zoning regulations that increase businesses that promote and attract tourism
	Develop a main street association to enhance downtown Fox Lake businesses
Objective 3	Enhance business attraction and retention
TACTICS	Develop business centered e-newsletter
	Develop marketing materials to increase business attraction to Fox Lake
	Develop a business education program
	Increase partnership with Lake County Partners to enhance business and employee attraction and retention
	Create a standard and implementation guide for business incentives
	Start an open house program for local business to meet Village staff, and elected officials
Objective 4	Enhance community beautification, sustainability, and creative economy
TACTICS	Increase walkability and bikeability within Fox Lake
	Updated sign and code ordinances to encourage natural beauty and safe practices while remaining business and resident friendly
	Increase partnerships with local organizations
	Increase dedication to the local food movement and micro-economies through the Community garden, and development of a farmers market
	Develop a unified approach to streetscape that incorporates Village brand
	Continue to develop a focus on the arts as a form of beautification and creative economy
	Enhance the natural beauty of the Village's many parks, lakes, and waterways

Economic Development Continued	
Strategic Goal: Enhance the Village's community planning, business development, and business retention efforts to continue and enhance quality of life for residents, businesses, and visitors within the Village of Fox Lake.	
Objective 5	Review and analyze current practices, and evolve best practices based on current trends
TACTICS	Review market analysis to determine business, consumer, and residential trends within national, regional, and county areas
	Conduct a Business Development District analysis of targeted areas inclusive of Route 12 and Downtown Fox Lake
	Implement recommend results from BDD analysis
	Create efficiencies for businesses when utilizing village services
Objective 6	Promote multi-modal transportation to increase interconnectivity and transit orientated development
TACTICS	Research funding opportunities for downtown Metra station
	Review and analyze Metra station, downtown and Village wide parking strengths and weaknesses
	Improve local traffic by analyzing problem areas and other areas of concern for the Village to increase public safety
	Analyze connectivity gaps and challenges in creating a multi-modal epicenter

Communication / Public Outreach	
Strategic Goal: Enhance the Village's communication and public outreach to provide expedient and effective dissemination of information to internal and external customers of the Village.	
Objective 1	Increase utilization of varying platforms to communicate with residents, businesses, and external stakeholders
TACTICS	Review current social media platform use, and determine how to best utilize the various platforms
	Develop and implement a communications plan for emergency and non-emergency events that encompasses the various methods of communication throughout the Village
	Develop a Village wide e-newsletter
	Research current trends in communication and apply knowledge gathered to Village of Fox Lake efforts
Objective 2	Provide over-the-top customer service to residents, businesses, and municipal partners
TACTICS	Develop a customer satisfaction survey to be utilized after inspections, water-bill payments, street repairs, and local water and sewer interactions
	Develop a customer satisfaction survey to be utilized after all park and recreation events, event rentals, and classes offered
	Research feasibility of a public access channel or YouTube station to broadcast all Village Board meetings to increase transparency
	Research the feasibility of a Customer Relationship Management software and program
	Develop a Conversation and Coffee Program
	Develop a customer service program for all front desk staff that is measurable, and obtainable
	Develop a Government and Education Program
	Develop a communication program directed towards the aging population
	Increase transparency of all Village materials, and documents through the use of a new "transparency portal on the Village website"
Objective 3	Enhance internal Village communications
TACTICS	Establish a bi-annual Supervisor meeting to update supervisors and mid-level management about current departmental projects
	Develop a monthly report with departmental updates and board decisions for all employees
	Develop an employee portal with information, documents, and forms to increase access
Objective 4	Promote and enhance public outreach and external communication with residents, businesses, and local organizations
TACTICS	Utilize social media platforms to increase communication
	Review structure and content of website to promote transparency and end user friendliness
	Research various see, click, fix programs and applications, and implement based on feasibility
	Utilize other platforms such as the website, and Nixel to increase communication
	Develop a gavel to gavel communication program to inform the public of Board level decisions
	Enhance community programs that increase external communication with area residents
	Develop and implement a public outreach program that is inclusive of town hall meetings, business outreach, and resident outreach programs
	Continue to grow and enhance the Community Leaders Forum
	Encourage residents, guests, and business owners to communicate any issues or illegal activity as a method to increase public safety

Technology	
Continue to analyze, design, and implement information and technology assets to support Village operations.	
Objective 1	Review, monitor, and analyze current practices and evolve best practices based on effective, efficient, and current trends
TACTICS	Analyze current infrastructure, equipment, and connectivity
	Review current technology trends and provide recommendations for improvement if applicable
	Continue to monitor current infrastructure and technology for daily and long-term effectiveness
	Increase utilization of GIS across all Village Departments
	Analyze the feasibility of increased Fiber optic technology for optimum connectivity
	Determine feasibility of financial opportunities that may stem from development of fiber optic growth
Objective 2	Establish a financially solvent multi-year replacement and upgrade program
TACTICS	Analyze all Village equipment for functionality
	Create and implement a multi-year replacement and upgrade program based on current technology assets
	Incorporate replacement program into CIP budget
	Analyze needs within 911 Dispatch Center, and develop plans for further expansion
Objective 3	Incorporate, review, and analyze revolving needs of internal stakeholders
TACTICS	Continue to gather internal stakeholder feedback regarding technology needs
	Continue to explore efficiencies in software, to enhance service delivery
	Review current programs, software and equipment for effectiveness
	Analyze and review security camera system for all Village wide buildings and parks to enhance public safety
	Continue to work with the Police Department regarding radio upgrade and implementation, CIP replacement program for incar cameras and computers, and new CAD technology
	Continue to evaluate and review reverse 911 and Nixel operations
	Review technology needs for 911 Dispatch Center including Starcom, Solocom, NextGen, and CAD software and updates
	Purchase a new Village wide telephone system

Goals & Objectives – Year 1 Progress

Each Strategic Planning Team annually reviews the status of assigned objectives and tactics for the fiscal year. As some assigned tactics may take longer than anticipated, or shifted in priority, the Planning Team shall outline for the change in the status of tactic section, and adjust the completion date. Additionally, if objectives are accomplished, the Planning Team shall document their accomplishments in the Annual Planning Team Report.

Outlined below are progress reports for each Strategic Planning Team's Year 1 Objectives and Tactics.

Infrastructure Planning Team				
Year 1 (2017 – 2018)				
Objective and Tactic Year 1 Progress Report				
Tactics	Steps to Accomplish	Target Accomplishment Date	Year of Strategic Plan	Status of Tactic
Make emergency repairs to the NWRWRF first stage screw pump station.	Obtain emergency repair quotes Review emergency repair quotes Finalize details with chosen contractor	2017	Year 1	In process - moved to Year 2 for final completion date
Review and revise completed report of structural health of all Village streets and develop a comprehensive replacement program	Obtain map of Village roads Integrate map into Village GIS system Outline improvements specific to Business Development District if approved	2018	Year 1	In process - moved to Year 2 for final completion date
Develop a Complete Streets Program	Review and revise report of structural health of all Village streets Include separate list of projects necessary within the Business Development District if approved	2018	Year 1	✓
Develop a sidewalk replacement and enhancement program	Research other area programs Develop and write program	2018	Year 1	In process - moved to Year 2 for final completion date
Construct North/South Sewer and Water System Interconnect	Complete final design Bid Project Implement	2019	Year 2	Year 2
Enhance signage and roadway markings to promote bikeability and walkability	Inventory signage Obtain funding Incorporate into GIS System Remove unnecessary signs and add new signs as determined	2019	Year 2	Year 2

Recreation Planning Team

Year 1 (2017 – 2018)

Objective and Tactic Year 1 Progress Report

Tactics	Steps to Accomplish	Target Accomplishment Date	Year of Strategic Plan	Status of Tactic
Complete a fee analysis of all Village Sponsored events and rentals	Analyze all program and rental fees Review pricing models in other communities	2018	Year 1	✓
Establish a new fee structure based on fee analysis	Develop pricing model based on current practices, area rates, and community abilities Bring to Village Board for approval Implement	2018	Year 1	✓
Increase sponsorship levels through business and agency partnerships	Develop new sponsorship packets with new levels based on new events Expand network for contacting	2018	Year 1	✓
Establish a Celebrate Fox Lake 501 (c) 3	Develop guidelines Complete application Submit to proper agencies	2018	Year 1	Year 2
Increase public safety by installing surveillance cameras at all Village Parks	Work with Technology Committee to review camera capabilities Implement	2018	Year 1	Year 2
Increase sponsorships from external stakeholders	Develop new sponsorship packets with new levels based on new events Expand network for contacting	2018	Year 1	✓
Develop Volunteer and Internship Program	Produce internship guide / requirements/ anticipated tasks Reach out to area universities Establish program for each semester and / or summer	2018	Year 1	Year 2
Increase marketing of events, buildings, and parks	Develop Event Marketing Plan form Work with Marketing Committee to implement requested marketing items	2018	Year 1	✓

Economic Development Planning Team

Year 1 (2017 – 2018)



Objective and Tactic Year 1 Progress

Tactics	Steps to Accomplish	Target Accomplishment Date	Year of Strategic Plan	Status of Tactic
Increase marketing and funding model for façade improvement program to local area businesses	Development marketing plan Re-create marketing materials Send to all businesses	2018	Year 1	✓
Develop and implement design standards for potential development and developers	Review current guidelines Review other community guidelines Bring to Committee/Board Implement	2018	Year 1	✓
Conduct a Business Development District analysis of targeted areas inclusive of Route 12 and Downtown Fox Lake	Release RFP for services Select Consultant Complete Eligibility Study	2018	Year 1	✓
Implement recommend results from BDD analysis	Implement Business Development District Develop project priority listing	2018	Year 1	✓
Updated sign and code ordinances to encourage natural beauty and safe practices while remaining business and resident friendly	Review current guidelines Review other community guidelines Bring to Committee/Board Implement	2018	Year 1	✓
Create a standard and implementation guide for business incentives	Review current practices Review other community standards Create document / policy Implement	2019	Year 2	Year 2
Review options for grants and alternative methods of funding	Research funding opportunities Apply for opportunities as they become available	2020	Year 3	Year 3
Review and analyze Metra station, downtown and Village wide parking strengths and weaknesses	Complete parking study Implement recommendations	2020	Year 4	Year 4
Develop partnerships to enhance beautification and safety along Route 12	Review current partnerships Determine partnerships needed	2025	Year 5	Year 5
Increase beautification, walkability, bikeability, and branding within downtown	Review current status Develop plan for enhancement Implement	2022	Year 5	Year 5
Continue to develop a focus on the arts as a form of beautification and creative economy	Review current programs Develop Summer Art Series Market Program Implement	2022	Year 5	Year 5

Marketing Planning Team

Year 1 (2017 – 2018)

Objective and Tactic Year 1 Progress Report

Tactics	Steps to Accomplish	Target Accomplishment Date	Year of Strategic Plan	Status of Tactic
Develop Brand Style Guide	Review brand style guide examples Develop font guide, color guide and design guidelines Share and implement with Departments	2018	Year 1	
Develop a Village of Fox Lake Mobile Application for Android and iPhone	Develop mobile app Get mobile app on iTunes and Play Store Advertise mobile app Monitor number of subscribers	2018	Year 1	Android App Complete – iPhone in process moved to Year 2 for final completion date
Provide template to all Village Departments with new anchor logo to ensure a smooth transition of the brand	Review current templates provide template to all Departments Update documents when applicable Share and implement with Departments	2018	Year 1	In process - moved to Year 2 for final completion date
Review current marketing materials, social media platforms, and other forms of external communication and update with new anchor logo	Review all marketing materials Update marketing materials Review and update social media platforms	2019	Year 2	
Research various regional, state, and national marketing opportunities and determine feasibility	Research various marketing opportunities for municipalities Review feasibility of opportunities Implement recommend opportunities	2020	Year 3	Year 3
Review current signage, banners, uniforms and other items and update with new logo/anchor	Review signage and develop list of items that need updating Develop replacement list based on needs, exposure level, and budget Design all signage/banners/uniforms going forward with new logo/anchor	2022	Year 5	Year 5

Communications / Public Outreach Planning Team

Year 1 (2017 – 2018)



Objective and Tactic Year 1 Progress Report

Tactics	Steps to Accomplish	Target Accomplishment Date	Year of Strategic Plan	Status of Tactic
Review current social media platform use, and determine how to best utilize the various platforms	Review all social media platform usage. Implement strategy for communication information on platforms. Develop tool for departments to provide information.	2018	Year 1	✓
Develop a Village wide e-newsletter	Purchase e-newsletter platform. Design e-newsletter. Develop plan to gather subscribers. Implement and grow as determined necessary.	2018	Year 1	✓
Establish a Bi-annual Supervisor meeting to update supervisors and key personnel about departmental projects	Provide memo to Department Heads. Develop planning team. Present to all staff in September 2017 and again early 2018.	2018	Year 1	First Bi-annual Supervisor meeting was held, switching schedule for January and June – making Year 2 completion date
Develop a customer service program for all front desk staff that is measureable, and obtainable	Review departmental customer service needs. Develop customer service program. Develop customer satisfaction survey that is inclusive of the customer service program.	2019	Year 2	Year 2
Research the feasibility of a Customer Relationship Management software program	Research Customer Relationship Management software. Review programs with current customer relationship management practices to determine feasibility. Implement.	2020	Year 3	Year 3
Research various see, click, fix programs and applications and implement based on feasibility	Research see, click, fix programs and applications. Review programs with current practices to determine feasibility. Implement.	2021	Year 4	Year 4
Research current trends in communications and apply knowledge gathered to Village of Fox Lake efforts	Research various communications and public outreach opportunities for municipalities. Review feasibility of opportunities. Implement recommend opportunities.	2020	Year 5	Year 5

Technology Planning Team

Year 1 (2017 – 2018)

Objective and Tactic Year 1 Progress

Tactics	Steps to Accomplish	Target Accomplishment Date	Year of Strategic Plan	Status of Tactic
Increase utilization of GIS across all Village Departments.	Review current usage. Purchase additional IPADS to enhance usage. Increase utilization within all departments, in particular, Public Works.	2018	Year 1	
Create and implement a multi-year replacement and upgrade program based on current technology assets.	Review current technology assets. Determine replacement length, timeframe, determining factor for replacement. Develop list. Implement and replace on an annual basis.	2018	Year 1	
Continue to evaluate and review reverse 911 and Nixle Operations	Review current Nixle procedures. Develop policies and procedures. Implement policies and procedures.	2018	Year 1	In process - moved to Year 2 for final completion date
Purchase a new Village wide telephone system.	Review departmental needs. Develop request for proposal. Issue RFP and adhere to purchasing policy. Select, present to Board for approval.	2018	Year 1	In process - moved to Year 2 for final completion date
Analyze and review security camera systems for all Village wide buildings, property, and parks.	Review current systems. Research and determine cameras and implement needs. Implement and maintain cameras and camera systems.	2018	Year 1	In process - moved to Year 2 for final completion date
Review current programs, software, and equipment for effectiveness.	Review current programs, software, and equipment. Work with departments to determine needs. Determine feasibility of needs. Implement needs.	2021	Year 4	Year 4
Continue to monitor current infrastructure and technology for daily and long-term effectiveness.	Research various technology opportunities for municipalities. Review feasibility of opportunities. Implement recommend opportunities.	2020	Year 5	Year 5

Goals and Objectives – Year 2 Prioritization

Each Strategic Planning Team will be responsible for prioritizing objectives within the teams' specific strategic goal.

The Chairperson will be responsible for coordinating the prioritization discussion, with the elected officials providing feedback on behalf of the Village Board for prioritization. Depending on the Planning Team and magnitude of the objective, only a few items may be considered high priority at a time. The goal of the prioritization is to establish indicators throughout the year to ensure accomplishment of established prioritization.

Each Strategic Planning Team has selected their priorities for Fiscal Year 18-19 (Year 2 of the Strategic Plan). Priorities for each team are outlined below.

Infrastructure Planning Team			
Year 2 (2018 – 2019)			
Objective and Tactic Accomplishment Goals for Year 2			
Tactics	Steps to Accomplish	Target Accomplishment Date	Year of Strategic Plan
Make emergency repairs to the NWRWRF first stage screw pump station	Obtain emergency repair quotes Review emergency repair quotes Finalize details with chosen contractor	August 2018	Year 2
Review and revise completed report of structural health of all Village streets and develop a comprehensive replacement program	Obtain map of Village roads Integrate map into Village GIS system Outline improvements specific to Business Development District if approved	April 2019	Year 2
Develop a sidewalk replacement and enhancement program	Research other area programs Develop and write program	December 2018	Year 2
Construct North/South Sewer and Water System Interconnect	Complete final design Bid Project Implement	April 2019	Year 2
Enhance signage and roadway markings to promote bikeability and walkability	Inventory signage Obtain funding Incorporate into GIS System Remove unnecessary signs and add new signs as determined	April 2019	Year 2
Continue to apply for water related grants and low interest loans	Review funding opportunities Apply for grant opportunities Obtain funding Complete necessary reporting	April 2019	Year 2
Determine funding model for capital improvement and replacement program	Review current CIP planning Restructure model for CIP planning Forecast upcoming expenditures Build financially solvent capital program	April 2019	Year 2

Parks and Recreation Committee			
Year 2 (2018 – 2019)			
Objective and Tactic Accomplishment Goals for Year 2			
Tactics	Steps to Accomplish	Target Accomplishment Date	Year of Strategic Plan
Establish a Celebrate Fox Lake 501 (c) 3	Develop guidelines Complete application Submit to proper agencies	August 2018	Year 2
Increase public safety by installing surveillance cameras at all Village Parks	Work with Technology Committee to review camera capabilities Implement	April 2019	Year 2
Develop Volunteer and Internship Program	Produce internship guide / requirements/ anticipated tasks Reach out to area universities Establish program for each semester and / or summer	April 2019	Year 2
Review, locate, and apply for new funding opportunities to decrease burden off general fund	Continue to work with local businesses and organizations for sponsorship and donations Research grant opportunities for funding	April 2019	Year 2
Review, locate, and apply for new funding opportunities to decrease burden off general fund	Continue to work with local businesses and organizations for sponsorship and donations Research grant opportunities for funding	April 2019	Year 2
Complete Parks Master Plan and review feasibility of a Village "Riverwalk"	Work with Site Design to develop the Parks Master Plan for all area parks, buildings, and programs	December 2019	Year 2

Economic Development Planning Team

Year 2 (2018 – 2019)

Objective and Tactic Accomplishment

Tactics	Steps to Accomplish	Target Accomplishment Date	Year of Strategic Plan
Create a standard and implementation guide for business incentives	Review current practices Review other community standards Create document / policy Implement	April 2019	Year 2
Develop business centered e-newsletter	Develop template. Determine frequency. Implement.	April 2019	Year 2
Develop a business education program	Research program and develop material. Develop program. Implement.	April 2019	Year 2
Increase dedication to the local food movement and micro-economics through the Community Garden, and Development of a farmers market	Increase Community Garden participation. Establish Farmers Market. Implement.	June 2018	Year 2
Continue to develop a focus on the arts as a form of beautification and creative economy	Develop program for enhanced arts within the community. Implement program.	December 2018	Year 2
Review options for grants and alternative methods of funding	Research funding opportunities Apply for opportunities as they become available	2020	Year 3
Review and analyze Metra station, downtown and Village wide parking strengths and weaknesses	Complete parking study Implement recommendations	2020	Year 4
Develop partnerships to enhance beautification and safety along Route 12	Review current partnerships Determine partnerships needed	2025	Year 5
Increase beautification, walkability, bikeability, and branding within downtown	Review current status Develop plan for enhancement Implement	2022	Year 5
Continue to develop a focus on the arts as a form of beautification and creative economy	Review current programs Develop Summer Art Series Market Program Implement	2022	Year 5

Marketing Planning Team

Year 2 (2018 – 2019)

Objective and Tactic Accomplishment Goals for Year 2

Tactics	Steps to Accomplish	Target Accomplishment Date	Year of Strategic Plan
Develop a Village of Fox Lake Mobile Application for Android and iPhone	Develop mobile app Get mobile app on iTunes and Play Store Advertise mobile app Monitor number of subscribers	December 2018	Year 2
Provide template to all Village Departments with new anchor logo to ensure a smooth transition of the brand	Review current templates provide template to all Departments Update documents when applicable Share and implement with Departments	December 2018	Year 2
Develop Social Media Policy for posting on the Village's various social media accounts	Review current practices Research social media policies within other municipalities Develop draft and review with planning team Implement	December 2018	Year 2
Increase and evaluate partnerships with area businesses through the use of a business focused e-newsletter	Utilize E-newsletter template to design business specific e-news Work with Community Development to determine frequency Get sign-ups and implement	April 2019	Year 2
Research various regional, state, and national marketing opportunities and determine feasibility	Research various marketing opportunities for municipalities Review feasibility of opportunities Implement recommend opportunities	2020	Year 3
Review current signage, banners, uniforms and other items and update with new logo/anchor	Review signage and develop list of items that need updating Develop replacement list based on needs, exposure level, and budget Design all signage/banners/uniforms going forward with new logo/anchor	2022	Year 5

Communications / Public Outreach Planning Team

Year 2 (2018 – 2019)

Objective and Tactic Accomplishment Goals for Year 2

Tactics	Steps to Accomplish	Target Accomplishment Date	Year of Strategic Plan
Establish a Bi-annual Supervisor meeting to update supervisors and key personnel about departmental projects	Provide memo to Department Heads. Develop planning team. Present to all staff in September 2017 and again early 2018.	July 2019	Year 2
Complete website redesign and navigation rebuild	Redesign website. Rebuild navigation. Implement.	August 2019	Year 2
Develop a customer service program for all front desk staff that is measureable, and obtainable	Review departmental customer service needs. Develop customer service program. Develop customer satisfaction survey that is inclusive of the customer service program.	April 2019	Year 2
Research the feasibility of a Customer Relationship Management software program	Research Customer Relationship Management software. Review programs with current customer relationship management practices to determine feasibility. Implement.	2020	Year 3
Research various see, click, fix programs and applications and implement based on feasibility	Research see, click, and fix programs and applications. Review programs with current practices to determine feasibility. Implement.	2021	Year 4
Research current trends in communications and apply knowledge gathered to Village of Fox Lake efforts	Research various communications and public outreach opportunities for municipalities. Review feasibility of opportunities. Implement recommend opportunities.	2020	Year 5

Technology Planning Team

Year 2 (2018 – 2019)

Objective and Tactic Accomplishment Goals for Year 2

Tactics	Steps to Accomplish	Target Accomplishment Date	Year of Strategic Plan
Continue to evaluate and review reverse 911 and Nixle Operations	Review current Nixle procedures. Develop policies and procedures. Implement policies and procedures.	April 2019	Year 2
Purchase a new Village wide telephone system.	Review departmental needs. Develop request for proposal. Issue RFP and adhere to purchasing policy. Select, present to Board for approval. Implement.	June 2018	Year 2
Analyze and review security camera systems for all Village wide buildings, property, and parks.	Review current systems. Research and determine cameras and implement needs. Implement and maintain cameras and camera systems.	April 2019	Year 2
Implement a Village-wide SharePoint System for enhanced internal communications and process improvement	Build draft SharePoint Site Share with Department Heads Build Live SharePoint Implement	April 2019	Year 2
Review current programs, software, and equipment for effectiveness.	Review current programs, software, and equipment. Work with departments to determine needs. Determine feasibility of needs. Implement needs.	2021	Year 4
Continue to monitor current infrastructure and technology for daily and long-term effectiveness.	Research various technology opportunities for municipalities. Review feasibility of opportunities. Implement recommend opportunities.	2020	Year 5

Performance Measurement

The use of performance measures in local government is driven by increased government accountability, greater interest in performance related information to assist in program evaluation and resource allocation decision, and the effort to make government more results-oriented.

Performance measurement allows policymakers, managers, and citizens to evaluate the quality and effectiveness of government services. Performance measures include inputs (resources used), outputs (program activities), efficiency measures (ratio of inputs to outputs), and outcomes (the actual results of programs and services). Measures are a tool to help understand, manage and improve.

Good performance measures, as detailed in GASB, Performance Reporting for Government, are:

- Specific measures are well-defined and focused. A specific goal has a much greater chance of being accomplished than a general goal. To set a specific goal, one must answer the six “W” questions: Who, what, where, when, which, and why.
- Relevant measures matter to the intended audience and clearly relate to the activity being measured. Logic models are a way of establishing relevant measures.
- Understandable measures are clear, concise, and easy for a non-specialist to comprehend. This applies to terms used in titles and descriptions, and technical aspects of the measure such as the scale used in charts or selection of performance targets.
- Timely measures have information available frequently enough to have value in making decisions and assessing accountability.
- Comparable measures have enough data to tell if performance is getting better, getting worse or staying about the same. They also provide the reader with a frame of reference or context to tell if current performance meets or exceeds expectations.
- Reliable measures have data that is verifiable, free from bias, and an accurate representation of what it is intended to be.
- Cost effective measures justify the time and effort to collect, record, display, and analyze the data given the measure’s value. Another aspect of cost-effectiveness is feasibility. For instance, an ideal metric may require data collection, the scope and scale of which is far beyond its potential usefulness.
- Time bound measures have set deadlines. A goal should be grounded within a time frame. Without a time frame, there’s no sense of urgency.
- Useful measures help people doing the work understand what is happening with their business process, and how to get better results for customers.
- Influence relates to the ability of the Village to influence a measure. Some measures are important enough to society that we want to track them, even though the Village’s influence on them may be difficult to discern. These are often called indicators. For budget development, the Village is most interested in measures that the Village can affect.
- Significant measures are those that are most important to representing performance.
- Feasible data is on hand or the Village can reasonably expect to collect it.

Status of Prior Year (FY 2017-2018) Performance Metrics

Fiscal Year 2017-2018 was the first year the Village of Fox Lake implemented theories of performance measurement which coincided with the implementation of the Village's Strategic Plan.

Staff reviews and presents the status of performance metrics to the Village Board of Trustees two times per year – once in January as a mid-year review and finally at the end of the Fiscal Year. Additionally, staff tracks the status of performance metrics with the budget process in order to ensure metrics are being completed within the appropriate budget year, or reallocated to other years if necessary. Below is the status of Fiscal Year 2017-2018 performance metrics.

Administration						
Mission Statement: Provide a comprehensive approach to delivery of municipal services, development of the community, employee retention and development, and advance the strategic priorities of the Village in a fiscally responsible manner.						
Strategic Goal	Objective	Program	Performance Metric	Timeline	January 2018 Status	April 2018 Status
Communication / Public Outreach	Increase external Communication of Village events, and news items	Develop weekly Village of Fox Lake E-newsletter	500 individuals subscribed to the Village E-newsletter	500 subscribers to the Village E-newsletter by Quarter 4 (May 2018)	COMPLETE 700 subscribers as of January 2018	COMPLETE 786 subscribers as of April 2018
Recreation	Establish a financially solvent program and event model	Establish Celebrate Fox Lake 501 (c) 3	501 (c) 3 paperwork Submitted to agencies	Quarter 3 (February 2018)	ADJUSTED Adjusted to Quarter 4 (May 2018)	ADJUSTED Adjusted to Quarter 2 (December 2019)
Operations and Organizational Development	Increase professionalism of executive level management staff	Send executive level Management staff to leadership and management trainings	Five (5) staff members sent, and successfully passing training. Have all Executive Level Management staff	Quarter 4 (May 2018)	IN PROCESS Eight staff members have been sent, four of which were Executive Level Management	ADJUSTED Adjusted to Quarter 2 (December 2019)
Marketing	Unify, promote, and enhance the Village of Fox Lake Brand	Review current signage and banners and update	Update Village signage and Design five new banners For downtown area	Quarter 4 (May 2018)	IN PROCESS Signage will be reviewed with establishment of BDD. Four new banners have been designed for Downtown	ADJUSTED Adjusted to Quarter 2 (December 2019) Metal and permanent signage is in process of being designed
Communication / Public Outreach	Enhance Internal Village Communications	Establish Bi-Annual Supervisor meeting	Hold two Supervisor Meetings between May 2017 and May 2018	Quarter 4 (May 2018)	IN PROCESS One Supervisor Meeting was held on September 19. Second meeting will be held before May	ADJUSTED Adjusted to Quarter 4 (May 2019) Adjusting schedule to fit fiscal year

Finance

Mission Statement: Promote strong financial practices to continue improving the operating and capital budgets, Village financial policies, service delivery, transparency, and fiscal responsibility.

Strategic Goal	Objective	Program	Performance Metric	Timeline	January 2018 Status	April 2018 Status
Communication / Public Outreach	Ensure all the financial operations and transactions of the Village which includes accounts payable, payroll, cash management, grant administration, internal audit, purchasing, utility systems billings and collections are adequately managed and accounted for in accordance with GAAP, GASB and all other laws	Automate processes and provide for web based services to residents and businesses, improve internal controls and reporting functions	Review number of residents that pay in person versus on-line for water/sewer billing and vehicle stickers and advertise the program	The Village would like to increase the number of automatic payments by 5% by January 2018	IN PROCESS The amounts will be evaluated by the end of the fiscal year	ADJUSTED The amounts will be evaluated by the end of Quarter 2 of 2019 to account for a full fiscal year of payments.
Financial Policies and Practices	Perform ongoing cash flow analysis to ensure that the Village has sufficient cash liquidity to meet disbursement requirements and limit idle cash	Create a cash flow model to estimate available cash deposits, expected inflows, and required disbursements during a given period so the Village can ensure sufficient liquidity	Make conservative assumptions about both the cash receipts and disbursement portions of the analysis, and update these assumptions regularly, as well as after any major changes in operations. The accuracy of the cash flow forecast will be evaluated at least quarterly	The model will be created by September 1, 2017	ADJUSTED Model will be prepared by the end Quarter 4 (April 2018)	ADJUSTED Model will be prepared by the end Quarter 2 (December 2019)
Financial Policies and Practices	Simplify purchasing and payment process and received cash rebates for purchases	Implement a credit card program where large purchases are paid by credit card and the Village will receive cash back	Measure the profitability of utilizing credit cards to make payments versus checks	The Village will be paying invoices utilizing a credit card by July 1, 2017	COMPLETE Utility and other large bills / payments are made via credit card	COMPLETE Utility and other large bills / payments are made via credit card

Information Technology

Mission Statement: Provide innovative, efficient, and fiscally responsible services to internal and external customers through sharing of service delivery and infrastructure, joint purchasing, and professional resources.

Strategic Goal	Objective	Program	Performance Metric	Timeline	January 2018 Status	April 2018 Status
Financial Policies and Practices	Establish a financially solvent multi-year replacement and upgrade program	Establish a multi-year replacement and upgrade program based on current technology assets	Create and implement a multi-year replacement program within capital improvement fund	Upgrade list for next three years established by Quarter 3 (February 2018) and implemented in Capital Improvement Budget by Quarter 3 (February 2018)	IN PROCESS Upgrade list established for next six years and ready for implementation in FY 18-19 budget cycle	COMPLETE List for FY 18-19 was implemented with budget cycle, and will continue to be implemented
Technology	Incorporate, review, and analyze revolving needs of internal stakeholders	Secure new phone system and phone service for Village staff	New system installed and implemented	Quarter 4 (May 2018)	IN PROCESS RFP issued and submissions provided. Contract to be awarded at first meeting in January with implementation to follow	IN PROCESS Completion date for phone system implementation is end of May 2018
Technology	Incorporate, review, and analyze revolving needs of internal stakeholders	Review technology needs for 911 Dispatch Center	Develop needs assessment and outline needs within CIP replacement program	Quarter 4 (May 2018)	IN PROCESS The assessment is on-going and will be implemented within the FY 18-19 CIP Budget	COMPLETE FY 18-19 needs were implemented with budget cycle
Infrastructure	Review, monitor, and analyze current practices and evolve best practices based on effective, efficient, and current technology trends	Analyze the feasibility of increased fiber optic technology for optimum connectivity	Provide feasibility of fiber optic technology. If feasible, implement for Village of Fox Lake municipal services.	Quarter 3 (February 2018)	ADJUSTED Adjusted to Quarter 4 (April 2018)	ADJUSTED Adjusted to Quarter 4 (April 2019)

Police

Mission Statement: Provide the highest quality police services to residents, visitors and businesses, ensuring a safe place to live, work and visit.

Strategic Goal	Objective	Program	Performance Metric	Timeline	January 2018 Status	January 2018 Status
Operations and Organizational Development	Staff the Police Department according to needs of organization and public	Patrol Officer recruitment	Have five Academy Certified, and Training Program passed Officers on the street	Five Officers on the street by Quarter 4 (May 2018)	COMPLETE	COMPLETE
Public Safety	Increase public safety through use of technology improvements	Implementation of Quicket System for streamlined traffic stops and traffic accidents	Implementation of Quicket system. Decrease in time spent on each Traffic stop by 5%. Zero traffic stop related accidents	Implemented by Quarter 1 (July 2018) Decrease in time spent on each traffic stops by Quarter 4 (May 2018) Zero traffic stop related accidents by Quarter 4 (April 2018)	IN PROCESS Quicket has been implemented. Time spent on traffic Ticket payments have increased. As of January, there have been 0 traffic stop related accidents.	COMPLETE
Communication / Public Outreach	Enhance public outreach from the Police Department	Develop and implement Coffee with the Chief program	Have four (quarterly) Coffee with the Chief events at local businesses	Four events by Quarter 4 (May 2018)	ADJUSTED Adjusted to Quarter 4 (April 2019) Several visits to the Chamber, businesses and schools have been made by the department Additionally, the Fox Lake Police Department has started a Citizens Police Academy, which began on January 10	ADJUSTED Adjusted to Quarter 4 (April 2019) Several visits to the Chamber, businesses and schools have been made by the department Additionally, the Fox Lake Police Department has started a Citizens Police Academy, which began on January 10

Parks and Recreation

Mission Statement: 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.

Strategic Goal	Objective	Program	Performance Metric	Timeline	January 2018 Status	April 2018 Status
Recreation	Establish a financially solvent program and event model	Develop a new pricing and fee structure for programs and events	Offer at least 4 programs or events that earn a profit. Increase annually, by 1 event	Quarter 3 (January 2018)	ADJUSTED We are reviewing program profit margins. Adjusting to four programs that break-even	COMPLETE Four events for FY 17-18 broke even
Recreation	Develop Volunteer Program for the Village of Fox Lake Park and Recreation Department	Establish Volunteer Program and recruit volunteers for programs and events	Develop program, and recruit 10 volunteers. Increase annually by 5 volunteers	Quarter 3 (January 2018)	ADJUSTED Adjusted to Quarter 4 (April 2018)	ADJUSTED Adjusted to Quarter 4 (April 2019)
Recreation	Enhance use of Downtown Fox Lake for event programming	Establish a Park and Recreation Event for downtown Fox Lake	Create at least one new event that takes place in downtown Fox Lake	Quarter 4 (May 2018)	IN PROCESS Bloody Mary Fest is scheduled for downtown Fox Lake – July 2018	ADJUSTED Adjusted to Quarter 1 (July 2018)

Public Works - Motor Pool Division

Mission Statement: Provide preventive maintenance and repair for the Village of Fox Lake vehicles and equipment in a timely, cost effective professional manor. Additionally, supply to outside units of government on a time and material cost maintenance and repair of their vehicles and equipment.

Strategic Goal	Objective	Program	Performance Metric	Timeline	January 2018 Status	April 2018 Status
Operations and Organizational Development	Review fleet use to determine future requirements and present needs	Document vehicle usage and costs , have drivers fill vehicle log(date, time, mileage, job)	Determine daily, weekly and monthly usage of each vehicle, equipment and complete annual report for fiscal year budget	Annual report completed by Quarter 3 (January 2018)	COMPLETE Report submitted to Finance for review	COMPLETE Report submitted to Finance for review

Public Works – Streets

Mission Statement: Maintain and enhance the Village's core infrastructure including streets, buildings, forestry and grounds with adequate levels of service for each asset category.

Strategic Goal	Objective	Program	Performance Metric	Timeline	January 2018 Status	April 2018 Status
Technology	Review, monitor, and analyze current practices and evolve best practices based on effective, efficient, and current trends	Increase utilization of GIS within the Streets Division	Increase GIS mapping of stormwater inlets by 50%	Quarter 4 (May 2018)	COMPLETE Over 75% of inlets have been mapped in GIS	COMPLETE Over 75% of inlets have been mapped in GIS
Infrastructure	Provide sustainable, safe, and properly maintained roadways	Review and revise completed report of structural health of all Village streets and develop a comprehensive replacement program	Review current report. Re-review structural health of Village streets for prioritization. Develop and implement a comprehensive replacement program	Review current report by Quarter 2 (September 2017) Re-review structural health by Quarter 3 (February 2018) Implement a comprehensive replacement program by Quarter 4 (May 2018)	IN PROCESS Streets structural health has been reviewed and outlined within GIS. Program will be implemented within 2018 - 2019	ADJUSTED Streets structural health has been reviewed and outlined within GIS Program will be implemented by Quarter 4
Infrastructure	Continue providing quality services to residents, businesses, and municipal partners	Develop a tree maintenance and replacement program	Send at least two street division personnel to become certified arborists. Additionally, develop and implement a tree replacement program	Send two street personnel to arborist school by Quarter 2 (December 2017) Develop & implement a tree replacement program by Quarter 4 (May 2018)	IN PROCESS Waiting for 2018 arborist training scheduled through Illinois Arborist Association	ADJUSTED Waiting for 2018 arborist training scheduled through Illinois Arborist Association. Moved to Quarter 4

Community and Economic Development

Mission Statement: The mission of Community Development is to provide quality services to all citizens through innovation, continuous improvement, determination and excellence in customer service. Through education and cooperation, the Community Development Department will build positive working relationships within the building community, consumers, businesses and citizens alike. The Community Development Department will safeguard the public and promote the health, safety and welfare of Fox Lake through effective enforcement of the applicable building codes.

Strategic Goal	Objective	Program	Performance Metric	Timeline	January 2018 Status	April 2018 Status
Communication / Public Outreach	Increase external education of building safety, code enforcement and departmental functions.	Develop Business outreach program	Develop Business Outreach Program and materials. Reach out to 5 businesses per week	Quarter 4 (April 2018)	IN PROCESS Program and materials will be implemented by April 2018 Community Development is in process of implementing the Business Development District, which will increase communication	COMPLETE
Public Safety	Increase code enforcement	Conduct proactive inspections relating to nuisance abatement	Increased code enforcement activity by 30%	30% increase by end of Quarter 4 (April 2018)	COMPLETE Current year to date is over 30% increased	COMPLETE Current year to date is over 30% increased
Economic Development	Develop ways to make departmental services for businesses more efficient and user friendly	Create a B2B approach to fast track local business services	Establish B2B program, implement, and rollout to business. Within program, implement method for measuring use of program for future performance measurement	Develop and roll out to businesses by Quarter 3 (December 2017)	COMPLETE New procedures have been put in place to provide more efficient and user friendly service	COMPLETE New procedures have been put in place to provide more efficient and user friendly service

Public Works - Local Water and Sewer Division

Mission Statement: To provide safe, reliable, and economical sewer and water services to the residents of the Village of Fox Lake.

Strategic Goal	Objective	Program	Performance Metric	Timeline	January 2018 Status	April 2018 Status
Infrastructure	Continue to increase utility interconnectivity for future residential and economic development	Design/Plan North/South System Interconnect	Final Engineering completed	Quarter 3 (December 2017)	ADJUSTED In process, adjusted completed moved to Quarter 4 (April 2018)	ADJUSTED In process, adjusted completed moved to Quarter 4 (April 2019)
Infrastructure	Enhance water systems for current residential developments	Complete North Tower Construction Capital Improvement	Water Tower completed and operational	Quarter 3 (December 2017)	ADJUSTED In process, punch-list items still to be completed. Moved to Quarter 4 (May 2018)	ADJUSTED In process, punch-list items still to be completed. Moved to Quarter 2 (December 2018)
Public Safety	Continue to provide safe and properly maintained water and sewer systems	Annual Sewer Cleaning Program as required by CMOM	25% of Sewer System Cleaned Yearly 8.75 miles	Quarter 4 (April 2018)	COMPLETE 25% cleaned so far this year Additionally, the sewer lining project is in process and the Washington Water tower has been re-engineered	COMPLETE 25% cleaned so far this year Additionally, the sewer lining project is in process and the Washington Water tower has been re-engineered

NWRWRF

Mission Statement: Provide safe, regulatory compliant, economical and aesthetic operations of the treatment facility, and to foster the public's continued enjoyment and recreational uses of the Fox River.

Strategic Goal	Objective	Program	Performance Metric	Timeline	January 2018 Status	April 2018 Status
Communication / Public Outreach	Maintain relationship and necessary communication with Lake County Public Works.	Develop and implement checklist of contractual requirements and monitor on a quarterly basis	Develop and implement checklist and monitor completion on a quarterly basis	Review each quarter (March, June, September and December) and report annually – Quarter 4 (March 2018)	COMPLETE Enhancement in review procedures and held on-site to increase communication	COMPLETE
Operations and Organizational Development	Prevent accidents and injuries among employees	Schedule standardized safety training across the department	Ensure every NWRWRF employee receives lock out tag out & confined space entry training on an annual basis	Quarter 3 (December 2017)	COMPLETE Training for tag out and confined space entry were held prior December 2017	COMPLETE
Information Technology	Increase monthly reporting efficiency and accuracy.	Automate electronic monthly reporting data transfer	Create link between Operational database and Illinois Environmental Protection Agency (IEPA) portal.	Quarter 3 (January 2018)	ADJUSTED Moved to Quarter 2 2018 (December 2018)	ADJUSTED Moved to Quarter 2 2018 (December 2018)
Infrastructure	Repair Screw Pump	Repair and Replace Screw Pump	Replace and repair Screw Pump	Quarter 2 (June 2019)	IN PROCESS Replacement and repairs are in process of being completed	ADJUSTED Replacement and repairs are in process of being completed and will be completed Quarter 4 (December 2019)

911 Dispatch Center

Mission Statement: Provides professional emergency dispatch services and public safety communication support to the residents of Fox Lake, as well as to four (4) additional outside agencies and, work towards obtaining additional clients.

Strategic Goal	Objective	Program	Performance Metric	Timeline	January 2018 Status	April 2018 Status
Public Safety	Maintain and increase national certifications as set forth by the National Standards for Public Safety Communications	National Certification of APCO P33. The P33 program certifies the training and operational methods used by FoxComm as meeting the National Standards for Public Safety Communications.	Obtain National Certification of APCO P33	Obtain by Quarter 3 (September 2017)	ADJUSTED Moved to Quarter 2 (December 2018)	ADJUSTED Moved to Quarter 2 (December 2018)
Marketing	Market FoxComm as viable Dispatch solution to local government entities	New agency acquisition	Acquire two new agencies	Quarter 4 (May 2018)	IN PROCESS In process of acquiring new agencies.	IN PROCESS In process of acquiring new agencies. Adjusted to Quarter 4 (April 2019)
Information Technology	Increase capability for residents and visitors to report incidents	Text to 911	Implement Text to 911 program	Quarter 3 (December 2017)	ADJUSTED Moved to Quarter 4 (December 2018)	ADJUSTED Moved to Quarter 1 (July 2018)
Communication/ Public Outreach	Utilize varying platforms to increase communication	Develop NIXLE usage policy. Increase usage of the NIXLE system	Develop NIXLE Communication Plan, and work with communications staff to implement. Increase signups to NIXLE by 10%.	Develop communication plan by Quarter 1 (July 2018) Increase signs up by Quarter 4 (December 2017)	COMPLETE	COMPLETE

FY 2018 – 2019 Departmental Performance Measures

Staff members within each Department provided performance metrics for Fiscal Year 18-19. This is the first year where the Performance Metric Feedback Loop has been implemented within the annual budget cycle. Goals and objectives of the strategic plan have been woven into departmental performance metrics, in addition to department specific items that enhance day-to-day operations.

Below are is the status of the Fiscal Year 2018-201 performance metrics.

Administration

Mission Statement: Provide a comprehensive approach to delivery of municipal services, development of the community, employee retention and development, and advance the strategic priorities of the Village in a fiscally responsible manner.

Strategic Goal	Objective	Program	Performance Metric	Timeline
Recreation	Establish a financially solvent program and event model	Establish Celebrate Fox Lake 501 (c) 3	501 (c) 3 paperwork Submitted to agencies	Quarter 2 (December 2018)
Operations and Organizational Development	Increase professionalism of executive level management staff	Send executive level Management staff to leadership and management trainings	Have all Executive Level Management staff trained by December 2019	Adjusted to Quarter 2 (December 2018)
Marketing	Unify, promote, and enhance the Village of Fox Lake Brand	Review current signage and banners and update	Update Village signage and design five new banners for downtown area	Quarter 2 (December 2018)
Communication / Public Outreach	Enhance Internal Village Communications	Establish Bi-Annual Supervisor meeting	Hold two Supervisor Meetings between May 2018 and April 2019	Quarter 4 (April 2019)
Communication / Public Outreach	Promote the Village on a regional, state, and national scale	Complete iPhone part of Mobile Application and advertise app to public	Completed and advertised mobile application for both Android and iPhone	Quarter 2 (December 2018)

Finance

Mission Statement: Promote strong financial practices to continue improving the operating and capital budgets, Village financial policies, service delivery, transparency, and fiscal responsibility.

Strategic Goal	Objective	Program	Performance Metric	Timeline
Financial Policies and Practices	Implement an online payment program for other departments	Allowing for people to sign up for parks, BZ, and other events via the internet. Allow for payments of fees or tickets to be online for all departments	Review necessity from departments, study feasibility and implement.	Quarter 4 (April 2019)
Financial Policies and Practices	Streamline payroll processes	Review other payroll software companies and determine feasibility and necessity to migrate for efficiencies	Companies analyzed and recommendation provided to Village Administrator	Quarter 4 (April 2019)
Financial Policies and Practices	Perform ongoing cash flow analysis to ensure that the Village has sufficient cash liquidity to meet disbursement requirements and limit idle cash	Create a cash flow model to estimate available cash deposits, expected inflows, and required disbursements during a given period so the Village can ensure sufficient liquidity	Make conservative assumptions about both the cash receipts and disbursement portions of the analysis, and update these assumptions regularly, as well as after any major changes in operations. The accuracy of the cash flow forecast will be evaluated at least quarterly	Quarter 2 (December 2019)
Communication / Public Outreach	Ensure all the financial operations and transactions of the Village which includes accounts payable, payroll, cash management, grant administration, internal audit, purchasing, utility systems billings and collections are adequately managed and accounted for in accordance with GAAP, GASB and all other laws	Automate processes and provide for web based services to residents and businesses, improve internal controls and reporting functions	Review number of residents that pay in person versus on-line for water/sewer billing and vehicle stickers and advertise the program	Quarter 2 (December 2019)

Information Technology

Mission Statement: Provide innovative, efficient, and fiscally responsible services to internal and external customers through sharing of service delivery and infrastructure, joint purchasing, and professional resources.

Strategic Goal	Objective	Program	Performance Metric	Timeline
Public Safety	Enhance public safety through the implementation and installation of cameras on Village Property.	Review locations for security cameras. Install and implement as recommended.	Install and implement within recommended areas.	April 2019 (Quarter 4)
Technology	Enhance internal communication through the use of SharePoint.	Implement a SharePoint system for the Village.	System established, live and in use by Village employees.	December 2018 (Quarter 2)
Infrastructure	Review, monitor, and analyze current practices and evolve best practices based on effective, efficient, and current technology trends	Analyze the feasibility of increased fiber optic technology for optimum connectivity	Provide feasibility of fiber optic technology. If feasible, implement for Village of Fox Lake municipal services.	Quarter 4 (April 2019)
Technology	Incorporate, review, and analyze revolving needs of internal stakeholders	Secure new phone system and phone service for Village staff	New system installed and implemented	Quarter 1 (June 2018)

Police

Mission Statement: Provide the highest quality police services to residents, visitors and businesses, ensuring a safe place to live, work and visit.

Strategic Goal	Objective	Program	Performance Metric	Timeline
Communication / Public Outreach	Enhance public outreach from the Police Department	Develop and implement Coffee with the Chief program	Have four (quarterly) Coffee with the Chief events at local businesses	Quarter 4 (April 2019)
Operations and Organizational Development	Enhance training of police department personnel	Train staff in accordance with new State of Illinois rules and regulations	Officers trained in accordance with statute	Quarter 4 (April 2019)
Public Safety	Incorporate, review, and analyze revolving needs of internal stakeholders and enhance public safety	Analyze and review security camera systems for all Village wide buildings, property, and parks.	Camera locations reviewed, and installed	Quarter 4 (April 2019)

Parks and Recreation

Mission Statement: 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.

Strategic Goal	Objective	Program	Performance Metric	Timeline
Recreation	Develop Volunteer Program for the Village of Fox Lake Park and Recreation Department	Establish Volunteer Program and recruit volunteers for programs and events	Develop program, and recruit 10 volunteers. Increase annually by 5 volunteers	Quarter 4 (April 2019)
Recreation	Enhance use of Downtown Fox Lake for event programming	Establish a Park and Recreation Event for downtown Fox Lake	Create at least one new event that takes place in downtown Fox Lake	Quarter 1 (July 2018)
Recreation / Financial practices and policies	Establish a financially solvent program and event model	Continue to have events that break even through revenue and donations	Offer at least eight programs or events that break even through revenue or donated product.	Quarter 4 (April 2019)
Recreation	Complete Parks Master Plan and review feasibility of a Village "Riverwalk"	Develop the Parks Master Plan for all area parks, buildings, and programs	Completed Parks Master Plan	Quarter 4 (April 2019)

Public Works - Motor Pool Division

Mission Statement: Provide preventive maintenance and repair for the Village of Fox Lake vehicles and equipment in a timely, cost effective professional manor. Additionally, supply to outside units of government on a time and material cost maintenance and repair of their vehicles and equipment.

Strategic Goal	Objective	Program	Performance Metric	Timeline
Operational and Organizational Development	Review fleets and determine future equipment needs	Develop Capital Improvement Plan for equipment lifespan	Determine future needs of departments and budgeting requirements	Quarter 4 (May 2019)

Public Works – Streets

Mission Statement: Maintain and enhance the Village's core infrastructure including streets, buildings, forestry and grounds with adequate levels of service for each asset category.

Strategic Goal	Objective	Program	Performance Metric	Timeline
Technology/ Infrastructure	Increase Utilization of GIS system for Trees and Signage.	Increase utilization of GIS within the Streets Division	GIS mapping of at least 50% of signage	Quarter 2 (Dec 2018)
Marketing / Communications	Develop a new way finding signage for Village of Fox Lake	Develop new signage to direct motorists around the village	Design and purchase of new signage	Quarter 4 (April 2019)
Infrastructure	Provide safe, sustainable roadways within the Village	Review and revise completed report of structural health of all Village streets and develop a comprehensive replacement program.	Review current report. Re-review structural health of Village streets for prioritization. Develop and implement a comprehensive replacement program.	Review current report by Quarter 2 (Sept 2018) Re-review structural health by Quarter 3 (Dec 2018) Implement a comprehensive replacement program by Quarter 4 (April 2019)
Technology/ Infrastructure	Provide the best quality service to residents, businesses, and municipal partners of Fox Lake while encouraging prosperity and development of our internal staff	Review tree maintenance and replacement program	Send at least two street division personnel to become certified arborists. Additionally, implement tree inventory into our GIS system	Send two street personnel to arborist school by Quarter 2 (Sept 2018) Have 50% of trees inventoried into GIS system.

Community and Economic Development

Mission Statement: The mission of Community Development is to provide quality services to all citizens through innovation, continuous improvement, determination and excellence in customer service. Through education and cooperation, the Community Development Department will build positive working relationships within the building community, consumers, businesses and citizens alike. The Community Development Department will safeguard the public and promote the health, safety and welfare of Fox Lake through effective enforcement of the applicable building codes.

Strategic Goal	Objective	Program	Performance Metric	Timeline
Economic Development	Develop a business education program	Fox Lake Business Bootcamp Educational Series	Develop business educational curriculum. Enlist minimum of 7 businesses to participate	Curriculum developed and approved by Village Board in July with classes beginning in September 2018 (Quarter 2)
Communication / Public Outreach	Increase external education of building safety, code enforcement and departmental functions	Develop a quarterly educational program titled 'Coffee & Codes' where residents can attend to learn about code enforcement, Police Department functions and building safety	Gauge success and interest by the community through attendance at the quarterly meetings	First class to be hosted in July 2018 (Quarter 1)
Public Safety	Increase Code Enforcement	Educate Village Departments (Public Works/Police Department) on identifying code violations and reporting violations to Community Development for follow up	Increased reporting of code enforcement violations from other Village departments	Quarter 4 (April 2019)

Public Works - Local Water and Sewer Division

Mission Statement: To provide safe, reliable, and economical sewer and water services to the residents of the Village of Fox

Strategic Goal	Objective	Program	Performance Metric	Timeline
Infrastructure	Continue with utility interconnectivity for future economic strength	Design/Plan North/South System Interconnect	Final Engineering completed	Quarter 2 (September 2018)
Technology	Create a database of services and service lines for proper functionality and increased improvement	Increase GIS utilization by collecting BBox locations	Implement Bbox into GIS and Collect 25% of all bbox locations	Quarter 3 (December 2018)
Public Safety	Continue to provide properly maintained water and sewer systems	Annual Sewer Cleaning Program as required by CMOM/complete sewer lining project	25% of Sewer System Cleaned yearly 8.75 miles	Quarter 4 (April 2019)
Infrastructure	Enhance water systems for current residential developments	Complete North Tower Construction Capital Improvement	Water Tower completed and operational	Quarter 2 (December 2018)

NWRWRF

Mission Statement: Safeguard the environment and public health by maintaining the highest level of treatment at the lowest attainable cost through sound fiscal management.

Strategic Goal	Objective	Program	Performance Metric	Timeline
Information Technology	Increase monthly reporting efficiency and accuracy	Automate electronic monthly reporting data transfer	Create link between Operational database and Illinois Environmental Protection Agency (IEPA) portal.	Quarter 2 (December 2018)
Infrastructure	Rebuild/Replace 3 screw pumps to ensure ability to meet capacity requirements	Remove from service, refurbished conveyor; replace grout, reinstall, and test	Pumps Rebuilt and Operational	Quarter 4 (May 2019)
Infrastructure	Increase Return Pumping Capacity	Replace/Upgrade worn Return Pumps, Controls and Variable Frequency Drives	Complete Final Design Engineering	Quarter 3 (January 2019)
Operations and Organizational Development	Prevent employee accidents and injuries	Schedule standardized safety training across the department	Ensure every NWRWRF employee receives lock out tag out & confined space entry training on an annual basis	Review each quarter and report annually – Quarter 4 (March 2019)

911 Dispatch Center –

Mission Statement: Provides professional emergency dispatch services and public safety communication support to the residents of Fox Lake, as well as to additional outside agencies and work towards obtaining additional clients.

Strategic Goal	Objective	Program	Performance Metric	Timeline
Public Safety	Maintain and increase national certifications as set forth by the National Standards for Public Safety Communications	National Certification of APCO P33 The P33 program certifies the training and operational methods used by FoxComm as meeting the National Standards for Public Safety Communications	Obtain National Certification of APCO P33	Obtain by Quarter 2 (December 2018)
Operations and Organizational Development	Fill the open dispatch positions with qualified Telecommunicators to ensure effective and efficient services are provided to the community	911 Center Dispatch Recruitment	Have all 10 Full Time Telecommunicator positions and 4 Part Time positions filled in the 911 Center	Quarter 2 (October 2018)
Marketing	Market FoxComm as viable Dispatch solution to local government entities	New agency acquisition	Acquire two new agencies	Quarter 2 (December 2018)
Information Technology	Increase capability for residents and visitors to report incidents	Text to 911	Implement Text to 911 program	Quarter 1 (July 2018)
Marketing	Market FoxComm as viable Dispatch solution to local government entities	New agency acquisition	Acquire two new agencies	Quarter 4 (April 2019)

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Section 8

Supplemental Information

Financial Policy

Investment Policy

General Fund Reserve Policy

Glossary



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.

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.

Investment Policy (continued)

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.

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.

Investment Policy (continued)

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.

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.

Investment Policy (continued)

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 based on 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.

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.).

Investment Policy (continued)

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.

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.

Investment Policy (continued)

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.

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.

Investment Policy (continued)

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.

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.

Investment Policy (continued)

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.

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.

Investment Policy (continued)

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.

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.

Investment Policy (continued)

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.

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.

Investment Policy (continued)

- 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.

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.

Investment Policy (continued)

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.

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 village with a resulting change in the boundaries of that village.
- **Appropriation** – A specific amount of money authorized by Village Board 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 Village’s financial statements. The audit tests the Village’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 Village’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 Village Board.

Glossary (continued)

- **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.
- **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 Village 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 Village'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.

Glossary (continued)

- **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.
- **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 Village'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 Village'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 Village 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.

Glossary (continued)

- **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 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 Village. 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 block, 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 Village.
- **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.
- **Mileage** – The tax rate on real property based on \$1.00 per \$1,000 of assessed property value.

Glossary (continued)

- **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.
- **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 Village 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 Village resources. Each Village 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 Village’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.

Glossary (continued)

- **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 Village'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 Village's electrical and water system.
- **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 Village 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, its current market price and any interest coupons.