



Village of Fox Lake

FISCAL YEAR BUDGET 2019-2020



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**

July 5, 2019

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, 2020. It is an honor to represent the Village of Fox Lake, work for a Mayor and Board who set policy based on the interests of the community and work alongside a professional team of employees who embrace the mission established by the Village Board to provide fiscally responsible, high quality services through effective, transparent and collaborative government. This budget reflects the commitment of the Mayor, Village Board and the Village Staff to fiscal stability, public safety and continued investment in the Village's infrastructure.

All of the various achievements highlighted throughout this document exemplify the exceptional teamwork and cooperation which makes these results possible. The Mayor and the Village Board provide crucial leadership and vision, which results in clear direction for developing programs and projects that move our community forward. The Department Directors are charged with designing and implementing the programs and monitoring the many projects, as well as providing guidance on the various issues, using their own expertise. And of course, the supervisors and front-line staff execute the vision and provide the multitude of services required by our residents. The Village remains fortunate to have such a dedicated, devoted and knowledgeable workforce and it continues to be my privilege to lead such an extraordinary staff.

The FY2019-2020 Budget instructions provided to each department emphasized the importance of maintaining balance between moving towards the overall goals and objectives established by the Village's 5-year Strategic Plan and as directed by the Village Board, while continuing to provide excellent services to our residents and businesses.

Primarily due to the strategic initiatives undertaken in the current and prior years, the Village will enter the Fiscal Year 2019-2020 in a strong financial 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 moderate 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 4.0 percent to 3.8 percent year-over-year. This economic indicator benefitted from the return of workers furloughed by the partial government shutdown at the beginning of 2019. Only 20,000 new jobs were actually created in the month of February; however, the number of unemployed persons declined by 300,000 to 6.2 million and job openings increased to 7.6 million in January. Available jobs have outpaced the available workforce for the first time since the 18 years the indicator has been tracked. This is viewed as a positive sign by many economists and wages are rising at the fastest pace in nine years. The US GDP growth rate was reported at 2.6% for the fourth quarter and reached 2.9% for the year.

At the state level, the State of Illinois continues to struggle with unfunded and growing liabilities which continues to negatively affect statewide economic growth, revenue streams to municipalities, and the State's bond rating. The fiscal year revenue shortfalls are projected to add an additional \$2.0 billion to the current bill backlog. The immense financial challenges currently faced by the State have resulted in a permanent increase to the State's income tax rate (the personal rate is 4.95% and corporate is 7%) to raise additional revenue. The State's inability to move forward without some form of resolution to this financial crisis results in local governments continuing to utilize a more conservative "wait and see" approach to budgeting.

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 1.5% 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 FY2018-19 Amended budget and the FY2019-20 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. Recently, the legislature took

actions to revise the income tax structure to a graduated tax and double the gasoline tax from \$0.19 to \$0.38 per gallon. 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 vender 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.

The Federal Reserve Bank left interest rates unchanged which pulled back from their projections to increase them in December when they anticipated two rate hikes in 2019 and three increases in 2020. In fact, some economists are indicating the next future rate change by the Federal Reserve may be to lower interest rates. Interest earnings have been reduced overall due to the reductions in reserves from capital spending.

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 2018-2019 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 comprehensive 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 15th, 2019 Budget Workshop, April 9th and April 23rd, 2019 Board meetings. There were no changes discussed during the budget workshops and meetings. 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 document.

Executive Summary

The following points provide an executive summary of the FY2019-2020 budget detail that follows:

Comprehensive Village Outlook

- Total revenue for the Village is \$29M, which is \$2.4M or 9% higher than the prior year, and total expenditures (excluding capitalized assets in the enterprise funds) are budgeted at \$32.3M, which is \$4.5M or 16% higher than the prior year amended budget. This computes to a net use of funds in FY2019-2020 of \$3.3M.
- General Fund revenue accounts for 47% of the total revenue, up from 45% of the prior year budgeted revenues.
- General Fund total expenditures, including the interfund transfer to the NWRP and capital outlay of \$15.8M, represents 35% of the Village's \$45.7M total budgeted expenditures.
- Personnel-related expenditures account for 37% of total expenditures in contrast to 29% for non-personnel-related operating expenditures.
- Spending on capital projects, including those assets capitalized in the enterprise funds, total \$19.5M, which is \$15.1M higher than the prior year's amended 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 principal debt outstanding is \$8.2M both in the form of general obligation bonds and revenue bonds. The Village has additional debt capacity of \$20.5M in general government obligations before it reaches its regulatory limit of 8.625% of taxable EAV.
- The General Fund total fund balance is projected to be \$6.4M and the unrestricted net asset balances of the Water Fund and NWRP Fund are projected at \$7.8M and \$8.7M, respectively.

General Fund Outlook

- General Fund revenue is \$12.2M, when one-time grant revenues of \$1.5M are excluded from the revenue sources. This is \$130k more than the 2018-19 amended budget estimates of \$12.1M. This is mostly due to an increase in property and sales taxes offset by 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 \$8.5M or 62% of total General revenues. That figure rises to 69% when one-time grant revenues are excluded from the revenues. Public Safety uses the most General fund resources at \$6.0M or 38% of the total expenditures; lower than the prior year at 41% of total expenditures.
- Total operating expenditures for the General Fund are budgeted at \$12.2M, which is \$160k or 1.3% higher than the prior year amended budget of \$12.0M. This is attributed to normal labor and inflationary cost increases.
- Total debt service payments for the General Fund are consistent with the prior year at \$632k. The Village does not expect to issue any general obligation debt this fiscal year. The Village secured a loan from the IL EPA for the Water/Sewer North and South Interconnect project, which has been included in the Water/Sewer budget.
- Capital expenditures are budgeted at \$4.2M for the year. Significant projects to be completed this year include improvements to Grand Avenue (\$1.35M), lighting on Grand Ave and Sayton Rd bike path (\$500k), other lighting improvements (\$251k), rehabilitation of Sayton Rd, Fossil Rd bridge and other improvements (\$500k from Externality Fee Reserve), and the Lakefront Park redesign and improvements (\$150k).
- Net surplus of revenues, excluding grant revenues, over expenditures before capital projects is \$18k. Capital expenditures will be utilizing grant proceeds and funds previously set aside for improvements.
- Total General Fund Balance is projected to be \$6.4M, showing an intentional reduction of \$2.1M to finance capital project expenditures. The unrestricted portion is estimated at \$5.9M, which represents 48% of total non-capital expenditures for the General Fund which exceeds the Village fund balance policy of 33%. During the year semi-annual budget review, the Village may assign the excess reserves for capital improvements.

Special Revenue Funds Outlook

- The Tax Increment Financing District Fund will collect \$50k in taxes and will spend \$312k, with \$271k on sidewalk and land improvements in the District.
- The Motor Fuel Tax Fund shows \$279k in tax revenue, \$121k in operating expenditures for road lighting, deicing and routine maintenance, and \$644k for the Sayton Road, Nippersink, and Grand Avenue street rehabilitation projects. This Fund will utilize \$574k in reserves for completion of the capital projects.
- The new Business Development Districts (BDD's) in the South and Central areas of the Village (created in FY2018-19) are projected to receive \$637k and \$538k, respectively, in sales tax revenue. Capital expenditures for the South District is planned to be \$821k for Frontage Road improvements. Capital expenditures of \$718k in the Central District are for Route 12 sidewalk improvements, Grand Avenue lighting, Grace Ave rehabilitation, and Millennium Park improvements. These projects such as development of a new parking lot in the central district and rehabilitating roads in the south district are intended to expand business interests in the community.

Enterprise Funds Outlook

- The Commuter Parking Fund shows \$96k in revenues and \$104k in expenditures. Expenditures declined by \$51k from the personnel costs allocated to the fund in FY2018-19 for temporary expanded patrols in parking areas.
- The Water/Sewer Fund shows revenues of \$4.7M as compared to \$4.6M for the prior year (excluding \$9.2M in IEPA interconnect project loan.) Inclusive in the FY2019-20 revenue is an increase in water sales due to an increase in the base rate from \$47.02 to \$48.85 (3.9%) and the consumption charge rise from \$3.49 to \$3.63 per thousand gallons (4%).
- Water/Sewer operating expenditures are budgeted at \$3.1M as compared to \$3.2M in the prior year amended budget.
- Water/Sewer capital expenses are planned at \$9.8M compared to \$1.4M last year. The most significant project is the Interconnect Phase I engineering and construction of \$8.3M which is financed by an IEPA loan.
- The Water/Sewer unrestricted net assets are projected to increase from \$6M to \$7.8M.
- The NWRWRF budget includes \$5.4M in revenues, which is \$240k greater than the prior year amended budget. Interest income growth of \$95k, sewer charges rise of \$48k (due to additional units), and a \$20k lighting incentive grant account for the rise in revenue.
- NWRWRF expenditures are \$7.4M, \$767k or 11.6% higher than the prior year amended budget mostly due to a full year costs of 2 additional employees (hired in FY2018-19) and increased maintenance costs.
- NWRWRF capital expenses are scheduled at \$3.5M and include the replacement of an aeration trunk line at \$1.15M, two screw pump rebuilds for \$450k, and the \$860k for the RAS pump design/replacement. All of these projects are carried over from FY2018-19.
- The NWRWRF unrestricted net assets at year-end is projected to be \$8.7M; down from \$12.1M estimated at the end of FY2018-19. This reduction is attributed to the projects being funded with cash reserves. This will have the effect of increasing the net capital assets.
- The 911 Dispatch fund deficit is estimated to increase by \$35k from (\$864k) to (\$899k) as revenues of \$1.446M do not cover operating expenses of \$1.481M. Due to the condition of this fund there are no capital expenses planned in the near future.

Fiduciary Fund Outlook

- The Police Pension Fund shows \$2.0M in revenue as compared to \$1.9M in the amended FY2019-20 budget, due to the increase in property taxes as required by the Plan's actuarial valuation. The Police Pension property tax levy for 2018 (FY2019-20 revenues) consumes a higher percentage of the total property tax levy because the Village's obligations went up dramatically due to the changes in the earnings assumptions from 7% to 6.75%. The total Village contribution (including property tax levy) is \$731k compared to \$637k last year for a total increase of \$93k. This number is expected to increase by approximately \$70k per year over the next three years.
- The net surplus of revenue over expenses in the pension fund is projected to be \$874k resulting in an estimated reserved fund balance of \$18.2M at year-end.

Budget Presentation

The FY2019-2020 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, 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,



Anne Marrin
Village Administrator

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Section 2

Organization & Services

GFOA Budget Award FY2018-19

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

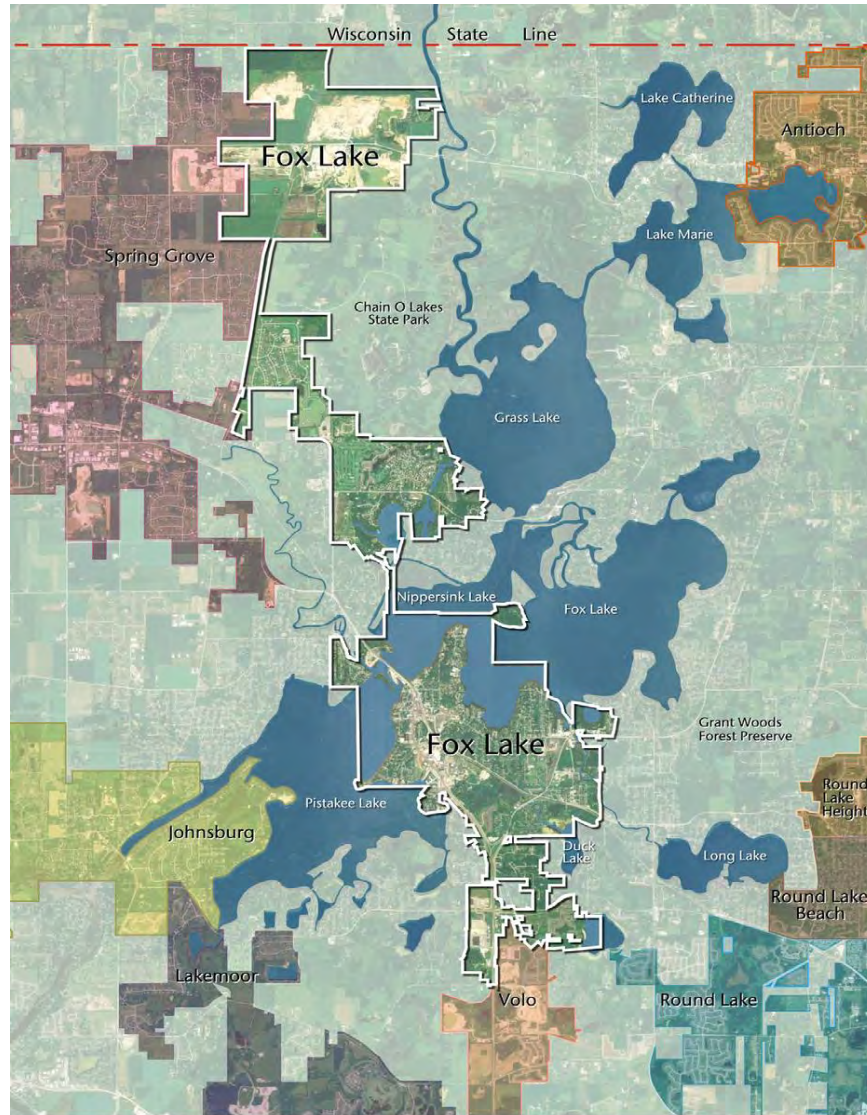




The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Award to the Village of Fox Lake, Illinois for the Annual Budget beginning May 1, 2018. In order to receive this award, a government unit must publish a budget document that meets program 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

Amy Driscoll

Village Administrator

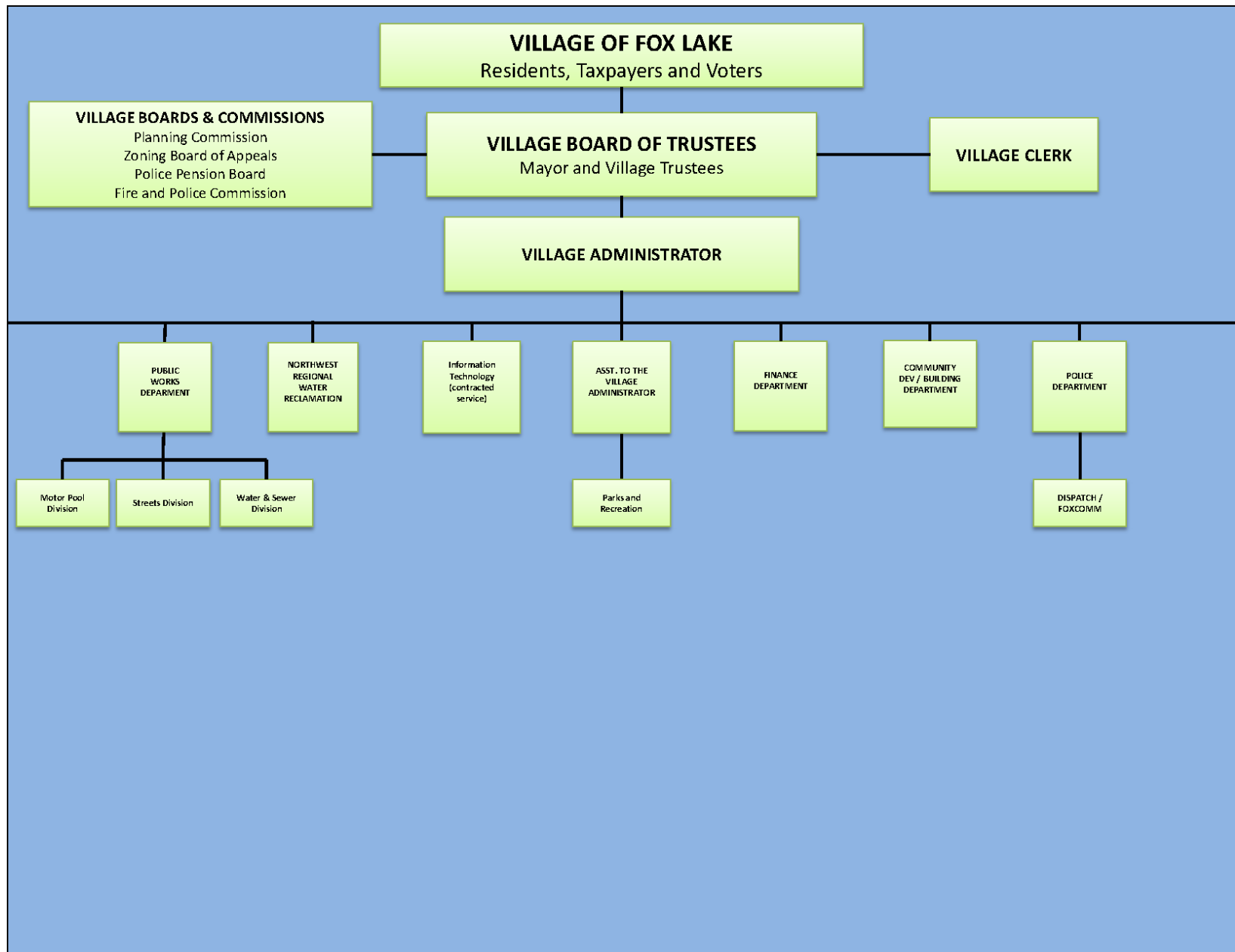
Anne E Marrin

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

Police and Fire Commission

The Board of Fire and Police Commissioners shall appoint all members of the Police Departments of the Village, except the Chief of Police, which appointment shall be made by the Village President and Board of Trustees. The Chief of Police 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. Two members of this Board are appointed by the Village President, two members are elected from among the active sworn officers, and one member is elected from among the retired members. They each serve a two-year term. The Village Finance Director is a non-voting member of the Board.

Strategic Planning Teams and Committees

The Strategic Planning Teams and Committees were established by ordinance on May 9, 2017. The Village created Strategic Planning Teams, including Infrastructure, Marketing, Recreation, Technology, Economic Development, and Communication/Public Outreach. In June 2019 the Village combined the Technology, Marketing and Communication/Public Outreach committees into the Public Outreach/Technology committee. The Strategic Planning Teams consist of a Chairperson who shall be a department head or staff member appointed by the Village Administrator and two trustees appointed by the Village President. 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 Village President appoints the two (2) trustees and the Village Administrator appoints the staff member to each Strategic Planning Team. Trustees serve each committee for a term of one year. The Teams 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 Comprehensive Development Plan was implemented, which shapes and guides the type and quality of development opportunities in the Village. The Village is also looking at redevelopment opportunities aimed at revitalizing the downtown area, diversifying area businesses and completing infrastructure improvements on 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

- As of the 2010 United States Census, the population grew to 10,579 residents, which represents a 13% increase from the 2000 Census.
- 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 and the median household income was \$54,521.

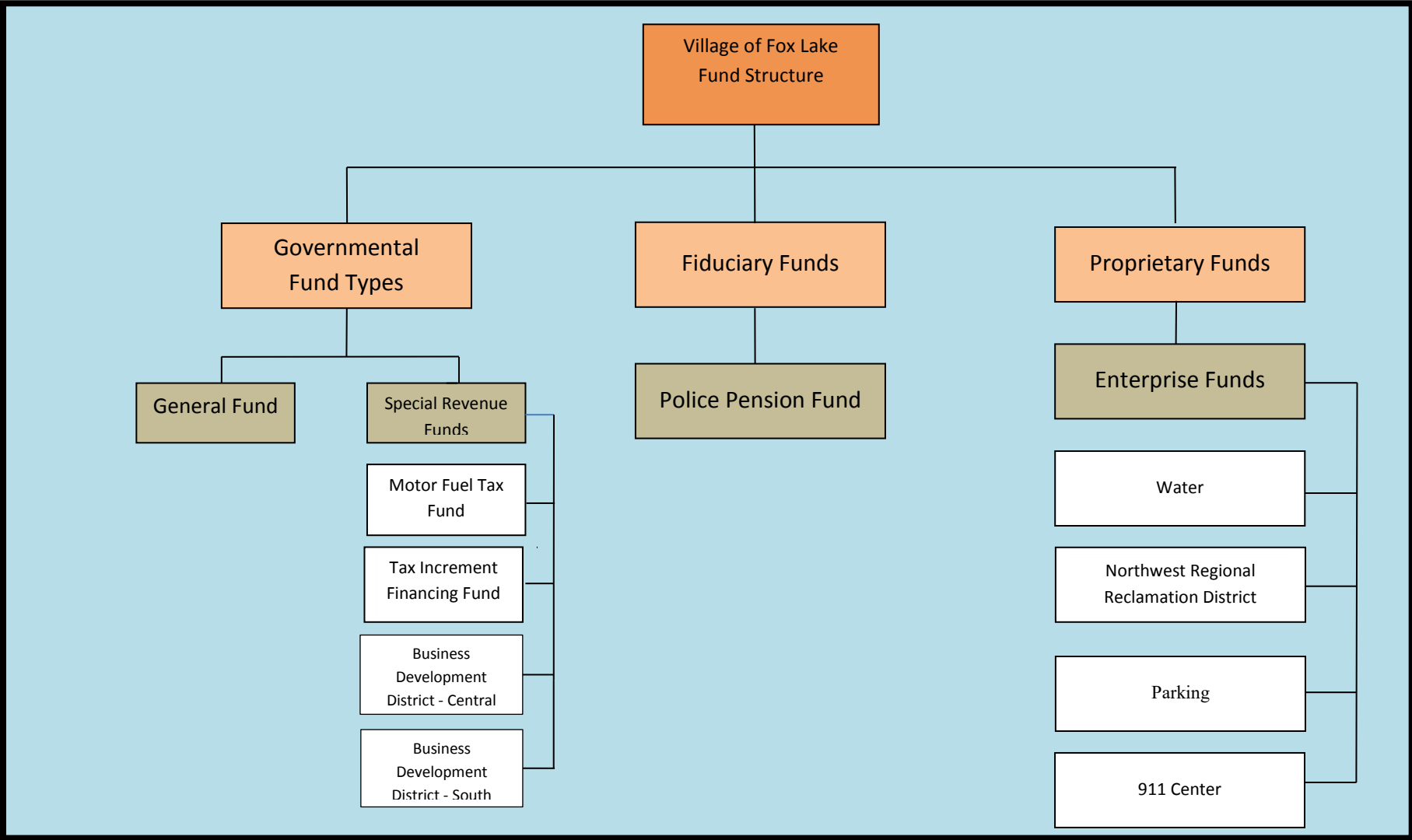
Age Distribution

- 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, 2019



Department Fund Relationship Structure

Fund Type	Fund	Department	Department Summary Page	Operating Expenditures/Expenses, Debt Service & Capital Outlay
General	General	Total		\$15,835,585
		Administration	61-67	\$1,682,095
		Motor Pool	68-70	\$299,519
		Garbage	71	\$950,000
		Public Safety	72-77	\$5,967,416
		Parks & Recreation	78-81	\$403,661
		Insurance	82	\$400,469
		Fire Department	82	\$35,000
		Streets/Public Works	83-86	\$1,286,717
		Community Development	87-89	\$554,321
		Grant Expense	90	\$28,000
		Debt Service	90	\$631,462
		Capital Expenses	91	\$3,596,925
Special Revenue		Total		\$3,212,536
	Tax Increment Financing District	Administration	93-94	\$312,041
	Motor Fuel Tax	Streets/Public Works	95-96	\$864,986
	Business Development District-South	Business Development/Infrastructure	97-98	\$1,118,758
	Business Development District-Central	Business Development/Infrastructure	98	\$916,751
Enterprise Funds		Total		\$25,498,028
	Parking	Building & Development & Public Works	99-100	\$103,979
	Water & Sewer	Public Works	101-108	\$12,943,869
	NW Regional Reclamation District	Public Works	109-117	\$10,907,084
	911 Center	Dispatch	118-123	\$1,543,096
Fiduciary Fund	Police Pension	Non-Departmental	124-125	\$1,110,073
		Total Funds		\$45,656,222

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 operating revenues meet or exceed operating expenditures and cash reserves or fund balance is not considered an operating 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 and electronically on the Village's website. 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, 2019	FY2019-20 Proposed Budget Worksheets distributed to staff
February 20, 2019	Completed General fund budget worksheets due to Administration
February 21 – 27, 2019	Budget Review Meetings with Village Administrator and Finance
February 28 – March 7, 2019	Finance prepares preliminary budget and provides copies to the Village Board.
March 15, 2019	11:30 a.m. FY2019-20 Budget Workshop
March 18 – 16, 2019	Finance prepares budget narrative, tables, schedules
March 18, 2019	FY2019-20 Proposed Budget Available to Public, the Village Board, and Staff.
March 25, 2019	Public Hearing Notice appears in the Daily Herald.
April 9, 2019	6:00 pm Public Hearing Fiscal Year 2019-20 Proposed Budget 6:30 pm. Regular Village Board Meeting Fiscal Year 2019-20 Proposed Budget (1 st Reading)
April 23, 2019	6:30 p.m. Regular Village Board Meeting Adopt FY2019-20 Budget (2nd Reading)
April 30, 2019	Deadline for adopting Fiscal Year 2019-20 Budget
May 24, 2019	Filing Deadline with Lake and McHenry County Clerk Certified copy of Fiscal Year 2019-20 Budget
June 24, 2019	Budget Bound and Distributed to Board and Staff. Submittal of Budget document to GFOA for award consideration.

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 Fund: Uses 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, Business Development Districts- South, Business Development District - Central and TIF funds.

Capital Projects Funds: Use the modified accrual basis of accounting for capital projects funded by either the General Fund or Special Revenue Funds. Capital project funds are used to account for the construction or acquisition of fixed assets, such as buildings, equipment and roads. 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 currently have a Capital Project Fund.

Debt Service Funds: Use the modified accrual basis of accounting for debt related to the General Fund and/or Special Revenue Funds. 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 of the Village, which allow for the collection of 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: Use the full accrual basis of accounting. 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 Trust Fund. The fund is supported by employee and Village contributions and is established as a single employer fund. The Plan is managed by a pension board, in compliance with State statutes, and funds are 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, who acts as the fiduciary for that Trust.

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 a project. After final approval of construction and/or a Certificate of Occupancy is issued, the bond posted shall be refunded.

Account Numbers Legend

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

01	GENERAL FUND
12	TIF FUND
15	MOTOR FUEL FUND
20	BUSINESS DEVELOPMENT DISTRICT - SOUTH
21	BUSINESS DEVELOPMENT DISTRICT - CENTRAL
50	COMMUTER PARKING FUND
51	WATER FUND
52	NW REGIONAL RECLAMATION FACILITY
72	POLICE PENSION FUND
91	911 FUND

The second three digits indicate the department

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

The third four digits indicate category to be charged

4000-4099	SALARIES
4100-4199	INSURANCE BENEFITS
4200-4299	PENSION BENEFITS
4300-4399	OTHER BENEFITS
5000-5099	MAINTENANCE SERVICES
5100-5199	PROFESSIONAL SERVICES
5200-5299	COMMUNICATIONS
5300-5399	PROFESSIONAL DEVELOPMENT
5400-5499	SERVICE CHARGES AND FEES
5500-5599	OTHER CONTRACTUAL SERVICES
5600-5649	MAINTENANCE SUPPLIES
5700-5799	GENERAL SUPPLIES
5800-5899	GRANT EXPENSES
5900-5999	OTHER EXPENDITURES
6000-6099	DEBT SERVICE
7000-7099	CAPITAL OUTLAY
8000-8099	OTHER FINANCING USES

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Section 3

Executive Overview

Budget at a Glance

Strategic Planning

Revenue Trends and Projections

Expenditure Trends and Projections

Debt Position

Fund Balance Projections by Fund



Executive Overview

Budget at a Glance

The Village of Fox Lake embraces a fiscally conservative and forward looking approach to budgeting for the operations of municipal government. The following table summarizes the Village's budget for FY2019-2020 by fund:

Fund	Fund Type	Revenues	Operating Expenditures	Capital Expenditures	Debt Service	Depreciation	Transfers*	Net Increase/ (Decrease)
General Fund	General	\$13,717,622	\$11,502,404	\$3,596,925	\$631,462		\$(104,794)	\$(2,117,963)
TIF Fund	Special Revenue	\$55,247	\$41,100	\$270,941				\$(256,794)
Motor Fuel Tax Fund	Special Revenue	\$291,236	\$221,000	\$643,986				\$(573,750)
Business Development District – South	Special Revenue	\$660,041	\$297,500	\$821,258				\$(458,717)
Business Development District – Central	Special Revenue	\$539,644	\$177,317	\$739,434				\$(377,107)
Commuter Fund	Enterprise	\$95,600	\$98,943			\$5,036		\$(8,379)
Local Water & Sewer Fund	Enterprise	\$4,747,000	\$2,223,660		\$115,519	\$800,000		\$1,607,821
Northwest Regional Water Reclamation	Enterprise	\$5,381,700	\$5,294,584			\$2,075,000	\$104,794	\$(1,883,090)
911 Dispatch Fund	Enterprise	\$1,446,322	\$1,476,925		\$746	\$65,425		\$(96,774)
Police Pension Fund	Fiduciary	\$1,983,989	\$1,110,073					\$873,916
Total Village Budget		\$28,918,401	\$22,443,506	\$6,072,544	\$747,727	\$2,945,461	\$-	\$(3,290,837)
Plus Interfund Transfer	General to NRWR	\$104,794	\$104,794					
Total Revenue/Operating Expenditure*		\$29,023,195	\$22,548,300					

*Elsewhere in the budget the transfer from the General Fund to the Water Fund is shown as an operating expenditure of the GF and revenue in the NRWRF.

The General Fund and Special Revenue Funds show a combined use of Fund Balance of \$3.8M. This is primarily the result of significant capital spending totaling \$6.1M for numerous road and infrastructure improvement projects planned throughout the year. The Water & NRWRF Enterprise Funds have revenues that cover the cost of expenses within those funds; the Commuter Fund and the 911 Dispatch Fund have deficit positions. These two funds will require the use of reserves or a subsidy transfer from the General Fund if cost cutting efforts cannot be made during the year. Interfund transfers into the NRWRF Fund of \$104,794 are reflected as a revenue source in further discussion and charts showing total revenues of \$29,023,195.

Revenues:

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 total projected revenues, including interfund transfers-in, for fiscal year 2019-2020 is \$29,023,195. The following table depicts total revenues for all funds by category for the years ending 2017 to 2020.

Revenues by Category

Account Category	Actual 2016-2017	Actual 2017-2018	Amended Budget 2018-2019	Approved Budget 2019-2020
Property Taxes*	\$3,567,942	\$2,377,297	\$2,445,547	\$2,501,318
Other Local Taxes	1,854,048	1,829,830	1,529,930	1,576,180
Intergovernmental Taxes	4,360,290	4,801,867	5,648,032	5,928,050
Grant Revenue	23,053	797,866	40,500	1,497,400
Vehicle Stickers	117,408	184,951	160,000	165,000
Licenses	80,508	80,377	76,100	76,100
Franchise Fees	157,638	158,146	150,000	147,000
Building & Zoning Fees	207,063	269,800	231,500	158,500
Public Safety Revenues	564,464	653,919	533,292	505,361
Parks Programs	72,683	64,099	79,300	72,000
Interfund Service Charges	823,911	882,888	983,348	1,014,748
Reimbursable Income	269,833	219,937	132,000	104,000
Garbage Revenues	966,437	995,940	981,000	967,500
Other Governmental Revenues	426,505	682,331	501,889	550,633
Parking Revenues	110,804	108,036	95,424	95,600
Water Revenues	4,231,027	5,293,573	4,606,720	4,747,000
NW Region Revenues	5,845,450	6,535,044	5,141,500	5,381,700
Police Pension	2,238,854	2,024,468	1,881,263	1,983,989
911 Revenues	1,051,805	1,237,963	1,317,366	1,446,322
Interfund Transfers In	-	-	100,844	104,794
Grand Total - All Fund Revenue	\$26,969,723	\$29,198,332	\$26,635,555	\$29,023,195

* Includes tax levy for fire department. Fire District separated from Village starting 2017-2018.

Property taxes and intergovernmental taxes show a 2.3% and 4.96% increase, respectively. The increase in intergovernmental taxes is mostly related to an increase in general sales taxes of 4%, reflecting a positive trend in local business development. Grant revenues in the current year include funding for two street rehabilitation projects totaling \$1.4M. Additionally, other governmental revenues showed a 9.7% increase mostly due to an increase in interest revenues budgeted in response to greater actual revenue expected as the General Fund balance is projected to be higher than projected in FY2018-19.

Summary of Revenues by Source – All Funds

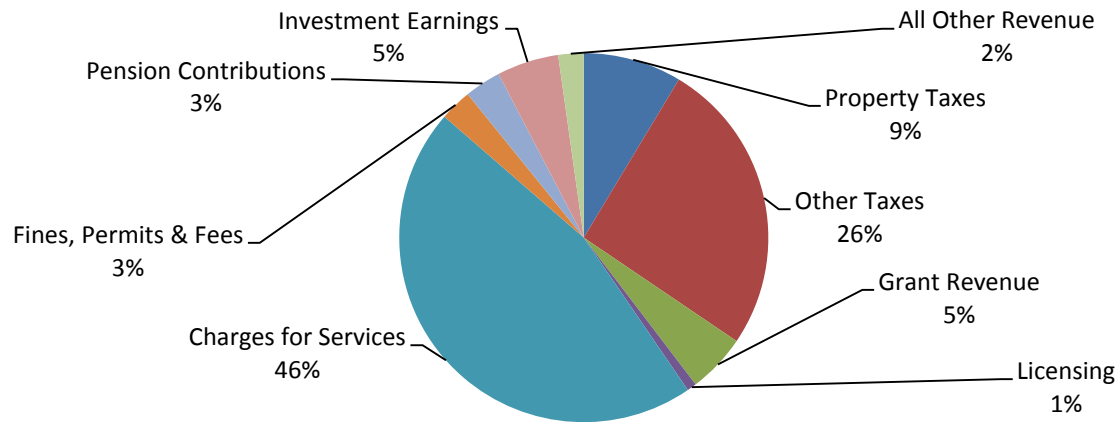
The chart below summarizes total revenues by source including transfers. The other taxes classification incorporates state shared taxes and local taxes, including income, sales, motor fuel, use, telecom, utility, places for eating, rental car, and hotel taxes. Charges for services include service charges, 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 the Village (including pass-through of Police Pension property tax levy), and interest revenue.

Source Revenue by Fund

<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	\$2,451,071		50,247								\$2,501,318
Other Taxes	6,030,309	279,236		537,644	657,041						7,504,230
Grant Revenue	1,497,400										1,497,400
Licensing	241,100										241,100
Charges for Services	1,981,248					95,000	4,677,000	5,126,700		1,445,322	13,325,270
Fines, Permits & Fees	811,000										811,000
Police Safety Rev	71,861										71,861
Transfers								104,794			104,794
Reimbursable Income	104,000										104,000
All Other Revenue	529,633	12,000	5,000	2,000	3,000	600	70,000	255,000	1,983,989	1,000	2,862,222
Total Revenue	\$13,717,622	\$291,236	\$55,247	\$539,644	\$660,041	\$95,600	\$4,747,000	\$5,486,494	\$1,983,989	\$1,446,322	\$29,023,195

The chart on the next page demonstrates, grant revenue is contributing 5% to total Village revenues this year due to the inclusion of two street grants totaling \$1.4M in the 2019-20 fiscal year budget. As a result, total taxes dropped from contributing 37% in 2018-19 to 35% in 2019-20, and charges for services dropped from 50% to 46%.

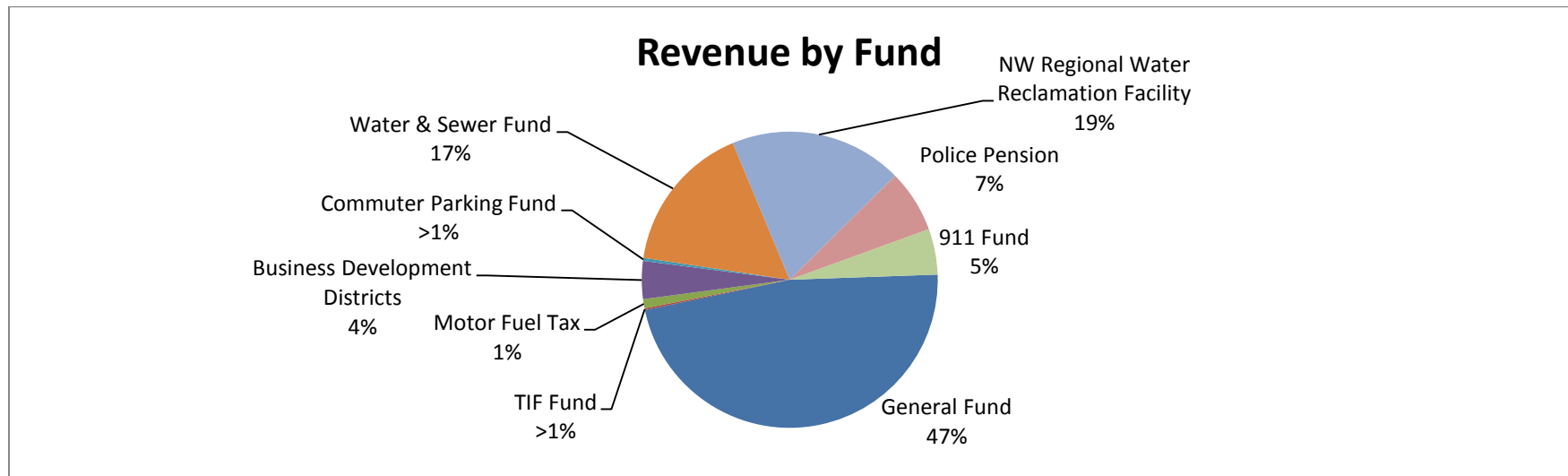
Breakdown of Revenue by Source



In the table below, revenue is summarized by fund for the last four years. Revenues, excluding the effect of the \$1.4M in street rehabilitation grants, show modest increases resulting from an increase in the property tax levy (2.3%), increased sales tax revenue from stimulated business activities (4%), and rate increases on services to keep pace with corresponding costs of service. Additionally, investment earnings for the total Village increase by \$175k over the prior year due to the increase in interest rates over FY2018-19.

Summary of Revenue by Fund

	Actual 2016-2017	Actual 2017-2018	Amended Budget 2018-2019	Approved Budget 2019-2020	Increase/ (Decrease)
General Fund	\$12,668,900	\$13,366,823	\$12,090,391	\$13,717,622	\$1,627,231
TIF Fund	38,915	48,639	51,747	55,247	3,500
Motor Fuel Tax	281,420	292,219	287,000	291,236	4,236
Business Development Districts	-	291,567	1,063,300	1,199,685	136,385
Commuter Parking Fund	110,804	108,019	95,424	95,600	176
Water & Sewer Fund	5,510,541	5,293,573	4,606,720	4,747,000	140,280
NW Regional Water Reclamation Facility	5,845,450	6,535,044	5,242,344	5,486,494	244,150
Police Pension	2,238,854	2,024,468	1,881,263	1,983,989	102,726
911 Fund	1,051,805	1,237,963	1,317,366	1,446,322	128,956
Total Funds	\$26,746,689	\$29,198,315	\$26,635,555	\$29,023,195	\$ 2,387,640



Revenue Trends and Projections

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. The inflation rate for 2018 was 1.9%.

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. The unemployment rate was 3.9% in January 2019.

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. Interest rates raised to close to 3% over 2018 are most likely expected to remain at this level if other economic indicators remain stable.

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. The Village does not have a large manufacturing sector.

General Fund Revenues

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. As the Village is a non-home rule community, tax levies 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. The FY2019-2020 budgeted property tax revenues are based on the 2018 taxable equalized assessed value (EAV) of \$269,255,659 located in Lake County and \$20,632,668 located in McHenry County. This is an increase over the 2017 taxable EAV of \$252,703,505 in Lake County (6.6%) and \$18,195,269 in McHenry County (13.3%).

For the 2018 Tax Levy, to be collected in FY2019-2020, the following amounts were levied and then subsequently extended after PTELL was applied:

Component	Levy Request	Final Extension
Corporate	\$944,026	\$899,449
Police Protection	453,519	453,519
Police Pension	636,671	636,671
Audit Tax	16,000	16,001
IMRF	144,937	144,938
Liability Insurance	168,797	168,797
Social Security	163,460	163,458
Total	\$2,527,410	\$2,482,833

The tax levy for the Police Pension component is based upon an independent actuarial analysis of normal pension cost as well as an amount to provide funds necessary to amortize a portion of the unfunded actuarial liability. The Public Act 096-1495 Tax Levy Requirement set forth a method to calculate 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 Village utilized the actuarial report produced by Lauterbach & Amen as of May 1, 2018 in setting its annual contribution for the Police Pension. The actuarial report for this period lowered the assumed rate of return from 7% to 6.75% which is more consistent with long-term earnings. This produced a recommended contribution of \$800,382, with a statutory minimum contribution set at \$526,692. The Village elected to roll forward the increase to the contribution associated with the rate change over 3 years. As such, the contribution included in the FY2019-2020 budget is \$730,855, of which \$636,671 is included within the tax levy and the remaining \$94,184 is being funded from other General Fund revenues.

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 \$422k for FY2019-2020. 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 relatively 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 \$99k for FY2019-2020. The natural gas tax is based upon gross receipts; therefore, price and demand both play a role in the amount of the tax. The Village is projecting taxes to increase slightly for the FY2019-2020 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 \$150k, which is level with the prior year. The Village imposes a 4.75% telecommunication tax on its residents. The State imposes a 7% tax for telecommunications making the total rate to the resident 11.75%.

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 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 level with the prior year.

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 FY2015-2016 Budget was the first year of this new tax. The FY2019-2020 forecast increased by 9% to \$155k due to better than expected results in the FY2018-2019 period.

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 FY2019-2020 budget is expected to be \$657,041 and \$537,644 for the South and Central districts, respectively.

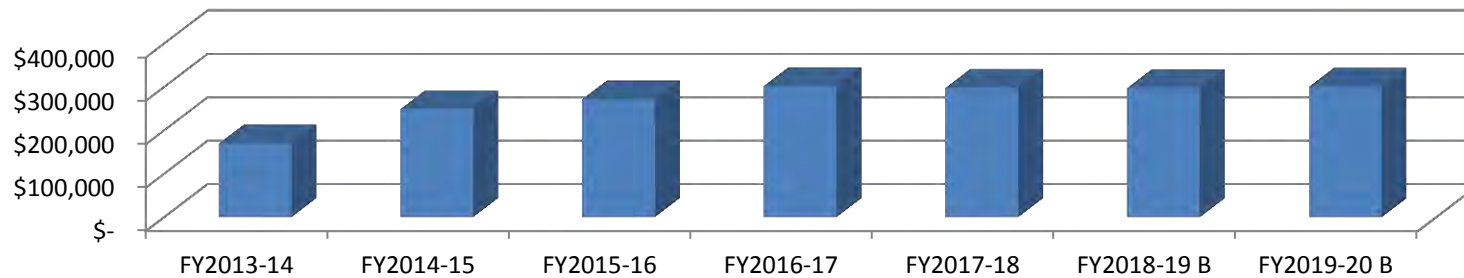
Video Gaming Tax

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 \$300k in income for FY2019-2020. 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.

On the next page is a graph showing the video gaming revenue since FY2013-14 through the projections for FY2019-20.

Village of Fox Lake Video Gaming Revenue



Illinois Income Tax

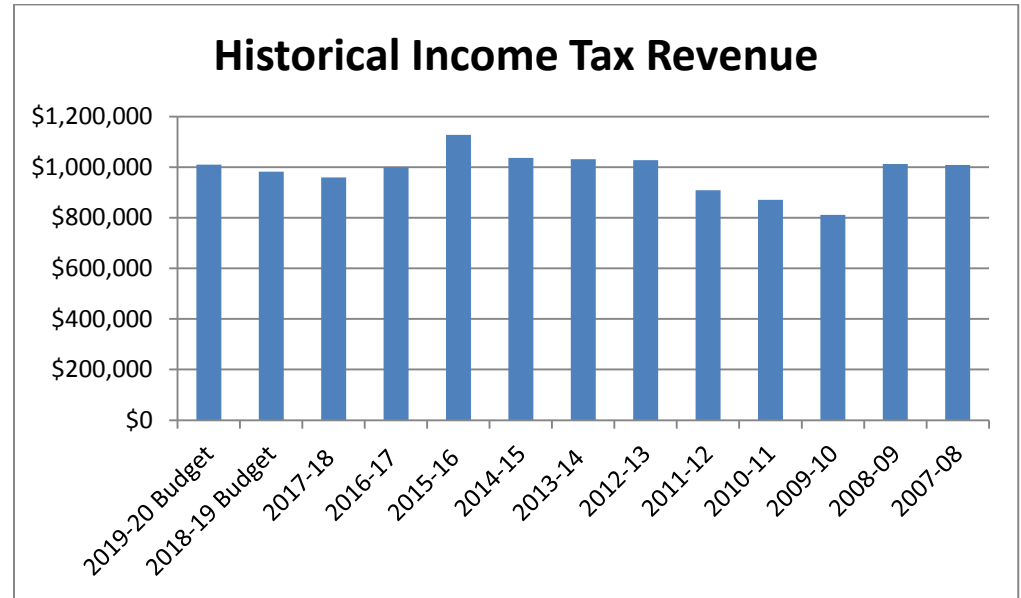
Illinois Income Tax is imposed on every individual, corporation, trust and estate earning or receiving income in the state. The tax is a flat 4.95% of income for individuals and 7% for corporations effective July 2017. Approximately 6% of income taxes collected by the State were allocated on a per capita 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 \$100k 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 FY2019-2020 at \$97.90 per capita or \$1.010M assuming the continuation of a 5% reduction by the State.

Unemployment in the state of Illinois remains relatively low at pre-recessionary rates. The state unemployment rate is 4.4 percent (March 2019) compared to 3.6 percent (April 2018). Sectors still adding jobs include construction, government and manufacturing.

Historical Income Tax is reflected below:

Fiscal Year	Revenues	% inc/(dec)
2019-20 Budget	\$ 1,010,000	2.9%
2018-19 Budget	\$ 981,500	2.3%
2017-18	\$ 959,323	(4.1%)
2016-17	\$ 999,978	(11.3%)
2015-16	\$ 1,127,431	8.8%
2014-15	\$ 1,036,050	.5%
2013-14	\$ 1,030,884	.3%
2012-13	\$ 1,027,830	13.1%
2011-12	\$ 909,022	4.4%
2010-11	\$ 871,117	7.3%
2009-10	\$ 811,980	(19.8%)
2008-09	\$ 1,011,791	.4%
2007-08	\$ 1,008,020	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. Use taxes have been performing well and are expected to continue to rise due to the Wayfair decision allowing for collection of use tax from companies with a large warehouse delivery footprint in the State. The State distributes this tax to the municipalities on a per capita basis. The Use tax was estimated at \$29.00 per capita conservatively. History of local use taxes is presented below:

Fiscal Year	Revenues	Est Per Capita	% inc/(dec)
2019-20 Budget	\$ 306,000	\$29.00	9.3%
2018-19 Budget	\$ 280,000	\$25.52	0.0%
2017-18	\$ 279,758	\$24.60	13.0%
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%

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%) goes to Cook County. The other portion (48.35%) 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 \$41,000, consistent with prior year estimated actual receipts that reflected a downward trend.

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 FY2019-2020 budgeted MFT proceeds of \$279,236 as a conservative estimate, which is lower than the amounts estimated by the Illinois Municipal League at \$25.45 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.

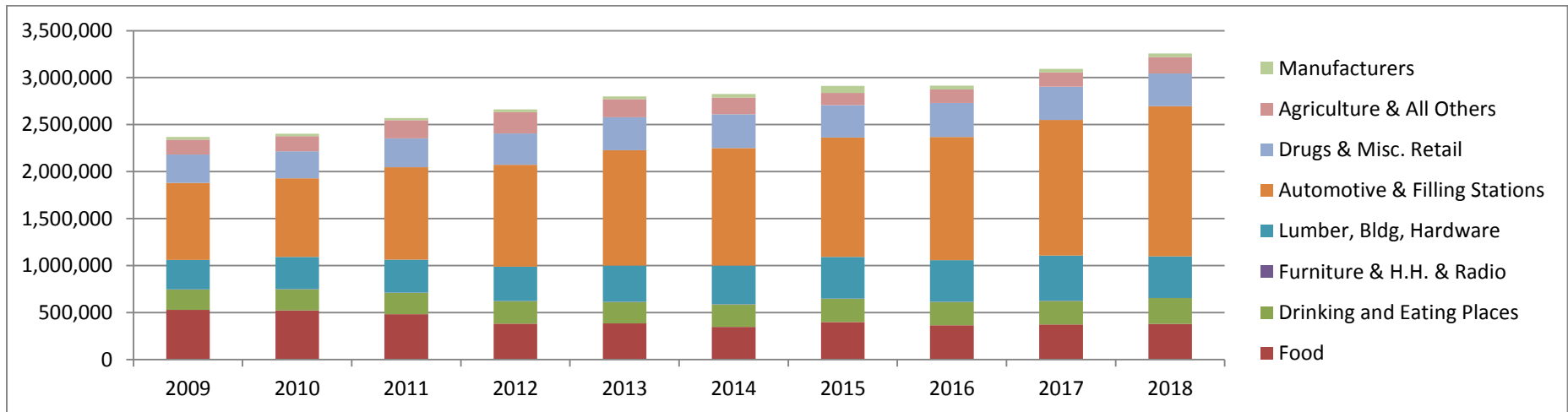
Within the Village, the largest sales tax generators are auto sales, whose sales are heavily influenced by economic conditions. Additional areas of strong sales tax generation are groceries, constructions/home improvement materials, and retail establishments/drug stores.

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.

Sales Tax Collections by Calendar Year

Sales Tax	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Automotive & Filling Stations	\$819,569	838,954	985,218	1,084,031	1,229,127	1,250,317	1,271,559	1,311,629	1,446,017	1,598,258
Food	527,192	522,189	481,014	381,078	383,077	347,674	397,093	363,159	371,699	379,349
Drinking & Eating Places	215,499	223,768	228,608	239,470	228,940	239,173	249,525	248,735	252,475	274,404
Furniture & H.H. & Radio	3,375	2,474	2,308	3,554	2,940	1,473	3,258	2,695	1,947	1,485
Lumber, Bldg, Hardware	313,370	341,702	349,903	362,996	384,466	411,442	440,941	443,582	478,760	443,231
Drugs & Misc. Retail	302,174	288,182	306,314	335,845	349,119	359,823	346,635	361,138	353,178	346,516
Agriculture & All Others	157,073	159,155	192,115	225,447	192,005	178,934	150,541	142,631	152,798	177,340
Manufacturers	28,910	27,180	24,721	28,381	31,006	37,414	53,674	41,192	37,204	36,559
Total	\$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	\$3,257,142

Sales Tax by Category



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 come in even with the estimated actual collections in FY2018-2019 at \$147k.

Grant Revenue

Grant revenue was budgeted for repetitive police grants, like the vest reimbursement program and expanded patrol coverage for holidays, totaling \$15.5k, similar to prior years. A CDBG grant through Lake County is continuing into FY2019-2020 to cover expenditures for the Village's mural initiative. Most importantly, the Village has received \$1.4M in grants for road rehabilitation programs on Nippersink Road and Grand Avenue.

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. Revenue is predicted to stay even with the FY2018-2019 budget at \$160k. 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 \$158.5k, which is less than those collected in FY2018-2019 since one significant residential development is complete with development and will not continue into the FY2019-2020. Impact fees are fees collected from developers to pay for the purchase of land to be used for parks. The Village also expects a decline in these revenues and the estimate has decreased \$35k from prior year at \$65k.

Park Fees

The Parks & Recreation department sponsors classes, events and programs such as the Egg Hunt, Polar Plunge, Fish Fest, Festival of Lights, Senior Events, Mayor's Fish fry/Youth Fishing Derby, Summer Art Series, Farmers' Market, Sports Programs, Movie by Lake, and Triathlon. The Bloody Mary Fest was added last year and will be continued as an annual event. Due to the success of that event and all other programs, fees for these programs are projected to bring in \$72k.

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 November 2019 and an annual 2.5% increase in user fees for collection and disposal services thereafter. Fees are expected to increase over the prior year at \$948k after factoring in the effect of this rate increase.

Other Fees

The Village receives several fees: Cell Tower rental income of \$99k, rent for the 911 center's use of the Police Department facilities of \$15k, and an externality fee of \$226.9k. 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 lower than the prior year by \$30k due to a planned outage of the Redlight system. Refined collection efforts will be continued into FY2019-2020 with an emphasis on collecting fines related to red-light tickets, administrative seizures and various ordinance fines through collections.

Police Special Revenue

Police Special Revenue includes revenue from reimbursements 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 District reimbursable costs, such as Motor Pool labor and expenses, fuel usage, and utilities for Village owned facilities which the Fire District 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 \$513,600 for all funds except the Police Pension Fund, which is significantly higher than the budget amount for FY2018-2019 due to the rise in interest rates over the last year. The Village funds are currently invested in money market accounts with expected yields over 2%, balanced by anticipated use of some reserves for capital expenditures this year.

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 6.75%. This is broken down into \$300,000 in interest/dividend revenue and \$758,134 in investment gains. The Pension fund is the only Village fund that is authorized to purchase equity investments. The Fund utilizes an outside investment consultant.

Sale of Village Assets

The Village annually sells unused equipment, including police vehicles and public works equipment. The budget for these activities is \$5k, 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 FY2019-2020 is \$4.4M. Rates increased over the prior year by CPI (1.9%) plus 2.0%, or a total of 3.3%, 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 \$141,280 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 which is defined as the base rate. 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 3,821 water customers or 4,978 units and 4,521 sewer customers or 5,624 units. All residents connected to the Village's system pay for water; some pay for sewer treatment and collection and some pay for sewer collection only. In general, the table on the next page summarizes bi-monthly rates charged for Village water and sewer services:

WATER FEE PLUS SEWER TREATMENT & COLLECTION FEE OR SEWER COLLECTION FEE			
	Water	Sewer Treatment and Collection	Sewer Collection Only
Base Rate	\$48.85	\$48.85	\$48.85
Consumption Charges	\$3.63/1000 gals	\$3.63/1000 gals	\$1.01/ 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

Expenditures (Governmental Funds)/Expenses (Enterprise Funds):

The development of projected expenses relies upon the forecasting in the areas of personnel salaries and benefits, operating expenses, insurance and liability expenses, legal expenses, capital equipment and improvement expense, and interfund transfers. The following table depicts total expenses by category for all funds for the Fiscal Years ending 2017 to 2020:

Village Spending by Category

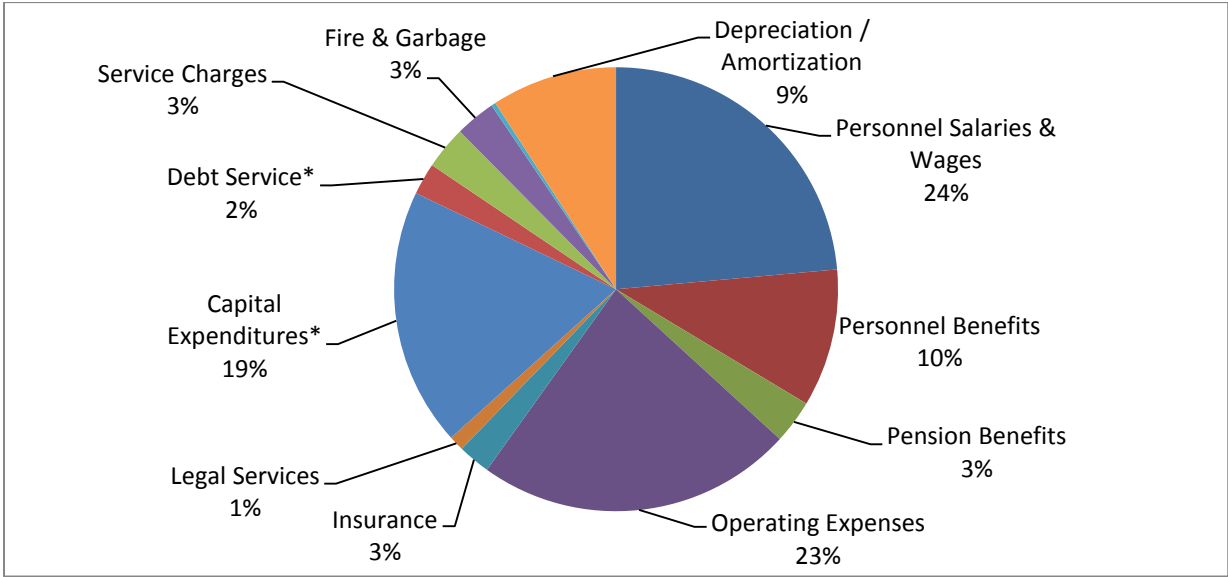
Category	Actual 2016-2017	Actual 2017-2018	Amended Budget 2018-2019	Approved Budget 2019-2020	Increase / (Decrease)
Personnel Salaries & Wages	\$6,047,085	\$6,252,529	\$7,257,540	\$7,618,478	\$360,938
Personnel Benefits	2,513,283	2,484,263	3,072,413	3,242,989	170,576
Pension Benefit Payments	748,738	792,447	942,573	1,028,573	86,000
Operating Expenses	5,448,614	5,225,522	6,527,672	7,460,787	933,115
Insurance	569,021	515,764	755,787	759,479	3,692
Legal Services	407,813	433,221	385,000	355,900	(29,100)
Capital Expense (Incl Grant Funded)	1,411,050	1,493,711	2,867,000	6,072,544	3,205,544
Debt Service	597,501	698,701	762,952	747,727	(15,225)
Service Charges- Interfund	823,911	890,772	1,036,971	1,014,748	(22,223)
Garbage & Fire*	2,326,495	938,848	965,050	950,000	(15,050)
Transfers	-		100,844	104,794	3,950
Depreciation/Amortization	2,632,685	2,814,122	3,092,545	2,958,013	(134,532)
Total Expenses	\$23,526,197	\$22,539,900	\$27,766,347	\$32,314,032	\$4,547,685

The total budget for all Village Expenditures in FY2019-20 is \$32,314,032. The total is 16.4% higher than the FY2018-19 budget and 43.4% percent higher than actual amounts spent in FY2017-18. The increase is primarily due to increased spending on road projects. FY2018-19 marked the planning and engineering on these projects, while FY2019-20 accounts for the construction phases. Major roads like State Highway 12, Grand Avenue, Frontage Road and Sayton Road will receive the benefit of these expenditures, which are supported by existing reserves and grant funding.

The Village also re-evaluated the salaries for many of its skilled positions over the last two years so that it could remain competitive in the market. This resulted in an overall increase of 5% in the salary and benefit categories over the prior year, despite headcount remaining relatively the same. Increased operating expenses of \$300k in the Northwest Regional Water Reclamation Facility for maintenance on buildings and equipment, including supplies related to this maintenance, mark a concerted effort to rebuild and upgrade system infrastructure during this fiscal year. Increased spending connected with the two business development districts of

\$375k comprises the second largest increase in operating expenses as programs to improve signage and incent new businesses kick in during their second full year of existence.

Composition of Village Expenditures by Type



* Does not include capital expenses or debt service for enterprise funds.

As a service provider, a significant portion of the Village’s budget (33.6 percent) is allocated to personnel salaries and benefits. Thus a great deal of effort is expended in staffing evaluations, collective bargaining activities, wage compensation programs and employee benefit offerings as a core cost containment strategy. Capital expenditures in the non-Enterprise funds comprise 18.8% of the Village’s total spending in FY2019-2020 as opposed to 10.3% in the prior year, highlighting the Village’s priority in rejuvenating its roads through the use of grants and reserves.

The tables that follow provide a summary of Fund spending by category and a year-to-year comparison of total spending by fund:

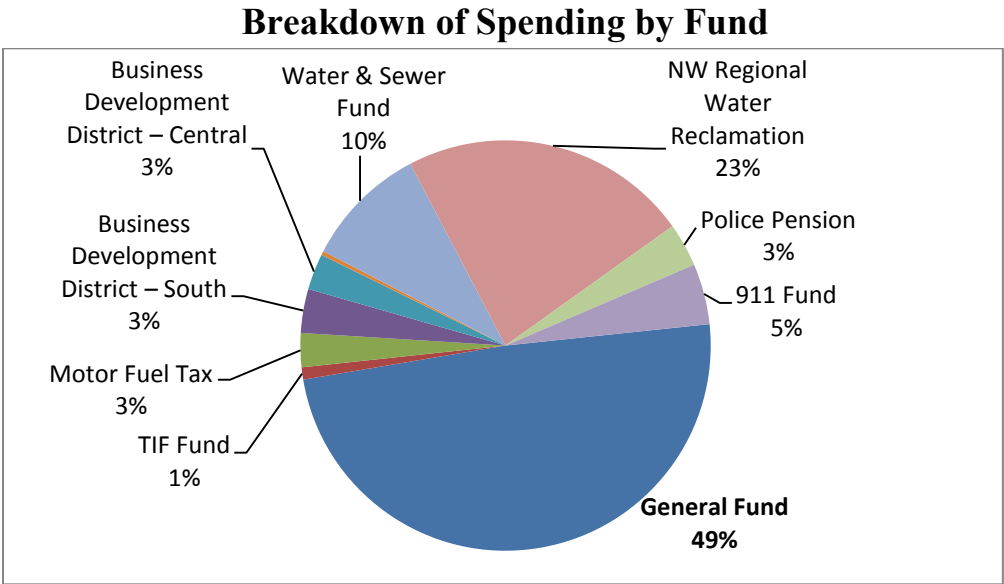
Fund Expenses by Category for FY2019-2020

	Salaries & Benefits	Operating Expenses	Capital Expenditures	Debt Service	Service Charges	Depreciation	Transfers	Total
General Fund	\$7,016,607	\$4,485,797	\$3,596,925	\$631,462			\$104,794	\$15,835,585
Business Development District - Central		172,317	739,434		5,000			916,751
Business Development District - South		292,500	821,258		5,000			1,118,758
TIF Fund		41,100	270,941					312,041
Motor Fuel Tax		221,000	643,986					864,986
Commuter Parking Fund	25,748	41,980			31,215	5,036		103,979
Water & Sewer Fund	758,587	1,092,866		115,519	359,655	812,552		3,139,179
NW Regional Water Reclamation Facility	1,937,639	2,890,412			466,533	2,075,000		7,369,584
Police Pension	1,028,573	81,500						1,110,073
911 Fund	1,122,886	206,694		746	147,345	65,425		1,543,096
Total Funds	\$11,890,040	\$9,526,166	\$6,072,544	\$747,727	\$1,014,748	\$2,958,013	\$104,794	\$32,314,032

Summary of Fund Expenditures by Year

<u>Fund</u>	<u>Actual 2016-2017</u>	<u>Actual 2017-2018</u>	<u>Amended Budget 2018-2019</u>	<u>Approved Budget 2019-2020</u>	<u>Increase / (Decrease)</u>
General Fund	\$13,088,896	\$11,510,942	\$14,114,144	\$15,835,585	\$1,721,441
TIF Fund	2,995	13,712	300,000	312,041	12,041
Motor Fuel Tax	146,788	304,158	561,000	864,986	303,986
Business Development District – South		80,512	111,000	1,118,758	1,007,758
Business Development District – Central		53,394	221,000	916,751	695,751
Commuter Parking Fund	89,464	109,644	155,036	103,979	-51,057
Water & Sewer Fund	2,708,380	2,600,599	3,185,350	3,139,179	-46,171
NW Regional Water Reclamation Facility	5,557,245	5,820,406	6,602,593	7,369,584	766,991
Police Pension	879,192	870,473	1,014,373	1,110,073	95,700
911 Fund	1,053,237	1,176,060	1,501,851	1,543,096	41,245
Total Funds	\$23,526,197	\$22,539,900	\$27,766,347	\$32,314,032	\$4,547,685

The tables above again illustrate the increased spending on capital expenditures using both General Fund and Special Revenue Fund reserves, particularly in the Business Development District Funds. The Northwest Regional Water Reclamation Center also shows increased spending due to a focus on the maintenance of buildings, infrastructure and equipment during the year, as well as a higher salary base in order to stay competitive in the employment market.



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) and comprises 49% of the expense budget in FY2019-2020 compared to 42% in FY2018-2019. Also, the two business development districts enter into their second year and now comprise 6% of the total expenditures.

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.

Headcount

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, FY2018-2019, and FY2019-2020 in Full-Time Equivalents (FTE's):

	Actual FY2017-2018 FTE's		Budget FY2018-2019 FTE's		Budget FY2019-2020 FTE's		Increase or Reduction
<u>Department</u>	<u>FT</u>	<u>PT</u>	<u>FT</u>	<u>PT</u>	<u>FT</u>	<u>PT</u>	
Administration	5.5		7.4		6.4	.4	(0.6)
Motor Pool	3.7		3		2		(1.0)
Public Safety	26.9	1.4	32	1.4	34.1		0.7
Parks & Recreation	.9	1.1	2.5	1.6	2	1.2	(0.9)
Public Works/Streets	8.3	.2	11	.9	11.6	.4	0.1
Community Development	4	.2	4.2		5		0.8
Commuter Parking	.7		1	.4	.4		(1.0)
Water & Sewer	7.9		7.5		8.3		0.8
NW Regional Reclamation Facility	15.1	.3	16.4	.7	17.8	.3	1.0
911 Center	9	2.3	12	1.7	12.2	1.4	(0.1)
SubTotal	82	5.5	97	6.7	99.8	3.7	(0.2)
Total FTE's	87.5		103.7		103.5		

The FY2019-2020 authorized FTE's is relatively the same as the prior year, with only minor adjustments of headcount between departments. Notably though, there was a slight shift between part-time and full-time positions as it becomes increasingly harder to hire part-time employees in this period of low unemployment. Although the FTE's remain the same, there is an expectation that the Village will be staffed closer to the full FTE level this year, so salaries rose even though headcount remained the same.

Changes in positions include:

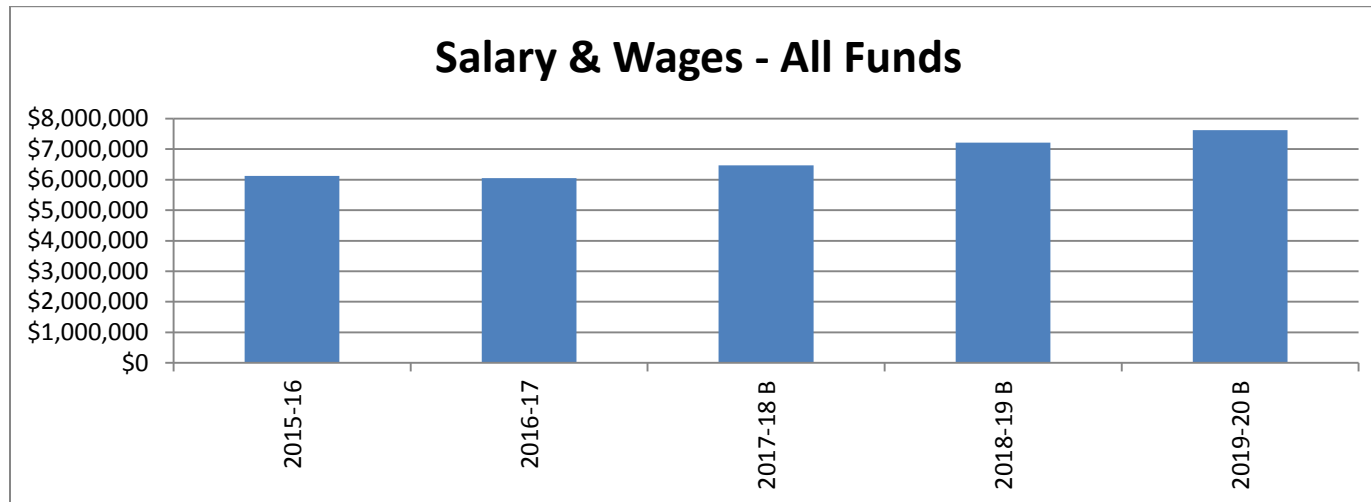
- 1 FTE in NW Regional Reclamation Facility for a Laborer.
- 1 FTE in the local Water & Sewer Fund for a Laborer.
- A shift from one administrative position to two new officer positions in September 2019.
- 0.8 FTE shift from Administration to Community Development for administrative support

Salaries & Wages

To accomplish that in FY2019-2020, twenty-seven percent (27%) 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 effective May 1 based upon merit and union contracts. The Village has three unionized labor groups subject to collective bargaining agreements:

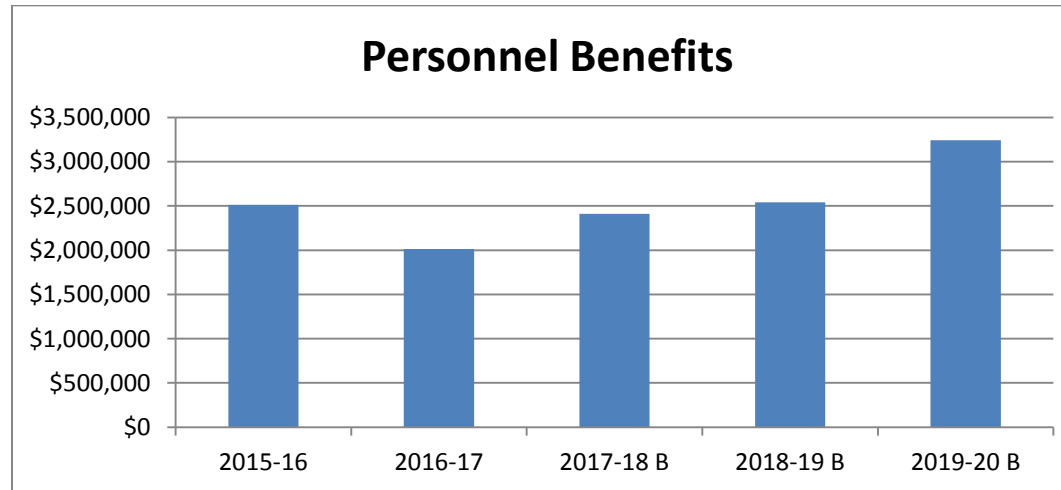
Bargaining Unit:	Representing:	End of Term for Current Agreement
Illinois Fraternal Order of Police Labor Council, Fox Lake Fraternal Order of Police Lodge No. 90	Police Officers and Sergeants	April 30, 2020
AFSCME Council 31	Local Water & Sewer , NWRWRF	April 30, 2021
Fraternal Order of Police Labor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

FY2019-2020 expenditures for salaries increased as the impact of full staffing as noted above for a full year is realized. Last year the Village added personnel for increased coverage in the public safety, 911 and streets/parking departments.



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 \$6,072,544 in the FY2019-20 budget for improvements compared to \$7,588,000 in the FY2018-19 budget. 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 FY2018-19 with expenditure trend information. A reasonable estimation of expenditure is developed for FY2019-20 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 Position section below.

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 FY2019-20, 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. The Village has applied for a \$9M loan from the IL EPA. These funds are budgeted in the Water Fund in the current fiscal year. 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 and the Water Funds. Total debt outstanding as of April 30, 2019 is \$8,147,653 in principal and \$1,385,639 in interest for a total of \$9,533,242.

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	Principal Outstanding
2014 B GO Debt Certificates	\$2,870,000
2003A GO Debt Certificates	\$115,414
2007 GO Debt Certificates	\$70,000
2011B GO Debt Certificates	\$1,425,000
Total Subject Debt	\$4,480,414
Current Limit (8.625% of EAV)	\$25,002,868
Surplus Debt Capacity	<u>\$20,522,454</u>

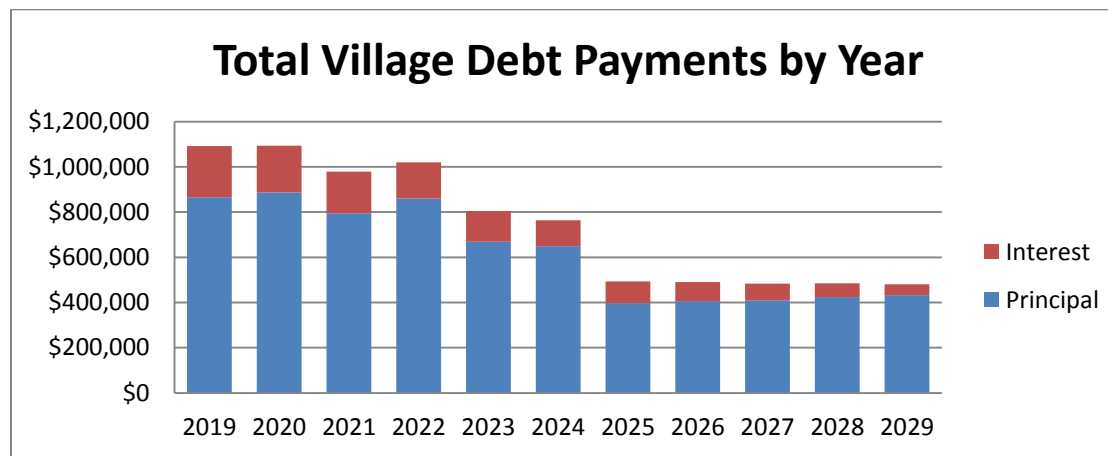
Debt Service Schedules

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									
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	\$2,870,000	\$570,425	\$3,440,425	\$2,181,779	\$389,531	\$2,571,310	\$1,485,460	\$249,468	\$1,734,928

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: 01/01 & 07/01 Principal Payable: Annually on 01/01 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
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	\$115,414	\$5,120	\$120,534	\$70,000	\$7,920	\$77,920	\$1,425,000	\$163,175	\$1,588,175

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



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 61.8% of the FY2019-20 General Fund revenue projections compared to 67.25% of the FY2018-19 General Fund revenue budget. The reduction in taxes as a percentage of the General Fund total revenues is attributed to the increase in grant revenues in FY2019-20.

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 two years with a goal of sustaining this policy. The projected fund balance for FY2019-20 assumes an increase in revenues of 13% and a very modest increase to operating expenditures of 0.5%, 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 minimum 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.

The General Fund Balance at the end of FY2017-18 is \$10,585,925 which is 56% of operating revenues. However, the Village projects the FY2018-19 Unassigned Fund Balance to intentionally reduced to 32% of total General Fund operating expenditures in order to complete necessary capital improvements. During the FY2018-19 budget, the Village maintained infrastructure standards by assigning \$2,117,000 (later amended to \$2,035,000) 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	Actual FY2017-18	Budget FY2018-19	Projected FY2019-20
Beginning Fund Balance	\$8,647,493	\$8,730,046	\$10,585,925	8,562,172
General Fund Revenues	\$12,347,539	\$12,383,934	\$12,090,391	\$13,717,622
Less: General Fund Expenditures	\$10,901,417	\$ 9,365,596	\$12,079,144	\$12,238,660
Less: Capital Expenditures Net of Grants/Financing	\$1,363,569	1,162,459	\$2,035,000	\$3,596,925
Annual Operating Surplus/(Deficit)	\$82,553	\$1,855,879	-\$2,023,753	-\$2,117,963
Total Ending General Fund Balance	\$8,730,046	\$10,585,925	\$8,562,172	\$6,444,209
Less: Assigned/Restricted/Non-Spendable				
Capital Improvement Assigned Reserve	\$2,120,231	\$3,702,187	\$1,667,187	\$0
Other Non-Spendable/Restricted	\$1,888,187	\$1,634,798	\$1,460,966	\$592,365
	\$4,008,418	\$5,336,985	\$1,814,197	\$592,365
Total Ending Unrestricted/Unassigned Fund Balance	<u>\$4,721,628</u>	<u>\$5,248,940</u>	<u>\$3,908,301</u>	<u>\$5,851,844</u>
Unrestrict Fund Balance % of General Operating Expend	43%	56%	32%	48%

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 FY2019-20 Budget, with surplus (deficit) shown for each fund. While the enterprise funds include the capital expenditures for 2019-20, this table does not include items that will affect the "Investment in Net Assets" and at the end of the fiscal year will not affect the unrestricted net balance.

Fund	Estimated Balance 4/30/19	FY2019-20 Revenue & Debt Proceeds ^a	FY2019-20 Non-Capital Expenditures ^b	FY2019-20 Capital Net Expenditure	Excess of Revenue over Expenditures	Fund Balance / <u>Unrestricted</u> Net Balance 4/30/20	Reserve/ Assigned/ Restricted Funds
General Fund	\$ 8,562,172	\$ 13,717,622	\$ 12,238,660	\$ 3,596,925	(\$ 2,117,963)	\$ 6,444,209	\$ 592,365
Special Revenue Funds							
TIF Fund	122,660	55,247	41,100	270,941	(256,794)	(134,134)	(134,134)
MFT Fund	863,388	291,236	221,000	643,986	(573,750)	289,638	289,638
BDD - South	603,219	660,041	297,500	821,258	(458,717)	144,502	144,052
BDD- Central	285,742	539,644	198,717	718,034	(377,107)	(91,365)	(91,365)
Enterprise Funds							
Commuter Parking Fund	(65,213)	95,600	98,943		(3,343)	(68,556)	
Water & Sewer Fund^a	5,977,596	13,989,033	2,339,179	9,804,190	1,845,664	7,823,260	
NW Regional Reclamation Facility	12,088,978	5,486,494	5,294,584	3,537,500	(3,345,590)	8,743,388	
911 Fund	(863,643)	1,446,136	1,481,275		(35,139)	(898,782)	
Fiduciary Fund							
Police Pension	17,371,954	1,953,989	1,080,073		873,916	18,245,870	18,245,870
Total Funds	\$ 44,946,853	\$ 38,235,042	\$ 23,291,031	\$ 19,392,834	(\$ 4,448,823)	\$ 40,498,030	\$ 19,046,426

^aWater Fund revenue includes IEPA loan proceeds.

^bDoes not include depreciation expense, bond premium amortization, and debt service principal for Enterprise Funds as these affect the Net Investment in Capital Assets.

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



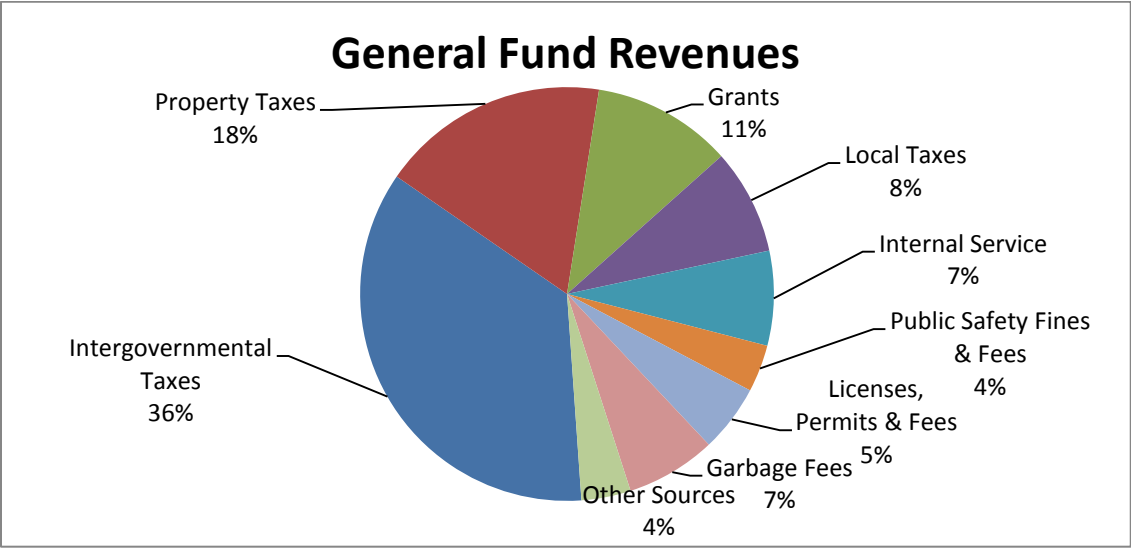
General Fund Summary and Detail

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 FY2019-2020 is \$13,717,622 representing a 13% increase over the prior year amended budget. The Village derives the majority of its revenue in the General Fund from Intergovernmental Taxes (36%), Property Taxes (18%), and Local Taxes (8%). 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 3 Executive Overview.



General Fund Revenues

ACCOUNT	ACCOUNT TITLE	ACTUAL 2017-2018	AMENDED BUDGET 2018-2019	APPROVED BUDGET 2019-2020	DESCRIPTION
01-105-3000	REAL ESTATE TAXES	\$ 1,837,026	\$ 1,889,300	\$ 2,137,337	Projected actual from Tax Levy after PTELL
01-105-3001	REAL ESTATE TAXES - IMRF	131,390	134,000	144,937	Projected actual from Tax Levy after PTELL
01-105-3002	REAL ESTATE TAXES - INSURANCE	364,624	372,000	168,797	Projected actual from Tax Levy after PTELL
01-105-3010	UTILITY - ELECTRIC TAX	420,771	420,000	422,000	18/19 estimated actual
01-105-3011	UTILITY - NATURAL GAS TAX	121,912	102,000	99,000	18/19 estimated actual
01-105-3012	UTILITY- TELEPHONE TAX	166,389	143,000	150,000	18/19 estimated actual
01-105-3015	USE TAX	279,758	280,000	306,000	Used IML Dec estimate at \$29 per capita
01-105-3020	HOTEL/MOTEL TAXES	4,484	4,500	4,000	Trend
01-105-3030	ROAD & BRIDGE TAXES	141,530	141,330	140,000	18/19 estimated actual
01-105-3040	RENTAL CAR TAXES	194	100	180	18/19 estimated actual
01-105-3050	PLACES FOR EATING TAX	397,365	142,000	155,000	18/19 estimated actual
01-105-3060	VIDEO GAMING PROCEEDS	297,426	297,000	300,000	18/19 estimated actual
01-110-3100	INCOME TAXES	959,323	981,500	1,010,000	18/19 estimated, consistent with IML projection \$97.90 per capita less admin fee of 5%
01-110-3101	PERSONAL PROPERTY REPLACE TAX	60,084	60,000	41,000	18/19 estimated actual with 6% increase per IML
01-110-3110	SALES TAXES	3,210,499	3,273,532	3,403,129	18/19 estimated actual, consistent with 6% COGFA increase for same
TAXES		\$ 8,392,775	\$ 8,240,262	\$ 8,481,380	
01-115-3200	GRANT REVENUE	\$ 0	\$ 8,000	\$ 0	None additional anticipated
01-115-3210	GRANT - TRAFFIC	0	0	10,000	STEP grant, distracted driving, Ride Illinois
01-115-3211	GRANT - TOBACCO	(1,426)	2,500	2,500	Tobacco grant
01-115-3212	GRANT - VEST	3,192	0	3,000	Vest Grant
01-115-3215	GRANT - PARKS	796,100	0	21,400	Millenium Park WMB 50% Grant
01-115-3216	GRANT - CDBG	0	30,000	27,500	Remaining grant available for mural program
01-115-3225	GRANTS FEDERAL - STREETS	0	0	1,433,000	Nippersink Rd (STP) \$80k; Grand Ave Rehab (STP) \$1,353M
GRANTS		\$ 797,866	\$ 40,500	\$ 1,497,400	

ACCOUNT	ACCOUNT TITLE	ACTUAL 2017-2018	AMENDED BUDGET 2018-2019	APPROVED BUDGET 2019-2020	DESCRIPTION
01-120-3300	VEHICLE STICKERS	\$ 184,951	\$ 160,000	\$ 165,000	Estimate for Sticker fees without penalties.
01-120-3340	LICENSES - ANIMALS	3,390	2,100	2,100	Trend
01-120-3341	LICENSES - LIQUOR	55,912	53,000	50,000	Trend
01-120-3342	LICENSES - BUSINESS	21,075	21,000	18,000	Trend
01-120-3343	LICENSES - VIDEO GAMING	0	0	3,000	Formerly in Object Code #3341
01-120-3344	LICENSES-VENDING	0	0	3,000	Split from Business licenses
01-125-3350	CABLE FRANCHISE FEES	158,146	150,000	147,000	2% reduction by trend
01-130-3400	BUILDING PERMITS	199,905	155,000	115,000	Decline due to near completion of major development
01-130-3402	ZONING PERMITS	9,895	11,500	10,000	Trend
01-130-3403	PARK IMPACT FEES	60,000	65,000	30,000	CCH almost built out
01-130-3404	PERMIT FEES - TREE REPLACEMENT	0	0	3,500	Fees per existing agreement
LICENSE, PERMITS & FEES		\$ 693,274	\$ 617,600	\$ 546,600	
01-135-3450	PROGRAM FEES	\$ 59,374	\$ 70,000	\$ 70,000	Conservative estimate, with consideration of BMF revenue
01-135-3460	DONATIONS - PARKS	1,200	7,300	0	Conservative estimate unpredictable source
01-135-3470	PACE FEES	3,525	2,000	2,000	Revenues are down as most riders are senior / disabled = \$1.00 per ride.
PARK & RECREATION FEES		\$ 64,099	\$ 79,300	\$ 72,000	
01-140-3500	COURT FINES - LAKE COUNTY	\$ 423,944	\$ 325,000	\$ 125,000	Court fines (Prev incl red light & Ord violation)
01-140-3501	COURT FINES-DUI	9,955	8,000	8,500	Trend
01-140-3502	FINES - REDLIGHT	0	0	170,000	Planned outage for 2 months (i.e., loss of \$34K) Red light violations
01-140-3503	FINES - ADMINISTRATIVE SEIZURE	0	0	24,000	New process for collection, formerly in Object Code #3505
01-140-3505	ORDINANCE & PARKING FINES	148,078	130,000	106,000	Admin seizures moved to Object Code #3503

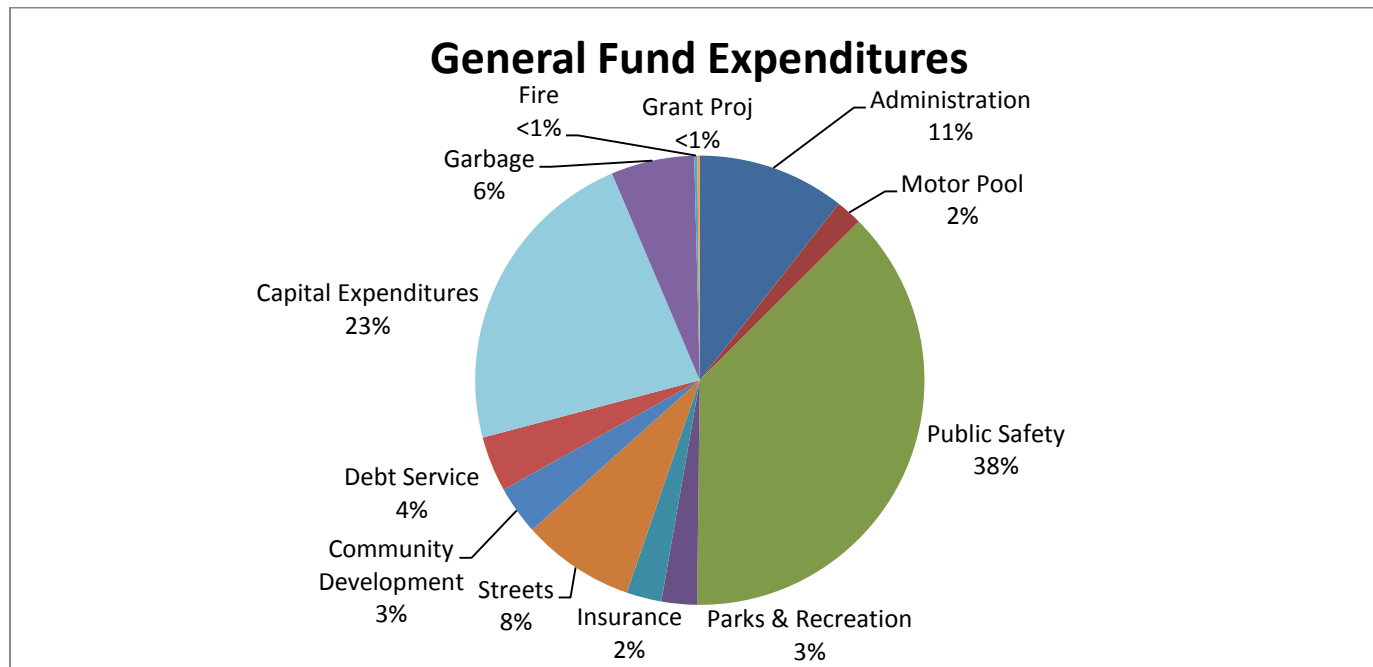
ACCOUNT	ACCOUNT TITLE	ACTUAL 2017-2018	AMENDED BUDGET 2018-2019	APPROVED BUDGET 2019-2020	DESCRIPTION
01-145-3511	FORFEITURES - SEIZED ASSETS	7,199	4,000	4,000	Trend
01-145-3512	POLICE REV - ABANDONED PROP	263	300	0	Not used
01-145-3515	POLICE REVENUE - SRO	61,500	62,792	64,361	2.5% Increase (CPI 1.9%)
01-145-3520	POLICE REVENUE - GAMING TAX	886	1,700	1,700	Trend
01-145-3525	POLICE REVENUE - REPORTS	2,095	1,500	1,800	Trend
PUBLIC SAFETY, FINES, PENALTIES & FEES		\$ 653,920	\$ 533,292	\$ 505,361	
01-155-3600	ENGINEERING REIMBURSABLE FEES	\$ 11,309	\$ 8,000	\$ 8,000	Trend
01-155-3605	ATTORNEY REIMBURSABLE FEES	480	5,000	4,000	Trend
01-155-3610	MOTOR POOL REIMBURSABLE EXP	75,490	35,000	38,000	18-19 estimated actual
01-155-3615	FIRE DEPT REIMBURSABLE EXP	51,695	48,000	35,000	18-19 estimated actual
01-155-3621	CREDIT CARD INCENTIVES	0	0	5,000	Credit Card Incentives (formerly in misc)
01-155-3625	INSURANCE REIMBURSABLES	12,143	0	0	None anticipated
01-155-3630	PUBLIC SAFETY REIMBURSABLE EXP	61,350	30,000	10,000	Training thru State no longer passed through reimbursements
01-155-3640	STREETS REIMBURSABLE	362	0	0	None anticipated
01-155-3650	EMPL/ELECTED OFFICAL REIMBURSA	2,994	1,000	0	None anticipated
01-155-3654	BUILDING/ZONING REIMBURSABLE	206	4,000	4,000	Trend
01-155-3661	WORKERS COMP REIMBURSABLE	3,908	1,000	0	None anticipated
REIMBURSIBLES		\$ 219,937	\$ 132,000	\$ 104,000	
01-165-3815	GARBAGE FEES	\$ 969,538	\$ 964,000	\$ 948,000	Based on FY19 estimated actual plus proposed 2.5% Increase on Nov 1st
01-165-3816	GARBAGES PENALTIES	20,737	17,000	18,500	Trend
WASTE SERVICES		\$ 990,275	\$ 981,000	\$ 966,500	
01-165-3817	RECYCLING REBATE	\$ 5,665	\$ 0	\$ 1,000	Conservative est – Moved from fees category
01-170-3700	INTEREST INCOME	78,907	96,702	165,000	Conservative estimate

ACCOUNT	ACCOUNT TITLE	ACTUAL 2017-2018	AMENDED BUDGET 2018-2019	APPROVED BUDGET 2019-2020	DESCRIPTION
01-170-3715	DONATIONS	28,405	17,000	0	None anticipated
01-170-3716	SHOP WITH A COP	735	500	0	None anticipated
01-170-3717	DONATIONS - COMMUNITY GARDEN	200	0	0	None anticipated
01-170-3720	SALE-FIXED ASSETS	14,316	18,000	5,000	Conservative estimate
01-170-3750	MISCELLANEOUS INCOME	31,014	5,000	1,000	Conservative estimate
01-180-3800	RENTAL INCOME	103,454	103,987	103,367	18/19 estimated actual
01-180-3802	RENTAL INCOME - 911 CENTER	15,015	15,000	18,480	Based on current market rate of \$8 per sq ft
01-180-3803	EXTERNALITY FEE	294,077	226,900	235,786	Based on contract
MISCELLANEOUS REVENUE		\$ 571,788	\$ 483,089	\$ 529,633	
01-195-3820	SERVICE CHARGES - BDD SOUTH	\$ 0	\$ 5,000	\$ 5,000	Specific time allocation
01-195-3821	SERVICE CHARGES - BDD CENTRAL	0	5,000	5,000	Specific time allocation
01-195-3850	SERVICE CHARGES - COMMUTER	27,180	34,092	31,215	Calculation spread based on number employees/revenue
01-195-3851	SERVICE CHARGES - WATER	290,136	353,399	359,655	Calculation spread based on number employees/revenue
01-195-3852	SERVICE CHARGES - NW REGION	451,068	462,572	466,533	Per contract
01-195-3853	SERVICE CHARGES - 911	114,503	123,285	147,345	Calculation spread based on number employees/revenue
INTERFUND SERVICE CHARGES		\$ 882,887	\$ 983,348	\$ 1,014,748	
01-200-3900	PROCEEDS FROM DEBT ISSUED	\$ 100,000	\$ 0	\$ 0	None anticipated
DEBT PROCEEDS		\$ 100,000	\$ 0	\$ 0	
TOTAL GENERAL FUND REVENUE		\$ 13,366,821	\$ 12,090,391	\$ 13,717,622	

General Fund Expenditures

The General Fund Expenditures for FY2019-20 total is \$15,835,585 compared to FY2018-19 total of \$14,137,038 which represents a 12% increase from the prior year. The increase 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 Department supervision, human resources functions and supervision of Management Analyst.

Management Analyst

The Management Analyst is responsible for general services, special projects, Freedom of Information Act (FOIA) requests, and 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.

The Deputy Clerk

The Deputy Village Clerk 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, and Open Meetings Act (OMA) compliance.

Accounting Manager

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

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 FY2019-20 budget is \$4,528 higher than the prior year due to an increase in salaries from full staffing and the addition of a summer filing clerk. This expenditure was offset by decreases in legal services and business incentive contractual obligations.

Administration Expenditures

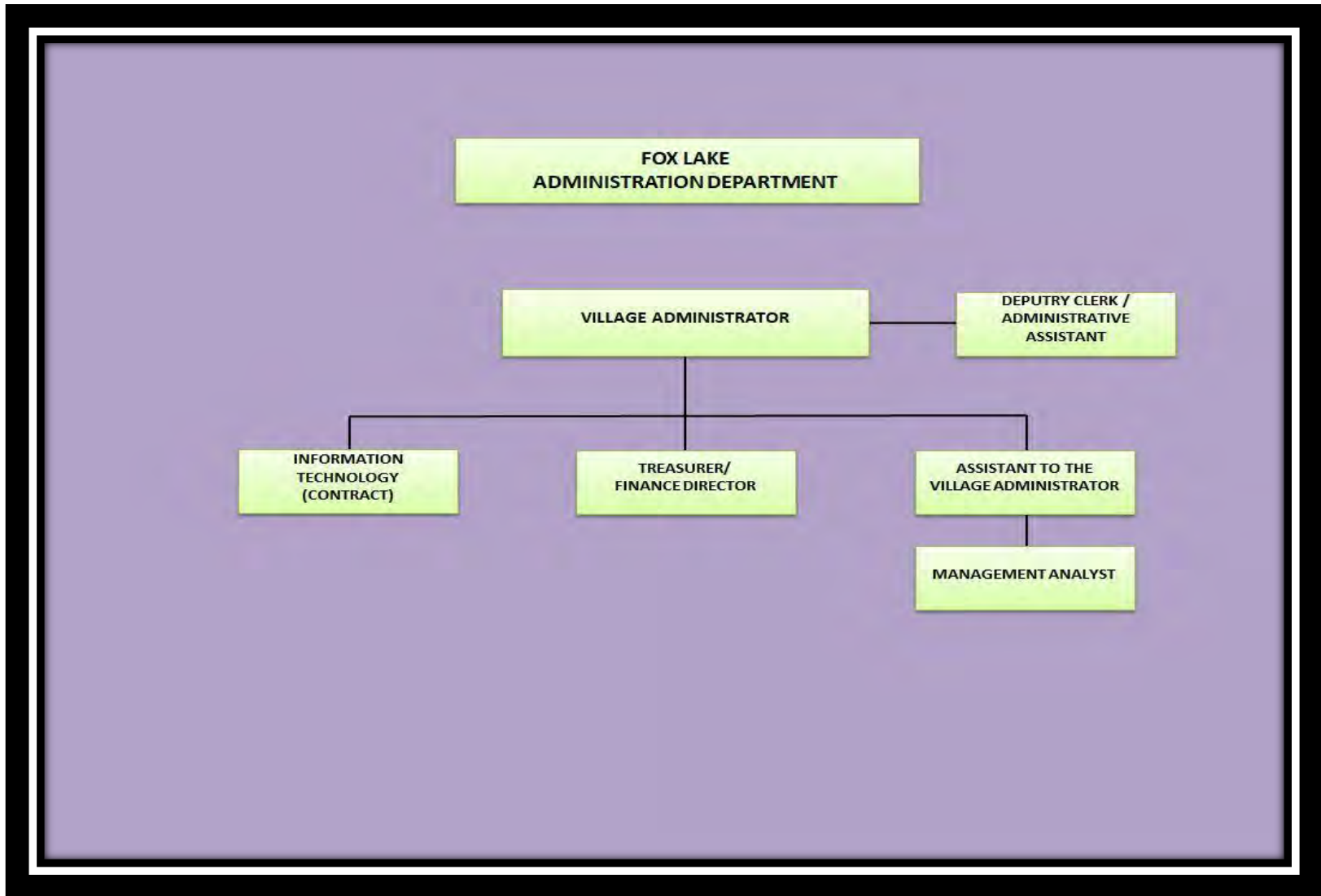
General Ledger Number	General Ledger Account Description	Actuals 2017-18	Amended Budget 2018-19	Budget 2019-20	Description
01-311-4000	WAGES	\$ 466,225	\$ 542,840	\$ 562,974	6.55 FTE, plus COLA increases.
01-311-4010	OVERTIME	2,643	1,100	775	Based on prior actual.
01-311-4001	WAGES - ELECTED OFFICIALS	46,114	48,600	47,300	Elected official salaries/stipends.
01-311-4002	WAGES – PART TIME	0	0	7,280	.35 FTE summer filing clerk.
01-311-4100	HEALTH INSURANCE	91,831	128,044	117,398	New health insurance plan in 2018. Premium increase estimated at 15% 1/1/2020
01-311-4110	LIFE INSURANCE	511	702	616	Small rate increase of 5%.
01-311-4200	SOCIAL SECURITY & MEDICARE	35,823	41,748	45,266	6.2% for Social Security and 1.45% for Medicare. Cost of salary changes. Impact of elected officials not included prior to FY18-19.
01-311-4220	IMRF	48,665	61,963	54,192	IMRF Calendar Year 2018 - 11.16%; CY 2019 - 12.28% & CY2020 projected at 10%.
01-311-5000	BUILDING MAINTENANCE	24,752	30,000	27,700	Cleaning service \$15,000. Alarm repairs \$1,500. Sprinkler inspections \$1,200 & other general \$10,000.
01-311-5100	PROFESSIONAL SERVICES	39,142	45,120	34,200	Civic Systems/Caselle maintenance \$9,200; HR recruiting & testing \$15,000; Other \$10,000.
01-311-5101	AUDIT SERVICES	7,500	20,260	22,750	Per Sikich proposal.
01-311-5102	ACCOUNTING SERVICES	0	0	3,000	OPEB Actuarial Study. Lauterbach & Amen
01-311-5103	PAYROLL SERVICE FEES	1,540	3,000	1,800	Pro-Data expenses are allocated to other funds FY2020.
01-311-5110	ENGINEERING SERVICES	-	-	1,000	General inquiries.
01-311-5120	LEGAL SERVICES	52,499	75,000	62,000	General Counsel \$52,000; miscellaneous \$10,000.
01-311-5121	LABOR ATTORNEY	20,012	15,000	15,000	Labor Attorney miscellaneous consultations \$6,000; employee handbook review \$9,000.
01-311-5160	TECHNOLOGY	114,825	135,000	135,000	Innovative solutions consulting \$120,000, miscellaneous computer purchases \$7,500, Technology mgt revolving internet \$1,300, other technology repairs \$5,200, Barracuda email backup/firewall \$260, miscellaneous \$740

Administration Expenditures (continued)

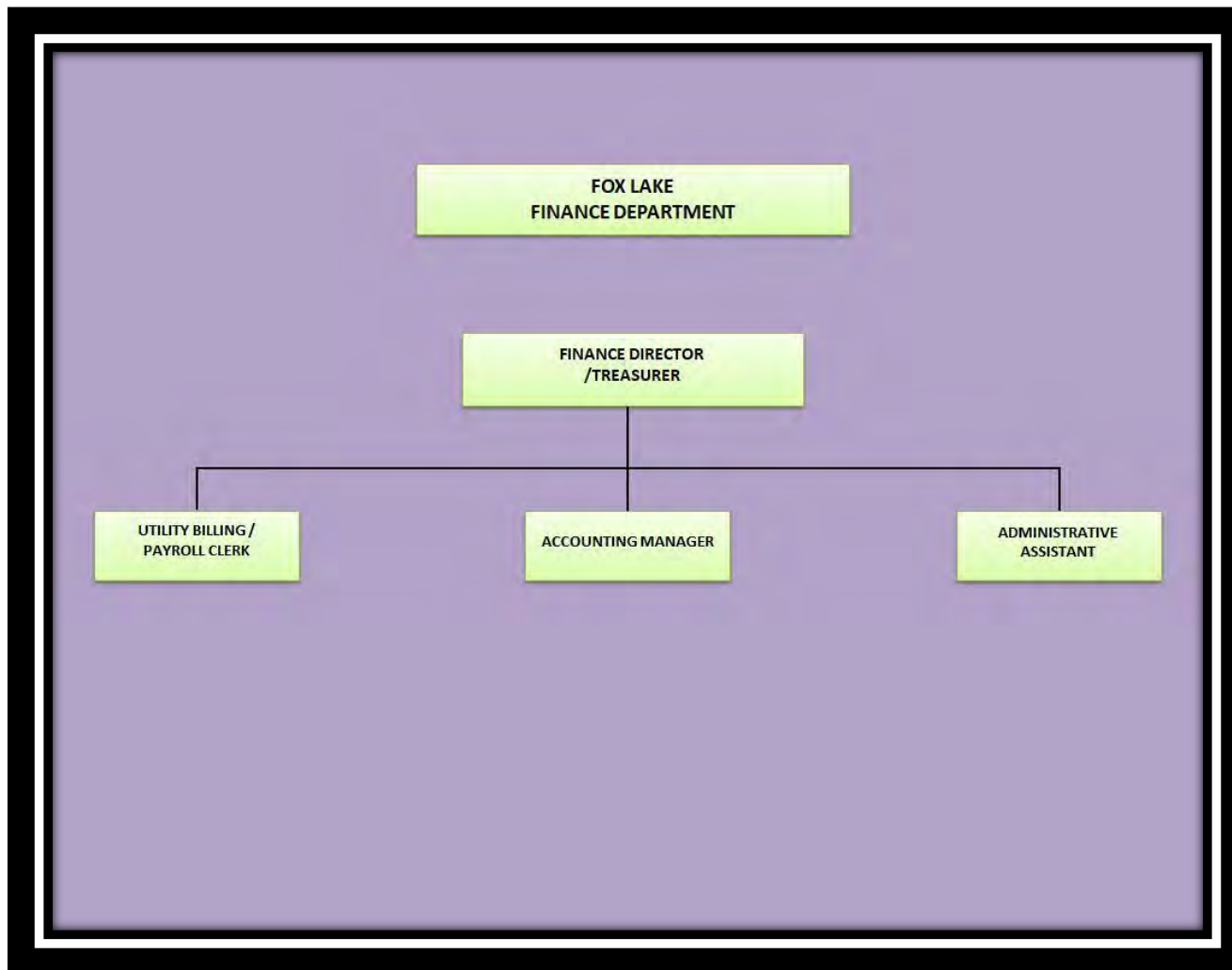
General Ledger Number	General Ledger Account Description	Actuals 2017-18	Amended Budget 2018-2019	Budget 2019-2020	Description
01-311-5200	POSTAGE	17,132	18,700	14,000	Multi-year average postage based on current rates.
01-311-5220	PHOTOCOPY	8,171	8,000	9,200	Trend on photocopy costs.
01-311-5221	PRINTING	15,024	14,000	15,000	Newsletter cost, other printing services (envelopes, business cards etc). Based on FY18-19 estimated actual.
01-311-5224	PUBLISHING	9,679	15,000	15,000	Based on FY18-19 estimated actual.
01-311-5310	MEMBERSHIPS	11,798	21,000	21,500	IL Municipal League (\$1,200), SWALCO (\$6,000), Lake County Transportation Alliance (\$600), ICMA Memberships (\$2,000), Lake County Partners (\$750), Metropolitan Mayors Caucus (\$500), GFOA (\$400), Northwest Municipal Conference (\$6,000), ILCMA/IAMMA (\$1000), Municipal Clerks of Lake County (\$100), Costco (\$100), IGFOA (\$450), Lake County Municipal League (\$2,000) City Tech (\$400)
01-311-5320	TRAVEL	4,050	5,000	5,000	ICMA , ILCMA Conference, GFOA Conference travel costs
01-311-5330	TRAINING	4,424	13,000	12,000	Trustees (\$450x7=\$3,150) Finance (\$1,500) Village Admin (\$1,000) AVA (\$500), Management Analyst (\$500) Sexual Harassment Training (\$3,000), Management trainings (\$2,000)
01-311-5340	TUITION REIMBURSEMENT	405	1,500	500	Potential reimbursement.
01-311-5350	MEETING EXPENSES	0	1,000	2,000	Meetings with various vendors, agency representatives, project partners.
01-311-5410	UTILITIES	6,624	6,100	10,000	Water/sewer \$900; Access One \$6,700; Cell phones for VA and AVA, electric, phone lines \$2,400
01-311-5430	CREDIT CARD & BANK CHARGES	10,873	26,500	25,000	Increase due to FY19 estimated actual. Allocation of Credit Card fees = \$2,083 per month
01-311-5450	PROPERTY TAXES	0	0	\$8,000	Property taxes for donated and purchased property until exempt.
01-311-5525	BUSINESS INCENTIVES	183,290	245,000	228,000	Existing and potential incentives.
01-311-5600	BUILDING MAINT SUPPLIES	232	1,500	1,500	Lightbulbs and Filters – no change from PY.
01-311-5700	OFFICE SUPPLIES	4,378	5,000	7,000	General Supplies - \$580 per month on average

General Ledger Number	General Ledger Account Description	Actuals 2017-18	Amended Budget 2018-2019	Budget 2019-2020	Description
01-311-5710	OPERATING SUPPLIES	5,879	6,500	7,000	New office furniture
01-311-5751	FUEL	169	500	500	Various mileage reimbursements anticipated.
01-311-5780	SOFTWARE	0	5,000	25,000	Potential A/P system and Payroll system changes.
01-311-5785	COMPUTER EQUIPMENT	0	0	3,000	Computer replacements.
01-311-5950	SPECIAL EVENTS	325	300	300	5K race donation – no change from PY.
01-311-5951	RECOGNITION	2,961	3,500	3,500	Recognition events not otherwise charged to other depts. Anchor Award Plaques.
01-311-5970	REFUNDS	2,219	150	250	Sticker program refunds will decrease with new program
01-311-5971	EXTERNALITY FEE REFUND - RLB	21,771	25,096	25,000	Round Lake Beach - PY budget – provides for increase in fee due to usage increase.
01-311-5972	EXTERNALITY FEE REFUND – LAKE COUNTY	0	100,844	104,794	Total impact of agreement recorded in 16-17. Based on NWRWRF budgeted revenue.
01-311-5999	MISCELLANEOUS EXPENSE	286	1,000	800	Average past years.
TOTAL ADMINISTRATION		\$1,261,772	\$ 1,672,567	\$1,682,095	

VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Administration Department
April 30, 2019



VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Finance Department
April 30, 2019



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 FY2019-2020 budget is \$77,384 lower than the prior year budget. The decrease is due to the reduction of one headcount for the department supervisor (in the prior year) and a reduction in maintenance costs since a roof repair was completed last year.

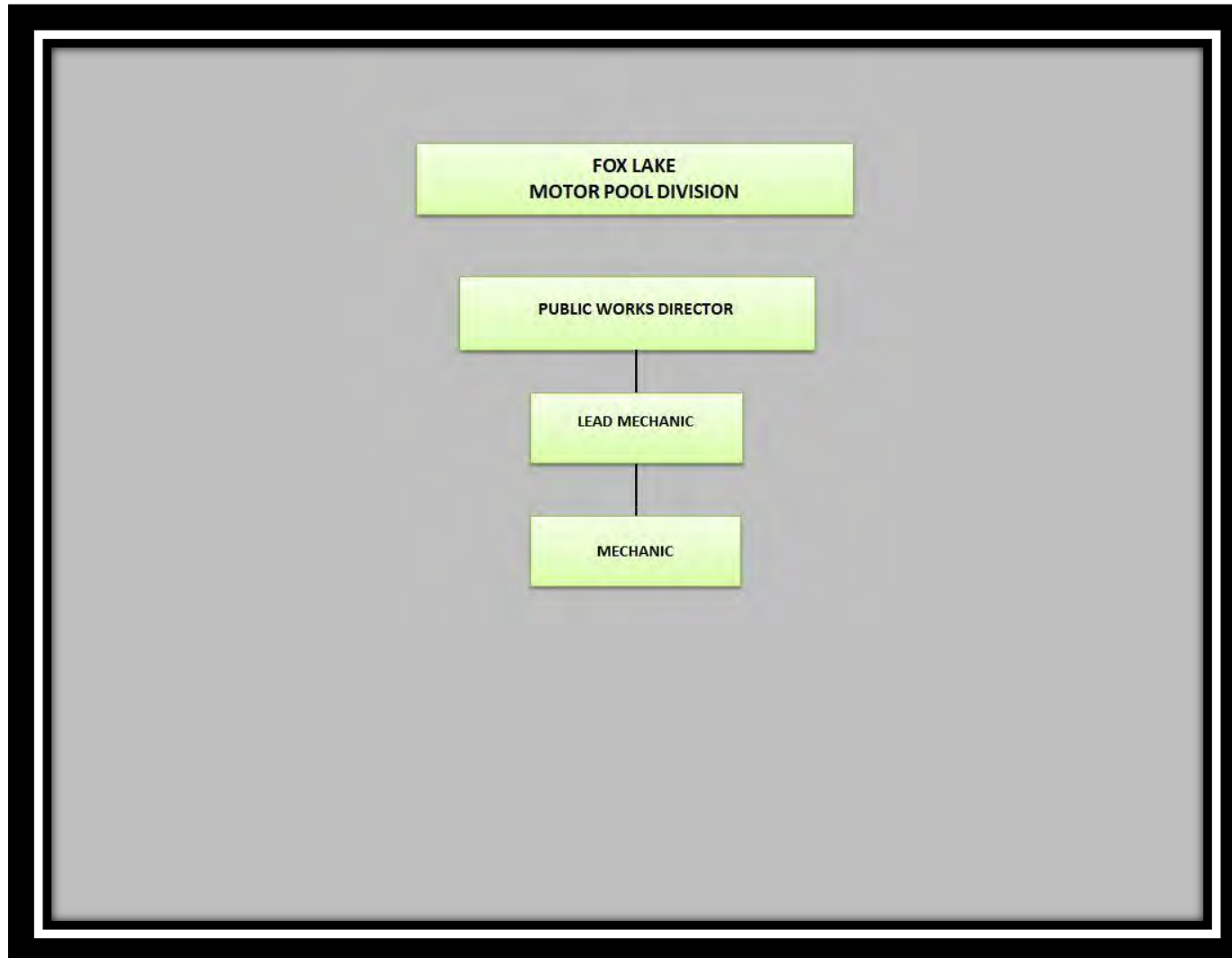
Motor Pool Expenditures

General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2018-19	Budget 2019-2020	Description
01-314-4000	WAGES	\$219,767	\$153,899	\$121,924	2 FTE plus COLA.
01-314-4010	OVERTIME	1,794	3,000	3,435	40 hours per employee.
01-314-4100	HEALTH INSURANCE	53,247	48,921	3,000	New health insurance plans. Incremented 8-10% in 18 & 19.
01-314-4110	LIFE INSURANCE	310	277	188	Previous supervisor retired In FY18 & not replaced.
01-314-4200	SOCIAL SECURITY & MEDICARE	15,979	11,750	9,820	Supervisor retired in FY18 not replaced. Salary changes.
01-314-4220	IMRF	32,658	14,892	9,754	Vacation time for retired supervisor 17/18. Jan 2020 IMRF rate projected at 10%.
01-314-5000	BUILDING MAINTENANCE	31,909	4,300	15,600	Overhead Door repairs \$3,500, tuckpoint building \$10,000, furnace maintenance \$250, 4key door openers \$150, hot water heater \$400, replace two windows \$1,000, replace broken tile floor \$300
01-314-3009	EQUIPMENT MAINTENANCE	0	0	1,400	Fire extinguisher inspection \$500; deflector plate for oil burning furnace \$250; other \$650
01-314-5100	PROFESSIONAL SERVICES	1,070	7,300	3,500	Safety clean \$1,000; Sefec lift inspection \$1,500; & Mohawk car lift inspections \$1,000

Motor Pool Expenditures (continued)

General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2018-20199	Budget 2019-2020	Description
01-314-5102	ACCOUNTING SERVICES	0	0	231	ProData payroll service allocation.
01-314-5112	MOTOR POOL REIMBURSABLE EXP	6,110	7,396	6,334	Average of last three years actual totals
01-314-5160	TECHNOLOGY	2,330	7,650	1,500	Equipment repairs \$1,500
01-314-5310	MEMBERSHIPS	283	100	100	Municipal Fleet Managers Assn.
01-314-5330	TRAINING	548	1,000	2,000	CFA software training \$1,300 ASE, EVT, Fleet manager, and Ford training \$700
01-314-5410	UTILITIES	424	900	900	Prior Year Budget.
01-314-5600	BUILDING MAINTENANCE SUPPLIES	697	2,600	700	Install LED lights
01-314-5700	OFFICE SUPPLIES	384	350	350	Toner, paper, folders, markers.
01-314-5710	OPERATING SUPPLIES	121,946	105,000	105,000	shop rags, lubricants, chemicals, welding tank rental, welding supplies, parts, anti-freeze, oil, trans fluid, filters, bucket truck inspection, fuel system repairs, tire disposal, soaps, towels, brakes, pads, rotors, ball joints, suspension, washer fluid, wipers, tires, radios, electrical connectors, fuses, lighting, switches, bearings, ball joints, hoses, connectors, grease, fittings, plow repairs, plow blades, salt spreaders, fuel pump supplies, misc supplies and body work
01-314-5730	SMALL TOOLS	5,058	3,700	4,000	Hand tools \$3,000; replace broken tools \$1,000.
01-314-5740	UNIFORMS	2,089	1,700	1,000	\$300 x 2 (uniforms) \$175 x 2 (safety boots) \$300 safety equipment \$200 misc
01-314-5751	FUEL	1,421	1,968	1,968	875 gallons @ \$2.25 average per gallon cost.
01-314-5785	SOFTWARE LICENSE/SUPPORT	0	0	4,215	CFA license \$1,800; Helm \$700; Prodemand online manual service \$1,640; Barracuda firewall \$75.
01-314-5951	COMPUTER EQUIPMENT	0	0	2,400	Toughbook for Ford Software updates \$2,400
01-314-5951	EMPLOYEE RECOGNITION	-	200	200	Employee Recognition
TOTAL MOTOR POOL		\$ 498,024	\$ 376,903	\$ 299,519	

VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Motor Pool Department
April 30, 2019



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 minimal increase in the fund expenditures.

Garbage Expenditures

General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
01-318-5200	POSTAGE	\$ 921	\$ 1,000	\$ 1,000	Prior Year Budget based on trend.
01-318-5420	GARBAGE DISPOSAL	937,895	964,000	948,000	2.5% increase effective 11/1/19 (half year) based on FY19 estimate.
01-318-5710	YARD WASTE STICKERS	0	0	1,000	Cost of stickers.
01-318-5970	REFUNDS	32	50	0	None Anticipated
TOTAL GARBAGE		\$ 938,848	\$ 965,050	\$ 950,000	

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 FY2019-2020 budget is forecasted to increase by \$169,634 compared to the prior year amended budget. This increase is primarily due to the headcount increase of two officers (on or about 9/1/19) and a records administrative position.

Public Safety Expenditures

General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
01-321-4000	WAGES - ADMINISTRATION	\$ 548,581	\$ 630,412	\$ 596,569	8.8 FTE, added CSO and partial year of Police Services Director, CBA increases.
01-321-4002	WAGES - PART-TIME	64,798	9,000	0	Eliminated part time staff.
01-321-4003	WAGES - SWORN OFFICERS	1,801,551	2,039,317	2,088,149	25.3 FTE. 2 additional patrol officer positions beginning on 9/1/19.
01-321-4011	OVERTIME	297,696	370,090	348,207	Full time staffing increase in PY.
01-321-4100	HEALTH INSURANCE	374,187	584,917	624,766	Increase in premiums estimated at 15% on Jan 1 st . PY added 1 new CSO officers & replaced 1 officer.
01-321-4110	LIFE INSURANCE	2,495	2,988	3,203	PY added 1 new CSO officers & replaced 1 officer.
01-321-4200	SOCIAL SECURITY & MEDICARE	65,302	74,888	74,607	Salary changes. PY added 1 new CSO officer & replaced 1 officer.
01-321-4220	IMRF	14,726	47,275	41,417	IMRF rate projected to decline to 10%. PY addition of Evidence Custodian and a Records Clerk.
01-321-4230	POLICE PENSION - TAXES	504,177	513,961	636,671	Per Ordinance 2017-52 for tax levy. (2018 levy paid in FY2020)
01-321-4231	POLICE PENSION - VILLAGE PORTI	152,500	123,102	94,184	From actuarial study ADC less the tax levy
01-321-5000	BUILDING MAINTENANCE	32,203	40,000	32,975	Misc. \$1,000, HVAC Maintenance \$2,000, Generator Maintenance \$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, Digest Aid \$300, Pest Control \$500, Seal coat/paint \$7,000, Baseboard Heat for Lobby \$1,000, Carpet for lower level \$8,000, Security perimeter fencing around outside a/c units \$2,500
01-321-5010	EQUIPMENT MAINTENANCE	22,297	34,550	34,550	LEADS Comm \$9,000, Radars \$2,400, Calibration CO2 \$1,000, Squad Computers \$3,000, Bicycle Repair Main \$1,700, Taser Repair \$1,500, Taser Replacement (3) \$6,300, Misc. Repairs \$5,600, Misc. Upgrade Hard Drives \$500, Weapon Repair \$1,200, Portable Breath Test (3) \$1,000, Beast System Supplies \$1,200, \$150 misc.

Public Safety Expenditures (continued)

General Ledger Number	General Ledger Account Description	Actuals 2017-18	Amended Budget 2018-2019	Budget 2019-2020	Description
01-321-5020	VEHICLE MAINTENANCE	13,364	12,000	7,000	Squad Car Wash \$1,300, Decal Replacement, Equipment repair: Batteries, Lights, Sirens, Misc. Parts \$2,850, Body Repairs \$2,850
01-321-5100	PROFESSIONAL SERVICES	60,514	79,000	75,000	Range Rental \$2,200; Crime Lab \$17,500; Crime Stoppers \$700; Public Relations \$20,000; Lexis Nexis \$1,500; Stericycle \$1,000 (Hazmat Destruction) Medical Record Copies \$1,000; Critical Reach Support \$1,500; Occupational Health \$2,000; Misc. Services \$2,500; Missing Children \$200; SAO Forensic Lab Annual Fee (Cyber Crimes Lab) \$1,500; Administrative Consultants \$19,500; Investigative Polygraph Services \$500, LEADS Online Monthly fee \$2,900; \$500 Annual Gas Fit Testing.
01-321-5102	ACCOUNTING SERVICES	0	0	3,000	ProData payroll expense allocation. Previously in object code 5100.
01-321-5108	HR RECRUITING/TESTING	0	0	15,500	Police testing; job posting \$500; Cops Testing \$4,500; Polygraph Services \$1,000; Med/Psych Clearance \$3,500; & Promotion Assessment \$6,000
01-321-5120	LEGAL SERVICES	191,663	150,000	114,900	Pension litigation \$60,000; Adjudication hearing officer (additional monthly hearing) \$6,900; & Prosecution Attorney \$48,000.
01-321-5021	LABOR ATTORNEY	0	0	50,000	Anticipated contract labor negotiations in FY20.
01-321-5135	DISPATCHING	573,089	693,182	710,625	Estimated Interfund charges for dispatch
01-321-5140	PRISONER MEALS	-	300	300	Prior year budget.
01-321-5141	ANIMAL CARE & CONTROL	180	400	2,400	Lake County Animal Control Services \$400; Stay & Spay \$2,000.
01-321-5160	TECHNOLOGY SERVICES	68,723	150,000	113,086	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 \$3,000, Mobile Squad Cameras \$1,500, Beast Support Fee \$825, Network IP Cameras \$5800, Computer Systems \$2800, Additional Beast System \$3500, Livescan Digital Fingerprint \$1980, Livescan Additional Licenses for Lineup's \$400, 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), Evidence Storage Alarm \$600, Evidence Storage Hard Drives \$1,000.
01-321-5170	JANITORIAL SERVICES	0	0	9,000	Janitorial services for Police department.
01-321-5200	POSTAGE	2,259	4,000	4,000	Postage \$2,800, UPS \$700 & FedEx \$500

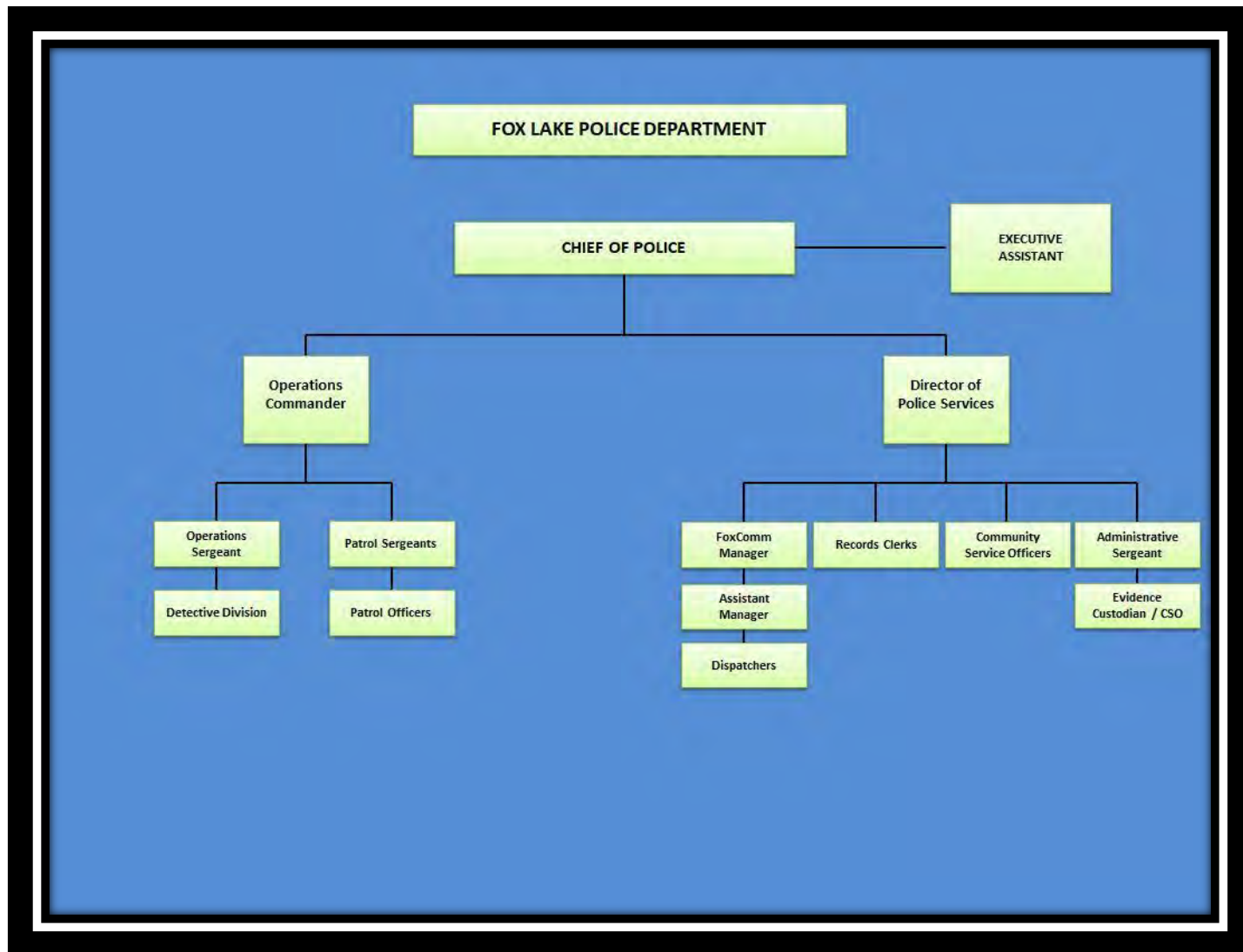
Public Safety Expenditures (continued)

General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
01-321-5220	PHOTOCOPY SERVICES	0	0	3,000	Copier lease.
01-321-5221	PRINTING	2,601	5,000	5,400	Printing (Pettibone) \$2300; Printing (Classic Printery) \$2600; Hearing Supplies \$500, CPA Material, Crime Prevention & Electronic Print
01-321-5310	MEMBERSHIPS	16,980	25,500	25,500	Int'l Chief of Police \$400, IL Police Chiefs \$450, Lake County Chiefs \$300, LSRO Officer \$40, State LESO, Property & Evidence, ILEAS \$120, MCAT \$750, MEG \$15,000, LCMCTF \$2000, NIPAS Membership and Emergency Services Enhanced 5,200, NWP \$ 570, FBINA \$150, LERMI \$ 50
01-321-5315	MEMBERSHIPS – POLICE COMMIS	0	0	2,975	Illinois Fire and Police Commissioners Association Dues \$375, Association Fall Conference and Mileage: \$2,600
01-321-5320	TRAVEL	89	2,000	2,000	Training \$1,000, ILEAP Conference \$400, Misc \$600
01-321-5321	TRAVEL - POLICE COMMISSION	554	1,500	0	Combined with object code 5315
01-321-5330	TRAINING	30,036	35,000	40,000	NEMRT training \$2375, SLEA \$2000, Police Academy Basic Recruit \$9339, Taser Certification, Lead, Homicide INC \$ 800, Evidence, Custodian, Staff and Command \$7,200 OIC Training \$2,000, MISC \$2700, IACP Conf. \$2000, FBINA \$2000, ILEAS Conf. \$750, IL Chiefs Conf. (4) \$1600, Blue Line Hazmat \$900, Mandatory State Training, SRO & School Emergency Preparedness \$3,311, Police Law Institute \$ 3,000.
01-321-5331	TRAINING - POLICE COMMISSION	329	2,500	0	Combined with object code 5315
01-321-5350	MEETING EXPENSES	0	0	1,000	Mileage; meals; for meetings not associated with conferences.
01-321-5410	UTILITIES	23,806	20,000	30,000	AccessOne, cellphones, misc. supplies, water/sewer\$1500, Other \$2,000, Smart Phones \$11,000
01-321-5700	OFFICE SUPPLIES	9,948	10,000	10,000	Admin Adjudication \$200, Misc supplies & toner \$9000, Paper \$800

Public Safety Expenditures (continued)

General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
01-321-5710	OPERATING SUPPLIES	36,841	30,000	40,000	Ammunition \$10,000, Flares \$575, Spotlights - Building \$350, Fingerprinting Supplies \$1,000, Taser Cartridges \$1,500, OC Reliapon Spray \$600, Misc. Supplies \$6,000, Digital Camera \$1,500, Restraint Chair \$3,000; Fire Extinguisher and Mounts \$645, Command Vehicle Supplies \$450, Breath Op Mouth Pieces \$150, Investigation Supplies \$1500, Gas Masks and Ballistic Shields \$2,000, Video Cameras \$300, Prisoner Head Protection and Spit Guards \$1,000; Individual Rescue Medical Kits \$2,000; First Aid Kit New and Supply Replenishment \$1,000, Water Softener Maintenance \$1,200; Village Wide AED Supplies \$2,500; Addition of two AED's \$3,000.
01-321-5720	COMMUNITY RELATIONS	2,474	4,000	8,000	CPA Shirts, NNO, Halloween Event, Senior Fair, Chamber Event; Bike Rodeo; Coffee w/Cop; Give A Ways.
01-321-5730	SMALL TOOLS & NON CAP EQUIP	-	-	3,400	Chairs for training room: 40 chairs \$1,800; staff chairs \$1,600.
01-321-5721	SHOP WITH A COP	2,321	3,000	3,000	Gifts for community adolescents
01-321-5740	UNIFORMS	39,370	40,000	40,000	Replacements \$16,000, 2 New Issues \$7776, Armor Replacement \$7910, Investigations Clothing \$1000, Misc. Uniform Items \$3,000, Nipas Uniforms and Safety Equipment, Evidence Custodian & Records Clerk, Radio Holders, CSO Body Armor \$2,000.
01-321-5751	FUEL	46,446	53,500	53,500	Squad Fuel/ PD Vehicles
01-321-5780	SOFTWARE LICENSES	-	-	1,282	Barracuda spam/firewall protection license.
01-321-5785	COMPUTER EQUIPMENT	-	-	12,850	Equipment for firewall \$4,000; computer replacements \$8,850.
01-321-5951	EMPLOYEE RECOGNITION	917	900	900	Employee Recognition
01-321-5980	DUI EXPENSE	1,518	2,000	2,000	Blood and urine testing for drugs
01-321-5981	INVESTIGATIONS	-	1,500	1,500	Undercover operations
01-321-5983	NARCOTICS EDUCATION	1,000	1,000	1,000	Opioid Initiative
01-321-5984	SEIZED ASSET EXPENSE	5,445	1,000	-	None anticipat
	TOTAL PUBLIC SAFETY	\$ 5,010,980	\$ 5,797,782	\$ 5,967,416	

VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Public Safety Department
April 30, 2019



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 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 2 full-time staff members – a Special Events and Marketing Coordinator, and Parks and Recreation Program Coordinator, 2 part-time summer assistants, 2 part-time shuttle bus drivers and a part-time maintenance worker. The Parks Department is overseen by the Assistant to the Village Administrator. 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 \$92,991 higher than the last year due spending for a Park Study, and increased spending on programs/special events and non-capital equipment.

Parks & Recreation Expenditures

General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
01-327-4000	WAGES	\$ 44,611	\$ 103,320	\$ 87,350	2.0 FTE plus COLA; 50% headcount for labor charged to Streets
01-327-4002	WAGES - PART-TIME	27,784	22,658	27,309	1.15 FTE plus COLA
01-327-4010	OVERTIME	888	6,400	5,917	Event coverage on evenings & weekends.
01-327-4100	HEALTH INSURANCE	11,111	15,762	10,895	Increase in premiums estimated at 15% on January 1 st . Reduction from 1 employee opting out of Village insurance.
01-327-4110	LIFE INSURANCE	85	139	188	Slight increase over prior year budget.
01-327-4200	SOCIAL SECURITY & MEDICR	5,395	10,172	9,339	Salary Changes

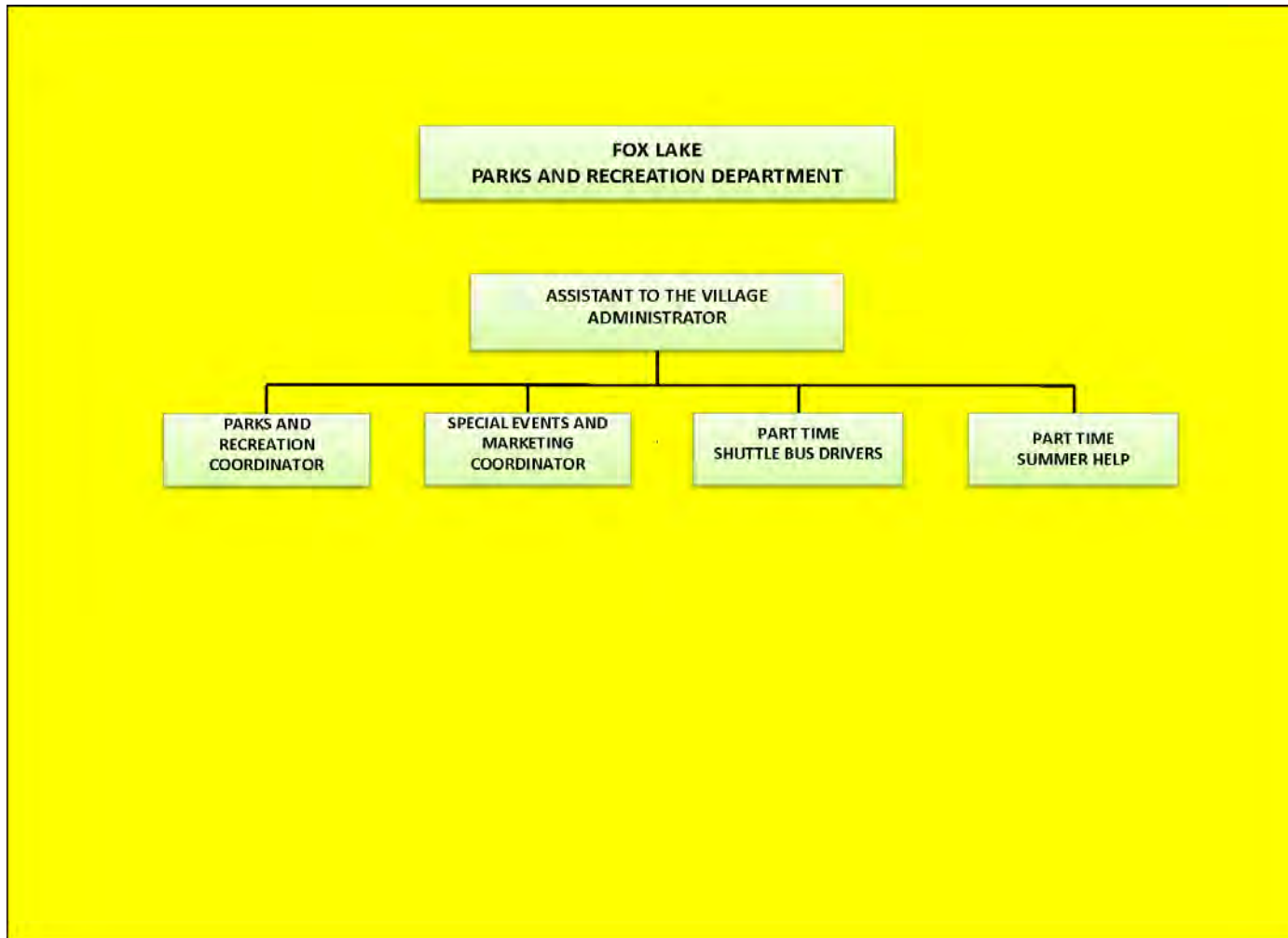
Parks & Recreation Expenditures (continued)

General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
01-327-4220	IMRF	\$ 4,805	\$ 12,001	\$ 7,975	IMRF rate reduction estimated.
01-327-5000	BUILDING MAINTENANCE	29,604	26,500	6,700	\$1,000 for various HVAC services, \$2,000 new window for office, \$700 new door for office, paint interior Lakefront park
01-327-5010	EQUIPMENT MAINTENANCE	7,357	5,000	10,500	\$2,000 various ice rink repairs; \$6,500 copier contract; \$2,000 splashpad reprs.
01-327-5100	PROFESSIONAL SERVICES	10,093	96,000	3,000	Miscellaneous appraisals and other services.
01-327-5102	ACCOUNTING SERVICES	-	-	350	ProData payroll service allocation.
01-327-5107	PROF SRVS – STUDY/REPORT	-	-	7,000	Park Study finalization.
01-327-5160	TECHNOLOGY	2,435	3,000	-	None anticipated.
01-327-5170	JANITORIAL SERVICES	-	-	8,000	\$5,500 Lakefront Park weekly cleaning; \$2,500 other cleaning services.
01-327-5200	POSTAGE	-	1,500	1,500	Mailer for summer events
01-327-5221	PRINTING	455	2,000	2,000	Summer Events/Add'l Flyers. PY Two Seasonal Parks and Recreation Guide Books
01-327-5222	ADVERTISING	2,377	5,000	5,000	Advertising for special events and programs
01-327-5310	MEMBERSHIPS	913	1,300	4,320	Chamber Membership/Lake County Membership /IPRA Membership
01-327-5320	TRAVEL	-	500	500	Travel to conferences; Farmers Market Conference.
01-327-5330	TRAINING	-	1,000	1,500	IPRA Conference in Chicago, Farmers Market Conferences; Leadership training
01-327-5350	MEETINGS	-	-	100	Meetings with community groups, mileage, treats.
01-327-5410	UTILITIES	14,381	20,000	15,000	Water for Splash Pad - trend
01-327-5516	PACE PROGRAM - RENTAL FEE	1,448	1,300	1,500	Pace Rental Fee
01-327-5545	COMMUNITY PROGRAMS	93,390	95,000	18,345	Programs Yoga = \$2,340 / Sports R Us = \$4,350 / Go Fox Lake = \$350 / Family Game - \$255 / Get your Play on - \$750 / Fitness Program Expansion = \$3,000 / Murder Mystery Dinner = \$4,800 / Trips \$1,500 / Cardboard Cup Regatta \$1,000.

Parks & Recreation Expenditures (continued)

General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
01-327-5546	SENIOR PROGRAMMING	-	-	16,920	Better Balance, \$1,560, Senior Core Challenge - \$780, Senior Cardio Drumming - \$5,200, Senior Drop In Center - \$350, Wii Bowling - \$330, Florence Fischer - \$4,420, Senior Luncheon - \$4,280
01-327-5547	SPECIAL EVENTS	-	-	75,735	Fireworks – See code 5950 below. Polar Plunge - \$500, Easter Egg Hunt - \$1,050, Children's Holiday Party - \$512, Fathers Day Fishing Derby - \$100, Daddy Daughter Dance - \$900, Triathlon - \$500, Bloody Mary Fest = \$28,000, Fox Lake Summer Series - \$6,000, Fox Lake Farmers Market, \$8,100, Celebrate Fox Lake - \$13,000, Mayor's Fish Fry, \$3,000, Fall Festival - \$4,200, Pumpkin Jubilee - \$4,000, Festival of Lights - \$5,200, Misc \$673
01-327-5600	BUILDING MAINTENANCE SUPPLIES	3,218	13,200	7,000	\$5,000 Various supplies, \$2,000 cleaning supplies
01-327-5700	OFFICE SUPPLIES	8,292	3,000	2,000	Using more paper for printing to schools.
01-327-5710	OPERATING SUPPLIES	1,351	9,000	3,000	Poster holders \$250; Yoga balls \$250; Cardio drumming base \$100; Tablecloths \$300; Misc supplies \$2,100
01-327-5751	FUEL	1,264	1,200	1,200	Fuel for Van
01-327-5730	SMALL TOOLS & NON CAPITAL EQUIPMENT	-	-	16,300	\$200 new shelving unit, \$5,000 new chairs, \$3,500 shed for farmers' market storage, \$300 tent weights, \$300 cabinet for family game night, \$3,500 stage for community garden, \$500 wireless microphone, \$3,000 lights for community garden
01-327-5780	SOFTWARE LICENSES	-	-	5,518	Adobe Creative Cloud Annual Sub. \$1,000, Online registration software \$4,000. Misc. Purchases \$400, Barracuda spam/firewall protection \$118
01-327-5950	SPECIAL EVENTS	70,000	40,000	40,000	Fireworks 3 year contract.
01-327-5951	EMPLOYEE RECOGNITION	-	200	200	Employee Recognition.
01-327-5955	CONTRIBUTIONS TO ORGANIZATIONS	-	-	-	
01-327-5970	REFUNDS	1,675	1,500	1,500	Room Rental Deposits based on trend
	TOTAL PARKS & RECREATION	\$ 342,932	\$ 496,652	\$ 403,661	

VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Park & Recreation Department
April 30, 2019



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 2018-2019	Budget 2019-2020	Description
01-328-5500	LIABILITY & WORKERS COMP INS	\$ 178,425	\$ 286,363	\$ 300,469	5% increase over PY and add'l staffing
01-328-5501	INSURANCE DEDUCTIBLE EXPENSE	44,644	113,720	100,000	Reserve for possible claims
	TOTAL INSURANCE DEPT	\$ 223,069	\$ 400,083	\$ 400,469	

Fire Department

For FY2019-20 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 residents 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 2017-18	Amended Budget 2018-2019	Budget 2019-2020	Description
01-330-5450	REAL ESTATE TAX DISTRIBUTION	-	-	-	
01-330-5530	FIRE DEPARTMENT CONTRIBUTION	-	-	-	
01-330-5113	FIRE DEPT BILLABLE EXPENSES	49,787	48,000	35,000	Estimated at FY18-19 actual
	TOTAL FIRE DEPARTMENT	\$ 49,787	\$ 48,000	\$ 35,000	

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 FY2019-20 is higher than the prior year by \$453,328 reflecting the costs of the department at full staffing, increased spending for street signs and tree replacement. Electricity charges for street lights is projected to rise \$22,000 over the prior year budget.

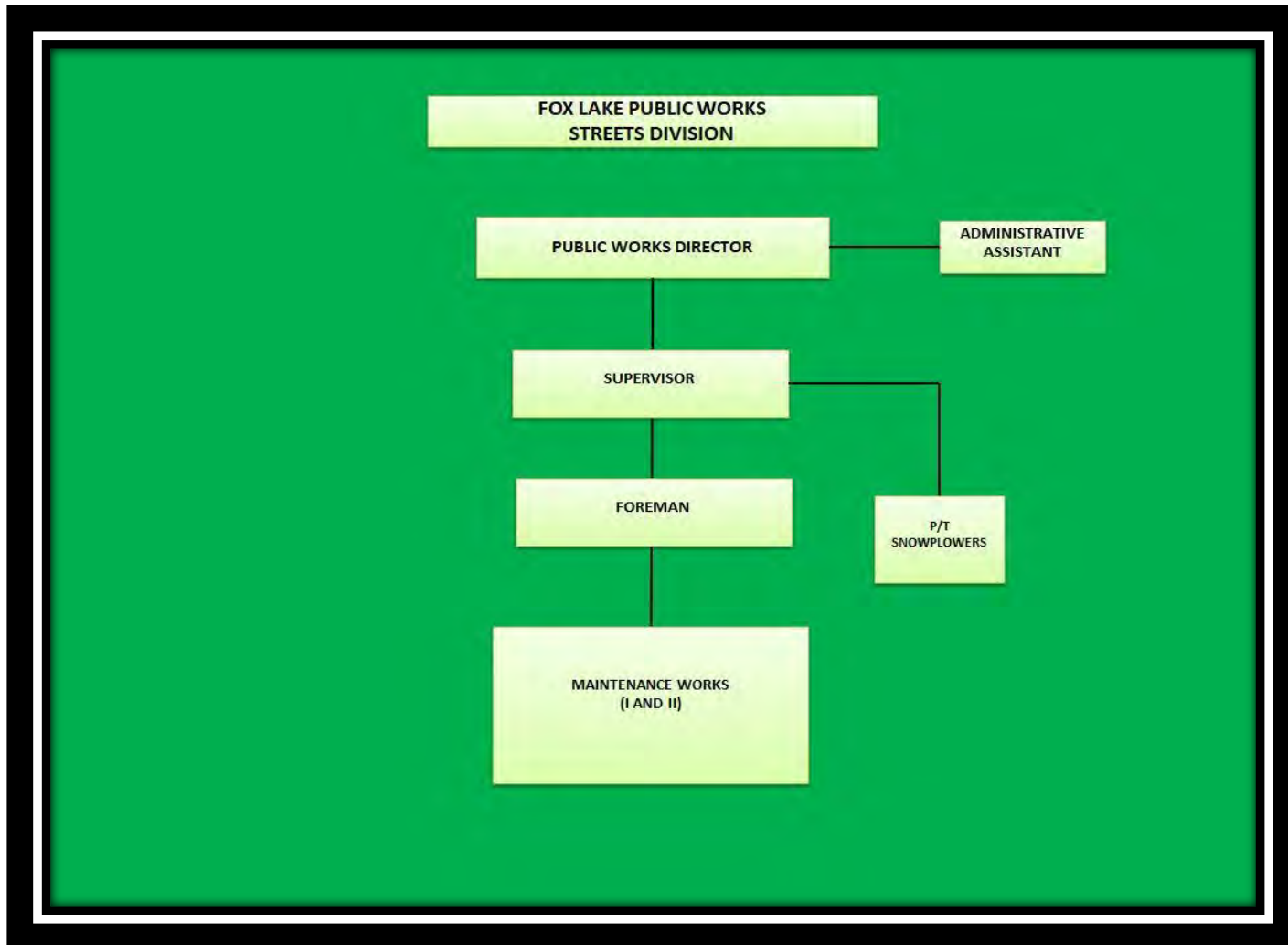
Public Works Street Expenditures

General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
01-341-4000	WAGES	\$ 426,160	\$ 553,325	\$ 615,852	11.63 FTE plus COLA. At full headcount in PY
01-341-4002	WAGES - PART-TIME	7,063	17,000	13,104	5-month seasonal employee
01-341-4010	OVERTIME	15,314	25,000	25,540	Estimate based on PY
01-341-4100	HEALTH INSURANCE	69,931	138,936	177,823	15% estimated premiums increase
01-341-4110	LIFE INSURANCE	724	1,016	1,093	Slight increase predicted for January 1
01-341-4200	SOCIAL SECURITY & MEDICARE	33,261	44,155	50,184	Salary changes – Rates unchanged SS – 6.2%; Medicare – 1.45%
01-341-4220	IMRF	47,755	54,712	49,268	Reduced percentage (7%) 1/1/2019; Plan for 10% 1/1/2020
01-341-5000	BUILDING MAINTENANCE	80,053	20,500	15,000	Paint exterior \$6,000; Station 1 tuckpointing \$2,000; Window replacement \$200; replace heat/ac wall unit x 2 = 2,000; garage door maintenance \$3,500; miscellaneous \$1,300.
01-341-5010	EQUIPMENT MAINTENANCE	602	1,000	1,000	Street sweeper; bucket truck; tractors; movers; chainsaws
01-341-5030	STREET MAINTENANCE	8,305	18,500	18,000	Local striping \$4,000; street lights maintenance \$3,000; street sweeping debris \$2,000; Holiday décor for streets \$6,500; stump grinder rental \$1,500
01-341-5040	PARKS MAINTENANCE	-	-	25,000	Community Garden grading, seeding, beautification
01-341-5100	PROFESSIONAL SERVICES	18,788	30,000	25,000	Asphalt patching \$15,000; mosquito abatement, roofing, glass replacement, plumbing, electrical contractors \$10,000
01-341-5102	ACCOUNTING SERVICES	-	-	635	ProData payroll service allocation
01-341-5103	PROF SERVICES - FORESTRY	10,694	15,000	15,000	\$15,000 professional tree removal for large trees, purchase of trees
01-341-5110	ENGINEERING SERVICES	14,074	20,000	25,000	GIS signage, trees, sidewalks, storm sewer flow & other studies
01-341-5120	LEGAL SERVICES	150	-	500	Most legal associated with projects
01-341-5160	TECHNOLOGY SERVICES	1,815	6,500	468	Barracuda spam/firewall protection allocation
01-341-5200	POSTAGE	50	50	50	Permits, mailings for projects
01-341-5310	MEMBERSHIPS	587	850	850	\$150 APWA, \$500 IPWMAN, \$250 Illinois Arborist Association
01-341-5330	TRAINING	612	3,000	3,000	APWA training, Forestry training \$100, Certified arborist training \$700 x 2.

Public Works Street Expenditures (continued)

General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
01-341-5410	UTILITIES	5,398	7,000	5,500	Water/Sewer, Nicor, Electric
01-341-5413	ELECTRICITY CHARGES	57,785	50,000	72,000	Street lighting, buildings, shared intersections w/IDOT & Lake County at FY19 estimated actual
01-341-5600	BUILDING MAINTENANCE	1,291	1,000	800	Based on Actual Usage
01-341-5610	EQUIPMENT MAINTENANCE SUPPLIES	7,153	1,000	1,600	\$1,000 street sweeper bristles; John Deere broom bristles \$300 snow blower/mower repairs \$300
01-341-5700	OFFICE SUPPLIES	473	775	900	pens, copy paper, file folders, toner cart (fax,copier,printers), laminating supplies, message pads, labels, post-it
01-341-5710	OPERATING SUPPLIES	53,863	70,000	65,000	mosquito abatement chemical \$5,000, Culvert replacement \$2,000, Paint Sprayer \$5,000, Bobcat broom attachment \$7,500 Dirt, sand, gravel, landscaping, striping, paint, storm sewer supplies, manhole rings, grass seed/fertilizer, herbicides/pesticides, mulch, paint
01-341-5712	SIGN PROGRAM	803	2,000	6,000	Construction ahead signs \$1,000, public parking signage \$3,000, replace old faded signs \$2,000
01-341-5713	STONE & CONCRETE	4,305	9,500	9,500	\$6,000 Hickory/McKinley repairs, \$2,000 roadway repairs, \$1,500 ADA compliance repairs.
01-341-5714	TREE REPLACEMENT	-	-	7,500	20 trees @ \$300/tree; equipment rental \$1,500
01-341-5730	SMALL TOOLS & NON CAPITAL EQUIPMENT	2,888	6,200	10,500	Walksaw \$3,000; utility truck generator \$500; electrical tools, hand tools, \$2,000; cameras at PW and fuel pumps \$5,000.
01-341-5740	UNIFORMS	4,898	5,800	5,800	Uniforms \$250x10; Boots \$150x10; Safety vests, hard hats, misc
01-341-5751	FUEL	29,213	38,000	38,000	Regular/Diesel fuel for mowers, snow removal, pickups
01-341-5785	COMPUTER EQUIPMENT	-	-	1,000	Computer replacement
01-341-5951	EMPLOYEE RECOGNITION	310	250	250	Employee recognition
	TOTAL STREET EXPENDITURES	\$ 904,318	\$ 1,141,069	\$1,286,717	

VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Public Works/Streets Department
April 30, 2019



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 \$42,793 or 8% due to the increase of one FTE in headcount.

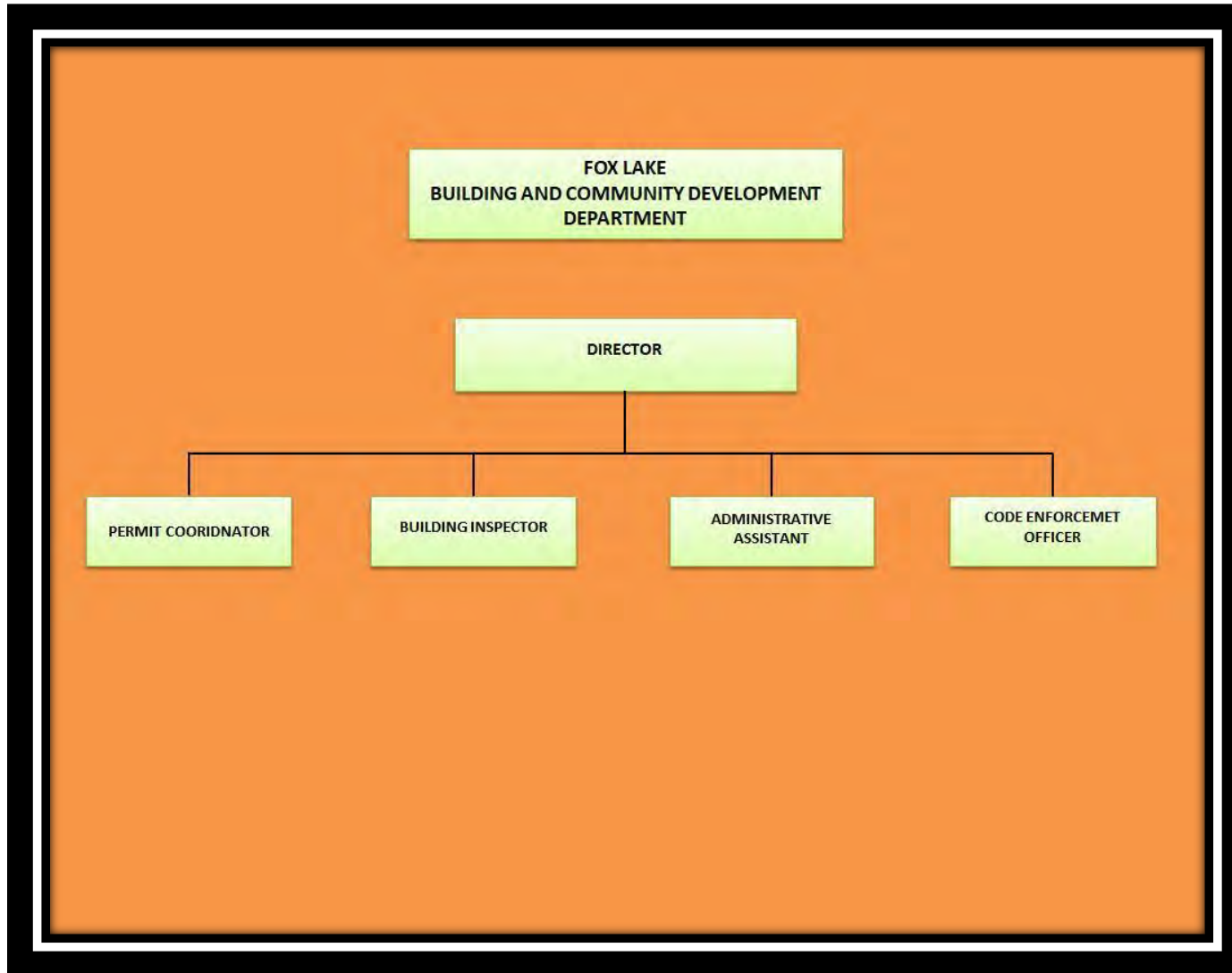
Community Development Expenditures

General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
01-354-4000	WAGES	\$ 218,450	\$ 269,976	\$ 301,111	4.8 FTE; add'l impact .6 FTE Admin Assistant & COLA
01-354-4010	OVERTIME	1,857	2,250	2,033	Meetings and emergencies
01-354-4002	WAGES - PART-TIME	6,089	-	-	Part-time eliminated - Shared position
01-354-4100	HEALTH INSURANCE	67,213	84,363	92,704	Estimated 15% increase in premiums effective Jan 1, 2020
01-354-4110	LIFE INSURANCE	308	388	451	Estimated minor increase
01-354-4200	SOCIAL SECURITY & MEDICARE	15,695	19,968	23,191	Salary changes
01-354-4220	IMRF	23,671	25,873	23,585	Reduced percentage (7%) Jan 1, 2019; Estimated @ 10% 2020
01-354-5010	EQUIPMENT LEASES	5,669	6,500	6,500	Lanier Copier and Wide Format Scanner/Printer
01-354-5100	PROFESSIONAL SERVICES	21,000	15,000	18,000	Plumbing Inspections \$12,000 (Lake County), Plan Review \$1,000 and Arts Council \$5,000.
01-354-5102	ACCOUNTING SERVICES	-	-	350	ProData Payroll service allocation
01-354-5107	PROF SERVICES/STUDIES	-	-	5,000	Hotel study shared cost with Business Development Districts
01-354-5110	ENGINEERING SERVICES	4,842	5,000	5,000	Field inspections, Floodplain Violations, Zoning Map
01-354-5111	BILLABLE ENGINEERING FEES	10,418	8,000	10,000	Engineering WDO Permit/Plan Reviews

Community Development Expenditures (continued)

General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
01-354-5114	BILLABLE BLDG & ZONING EXP	2,272	4,000	6,500	Reimbursable legal notices \$3,500 & Nuisance Abatements \$3,000
01-354-5120	LEGAL SERVICES	9,350	10,000	10,000	Non-reimbursable expenses, code updates
01-354-5125	BILLABLE ATTORNEY FEES	3,555	5,000	5,000	Attorney Expenses Reimbursed by Developers, Petitioners
01-354-5160	TECHNOLOGY	10,700	6,320	-	None anticipated. MOVED TO CODE 5780
01-354-5200	POSTAGE	183	500	400	FedEx, UPS, Certified Mailings
01-354-5221	PRINTING	1,678	2,000	1,500	Vending stickers, NOV's, Inspection Reports Business Cards; Zoning Maps
01-354-5224	PUBLISHING	1,258	1,500	1,500	Legal Notices
01-354-5310	MEMBERSHIPS	1,564	2,420	6,590	ICSC \$100, \$175 ICC, \$540 Lake County Recorder of Deeds, \$85 ABCI, \$50 NW BOCA, \$420 IEDC, Lake County Partners \$2,200, CVB membership shared with P&R \$3,020
01-354-5320	TRAVEL	228	500	500	IEDC Training out of state
01-354-5330	TRAINING	540	1,900	2,000	Seminars, IEDC Courses, ICC Permit Tech Course
01-354-5350	MEETINGS	-	100	150	Offsite meetings w/developers & businesses
01-354-5410	UTILITIES	2,776	2,520	2,520	Cell phones, \$70 per month x 3 phones
01-354-5700	OFFICE SUPPLIES	3,535	2,500	2,500	Pens, Folders, Forms, Printer Ink
01-354-5710	OPERATING SUPPLIES	270	-	-	
01-354-5712	SIGNS	6,594	-	-	Moved to BDD.
01-354-5720	COMMUNITY PROGRAMS	29,564	33,000	20,000	\$16,000 Façade Improvement Program; \$2,000 Community Garden; \$2,000 miscellaneous
01-354-5740	UNIFORMS	281	300	250	Shirts for inspectors
01-354-5751	FUEL	1,422	1,400	1,400	Fuel for 2 inspection vehicles
01-354-5780	SOFTWARE LICENSES/MAINT	-	-	3,936	MOVED from CODE 5780: BS&A Annual Service Fee for Building, Business Licenses, Field Inspection software \$3,234; Adobe \$520; Barracuda spam filter/firewall cost allocation \$182
01-354-5785	COMPUTER EQUIPMENT	-	-	1,350	Computer and printer replacements
01-354-5951	EMPLOYEE RECOGNITION	150	150	200	\$50 per employee
01-354-5970	REFUNDS	65	100	100	Permits and Community Garden refunds
TOTAL COMMUNITY DEVELOPMENT EXPENDITURES		\$ 451,197	\$ 511,528	\$ 554,321	

VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Community Development
April 30, 2019



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 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
01-365-5980	SEIZED ASSETS – EXPENSE	1,500	-	-	
01-370-5811	GRANT - POLICE TOBACCO COMPLIANCE	-	300	500	Cigarette purchases for compliance tests. State Tobacco grant
01-370-5813	GRANT – CBDG	-	30,000	27,500	Remaining grant revenue for mural program
	TOTAL GRANT EXPENDITURES	\$ 1,500	\$ 30,300	\$ 28,000	

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 2017-2018	Amended Budget 2018-19	Budget 2019-2020	Description
01-400-6000	PRINCIPAL PAYMENT	\$ 398,843	\$ 477,102	\$ 484,337	2003A, 2011B and 2014B Issues
01-400-6010	INTEREST EXPENSE	100,395	94,000	80,250	2003A, 2011B and 2014B Issues
01-441-6000	PRINCIPAL PAYMENT	-	-	-	
01-441-6010	INTEREST EXPENSE	-	-	-	
01-427-6000	PRINCIPAL PAYMENT	52,675	55,182	55,936	2007 and 2011B Issues
01-427-6010	INTEREST EXPENSE	14,142	12,916	10,939	2007 and 2011B Issues
	TOTAL BOND PAYMENTS	\$ 566,055	\$ 639,200	\$ 631,462	

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 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
01-511-7010	LAND - ADMINISTRATION	\$ 309,867	\$ 198,000	\$ 198,000	General land purchases (Was \$250k but portion in principal payment for amount due under loan)
01-511-7021	BUILDING IMPROVEMENTS - ADMIN	14,877	150,000	50,000	Carryover for building security project
01-521-7020	BUILDING - POLICE	-	70,000	-	None anticipated
01-521-7030	EQUIPMENT - POLICE	-	150,000	22,000	Search & rescue drone
01-521-7040	VEHICLES - POLICE	114,819	127,000	170,000	Replace 3 vehicles
01-521-7011	PARKS – LAND IMPROVEMENTS	-	-	423,209	Millennium Park Expenditures \$21,400 (Grant), Lakefront Park redesign and Improvements \$150,000, Lighting project \$251,809
01-527-7021	BUILDING IMPROVEMENTS - PARKS	431,885	250,000	-	None anticipated
01-541-7021	BUILDING IMPROVEMENTS - STREET	-	330,000	-	None anticipated
01-541-7030	EQUIPMENT – STREETS	104,233	138,000	125,000	Hot mix/cold patch hot box \$55,000; Roadside utility tractor \$45,000; & Arrow message board \$25,000
01-541-7081	ROAD IMPROVEMENT – OTHER FUNDS	133,068	350,000	933,444	Sayton Rd North \$143,650; Sayton lites \$35,000; Greenwood \$50,000; Fossil Bridge \$30,000; Rte 12 (TIF) sidewalk \$29,914 Sayton Rd South prelim engineering \$180,000; Grand Ave lighting \$464,880.
01-541-7040	VEHICLES - STREETS	162,695	12,000	25,000	John Deere snowblower
01-541-7080	ROAD CONSTRUCTION	15	260,000	1,650,272	Grand Ave rehab \$1.353M (Grant); Nippersink Rd \$80,000 (Grant) & \$217,272 Local match
01-554-7040	VEHICLES - COMM DEV	-	-	-	
TOTAL CAPITAL EXPENDITURES		\$ 1,262,459	\$ 2,,035,000	\$ 3,596,925	

Total General Fund Revenues, Expenditures and Net Income

The Village of Fox Lake General Fund for FY2019-2020 is projected to reflect an intentional reduction of fund balance by \$2.12 million but this surplus will be utilized, along with reserves, for debt and capital expenditures. The General Fund FY2018-19 and FY2019-20 revenues are projected to exceed the operating expenditures by \$650,447 and \$2.11M, respectively.

	Actuals 2017-2018	Amended Budget 2018-2019	Budget 2019-2020
Total General Fund Revenues	\$13,366,821	\$12,090,391	\$13,717,622
Total Operating Expenditures	9,682,428	11,439,944	11,607,198
Total Debt & Capital Expenditures	1,828,514	2,674,200	4,228,387
Total General Fund Expenditures	\$11,510,942	\$14,114,144	\$15,835,585
Net Revenue/(Expenditures)	\$ 1,855,879	\$(2,023,753)	\$(2,117,963)

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 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
12-100-3000	REAL ESTATE TAXES	\$ 44,257	\$ 50,247	\$ 50,247	Flat development anticipated in fiscal year
12-100-3700	INTEREST INCOME	4,382	1,500	5,000	Level interest rate, but anticipated lower cash balance due to construction projects
	TOTAL REVENUE	\$ 48,639	\$ 51,747	\$ 55,247	
12-300-5100	PROFESSIONAL SERVICES	\$ 13,712	\$ 25,000	\$ 7,000	Tree removal/mitigation
12-300-5101	AUDIT SERVICES	-	-	1,600	Per proposal
12-300-5120	LEGAL SERVICES	-	25,000	32,500	TIF district support and potential litigation
12-500-7080	ROAD CONSTRUCITON	-	250,000	270,941	TIF Sidewalk construction and engineering \$170,941; Preliminary engineering for retaining wall \$100,000
	TOTAL EXPENDITURES	\$ 13,712	\$ 300,000	\$ 312,041	
	NET SURPLUS/(DEFICIT)	\$ 34,927	(\$ 248,253)	(\$ 256,794)	

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 FY2019-2020 was conservatively developed assuming an increase in the per capita rate from to \$26.37 to \$26.40 pursuant to the Illinois Municipal League's early projections.

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	\$ 280,394	26.50
FY2018-2019 (B)	\$ 279,000	26.37
FY2019-2020 (B)	\$ 279,236	26.40

*Includes Job Now & High Growth Cities receipts

General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
15-100-3130	MOTOR FUEL TAX	\$ 280,394	\$ 279,000	\$279,236	\$26.40 per capital based on 10,579 population
15-100-3700	INTEREST INCOME	11,826	8,000	12,000	Level interest rate on lower cash balances
	TOTAL REVENUE	\$ 292,220	\$ 287,000	\$ 291,236	

15-300-5100	PROFESSIONAL SERVICES	4,815	31,000	31,000	Thermoplastic \$15,000, Road striping \$6,000; Traffic Studies \$10,000
15-300-5413	ELECTRICITY CHARGES	14,237	15,000	15,000	LED lighting reduced lighting expense
15-300-5710	OPERATING SUPPLIES	100,188	165,000	175,000	Salt: \$69/Ton x 1,800 tons= \$124,200; Deicer: 7,000gal/\$1.25 = \$8,750 Asphalt resurfacing: \$42,050
15-500-7080	ROAD CONSTRUCTION	184,918	350,000	643,986	Sayton Rd North \$382,464; Grand Ave \$261,522
	TOTAL EXPENDITURES	\$ 304,158	\$ 561,000	\$ 864,986	

NET SURPLUS/(DEFICIT)	\$(11,938)	(\$ 274,000)	(\$ 573,750)
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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 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
20-100-3110	SALES TAX	\$ 169,731	\$ 619,000	\$ 657,041	Based upon study estimates
20-170-3700	INTEREST INCOME	-	6,000	3,000	Flat interest rate but lower cash balance due to projects
TOTAL REVENUE		\$ 169,731	\$ 625,000	\$ 660,041	
20-300-5100	PROFESSIONAL SERVICES	\$ 54,645	\$ 25,000	\$ -	None anticipated
20-300-5107	PROF SERVICES – STUDIES	-	-	5,000	Hotel study
20-300-5120	LEGAL SERVICES	-	-	7,500	Agreements, resolutions, general
20-300-5401	SERVICE CHARGES - GENERAL	-	5,000	5,000	Staff time allocation
20-300-5525	BUSINESS INCENTIVES	-	-	50,000	Potential new business incentives
20-300-5712	SIGNAGE PROGRAM	-	-	200,000	Directional/Wayfinding Signage
20-300-5720	COMMUNITY PROGRAM	-	-	30,000	Façade Program
20-300-7011	LAND IMPROVEMENTS	-	-	-	

20-500-7080	CAPITAL IMPROVEMENTS – ROADS	25,867	81,000	821,258	Frontage Rd South engineering & construction \$716,258; Frontage Rd North preliminary engineering \$105,000
	TOTAL EXPENDITURES	\$ 80,512	\$ 111,000	\$ 1,118,758	
	NET SURPLUS/(DEFICIT)	\$ 89,219	\$ 514,000	(\$ 458,717)	

Business Development District - Central

General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
21-100-3110	SALES TAX	\$ 121,836	\$ 425,000	\$537,644	Based upon study estimates
21-100-3700	INTEREST INCOME	-	3,300	2,000	Estimate
	TOTAL REVENUE	\$ 121,836	\$ 428,300	\$ 539,644	
21-300-5100	PROFESSIONAL SERVICES	\$ 32,926	\$ 25,000	\$ -	
21-300-5107	PROFESSIONAL SERV – STUDIES	-	-	5,000	Hotel study
21-300-5120	LEGAL SERVICES	-	-	7,500	Agreements, resolutions, general
21-300-5401	SERVICE CHARGES - GENERAL FUND	-	5,000	5,000	Reimburse for General Fund staff time spent managing BDD
21-300-5525	BUSINESS INCENTIVES	-	40,000	79,817	Potential Business Incentive Agreements.
21-300-5712	SIGNAGE PROGRAM	-	-	50,000	Directional/wayfinding signage
21-300-5720	COMMUNITY PROGRAMS	-	-	30,000	Façade Program
21-300-7011	LAND IMPROVEMENTS	-	-	21,400	Millennium Park project/water quality
21-500-7080	ROAD CONSTRUCTION	\$ 20,468	151,000	718,034	Rt 12 sidewalk engineering & construction \$226,497; Grace Av engineering & construction \$143,000; Grand Ave lighting \$251,809; Grand Ave rehab \$96,728
	TOTAL EXPENDITURES	\$ 53,394	\$ 221,000	\$ 916,751	
	NET SURPLUS/(DEFICIT)	\$ 68,442	\$ 217,300	(\$ 377,107)	

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 \$68,556. 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 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
50-100-3820	PARKING FEES	\$ 107,809	\$ 95,000	\$ 95,000	FY20 no change from prior year. FY19 decrease due to commuters working from home. Lower gas prices.
50-100-3700	INTEREST INCOME	227	424	600	Based on prior year estimated actual
	TOTAL REVENUES	\$ 108,036	\$ 95,424	\$ 95,600	
50-300-4000	WAGES	\$ 29,825	\$ 43,657	\$ 17,645	.41 FTE plus COLA
50-300-4002	WAGES - PART-TIME	-	6,750	-	None anticipated
50-300-4100	HEALTH INSURANCE	4,253	8,609	3,852	15% estimated increase @ Jan 1
50-300-4110	LIFE INSURANCE	-	-	39	Employee Insurance
50-300-4200	SOCIAL SECURITY & MEDICARE	2,425	3,820	1,350	Salary changes
50-300-4220	IMRF	3,327	4,182	1,412	Percentage reduced (7%) Jan 1, 2019. Estimated at 10% Jan 1, 2020
50-300-4225	NET PENSION EXPENSE	1,166	2,668	1,450	Average of previous two years actual

Commuter Parking Fund (continued)

General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
50-300-5010	EQUIPMENT MAINTENANCE	71	150	150	Repairs/maintenance to pay boxes and shelters
50-300-5040	PARKS & GROUNDS MAINTENANCE	16	1,000	500	Contractual maintenance of grounds
50-300-5100	PROFESSIONAL SERVICES	502	500	500	Audit moved to Admin Service Charges
50-300-5102	ACCOUNTING SERVICES	1,304	1,400	-	None. Previously software licenses.
50-300-5104	PROF SERVICES - SNOW REMOVAL	13,522	10,000	10,000	Contractual snow removal for Fox Lake & Ingleside – Average of 2 years
50-300-5200	POSTAGE	-	-	-	Mailing Parking Passes
50-300-5221	PRINTING	-	300	300	Metra parking passes & placards
50-300-5401	SERVICE CHARGE - GENERAL FUND	27,180	38,734	31,215	Allocable portion of Admin, Finance & PW costs.
50-300-5410	UTILITIES	7,418	6,500	7,100	ComEd electricity & Nicor natural gas utilities
50-300-5430	CREDIT CARD & BANK CHARGES	-	-	470	Bank & CC fees to accept debit & credit cards
50-300-5500	LIABILITY & WORKERS COMP INS	895	3,730	3,810	Estimated 5% increase upon renewal
50-300-5710	OPERATING SUPPLIES	12,673	18,000	19,000	Salt for parking lots, mowing metra areas. Salt: 250 Tons @ \$69/ton = \$17,250; Mulch, seed \$1,750
50-300-5780	SOFTWARE LICENSE SUPPORT	-	-	150	Civic Systems/Caselle license & support
50-300-5970	REFUNDS	30	-	-	None anticipated.
50-300-8000	DEPRECIATION	5,036	5,036	5,036	No Capital Expenditures budgeted. Same as prior year.
	TOTAL PARKING EXPENSES	\$ 109,643	\$ 155,036	\$ 103,979	
	NET SURPLUS/(DEFICIT)	(\$ 1,624)	(\$ 59,612)	(\$ 8,379)	

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 greater than prior year mostly due a rise in water sales attributed to the rate increase and a reduction in operating expenses.

General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
51-100-3830	WATER SALES	\$ 4,071,181	\$ 4,258,720	\$ 4,400,000	Rate increase of 2% plus 1.9% CPI
51-100-3200	GRANT REVENUE	-	-	-	None Anticipated
51-100-3700	INTEREST INCOME	49,804	69,000	70,000	Conservative estimate.
51-100-3701	REALIZED GAINS/LOSSES ON F/A	337	-	-	None anticipated
51-100-3720	SALE-FIXED ASSETS	22,919	-	-	None anticipated
51-100-3750	MISCELLANEOUS INCOME	38,738	20,000	20,000	Trending like prior year
51-100-3831	WATER METER SALES	14,170	20,000	14,000	Reduction due to slowing construction activity
51-100-3840	TAP-ON-FEES	222,163	167,000	167,000	Consistent with prior year budget. Slowing construction
51-100-3841	REMEDIAL WASTE	41,045	22,000	-	Program discontinued
51-100-3845	PENALTIES	83,215	50,000	76,000	Estimated based on recent trend
	TOTAL OPERATING REVENUE	\$ 4,543,572	\$ 4,606,720	\$ 4,747,000	

General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
51-200-3902	NEW IEPA LOAN	1,279,514	-	9,242,033	Interconnect Phase I \$8,742,033 Interconnect Phase II \$500,000
51-200-3910	IEPA LOAN PRINCIPAL OFFSET	(1,279,514)		(9,242,033)	Offset to move Loan Principal to Liability
51-200-3910	IEPA LOAN FOREGIVEN	750,000			None. Interconnect PHI planned for 2020-21
	TOTAL REVENUE	\$ 5,293,572	\$ 4,606,720	\$ 4,747,000	

Water/Sewer Fund Expenses Budget

General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
51-300-4000	WAGES	\$ 410,005	\$ 462,608	\$ 519,096	8.33 FTE plus union contract changes additional laborer
51-300-4010	OVERTIME	22,639	21,750	25,863	Weekend and emergency line breaks coverage
51-300-4100	HEALTH INSURANCE	98,950	119,397	121,512	15% estimated increase in premiums Jan 1
51-300-4110	LIFE INSURANCE	764	798	783	Slight premium increase projected
51-300-4200	SOCIAL SECURITY & MEDICARE	32,774	36,139	41,805	Salary changes
51-300-4220	IMRF	47,486	45,759	41,528	Percentage reduced (7%) @ 1/2019; Plan 10% @ 1/2020
51-300-4225	NET PENSION EXPENSE	326	12,000	8,000	Salary changes
51-300-5000	BUILDING MAINTENANCE	16,623	38,600	37,700	HVAC inspections & repairs 5000, Backflow inspections & repair 1500, Sealcoating Kings Island and Wells 4 & 5-3000, Replace old de-humidifier 3000, Rehab of Tall Oaks gate 2500, Inspection and repair of Leisure Village elevator 1500, Garage door service and repair 1000, Replace three entry doors at Well 5-3000, Roof repairs at Well 4-5000, Replace chlorine alarms at Well 4 and 5-5000, New Stihl 420 Partner saw 1000, Replace 14 year old scag lawn mower 6000

Water/Sewer Fund Expenses Budget (continued)

General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	
51-300-5010	EQUIPMENT MAINTENANCE	60,342	36,700	48,200	Repair pumps and controls 35000, Chemical scale calibration 1000, chlorine alarm calibration and repair 2500, Hach meter calibration 1000, Tall Oaks meter calibration and repair 1000, Safety equipment inspection 1200, Cathodic protection inspection 1500, misc SCADA \$5,000
51-300-5021	VEHICLE MAINTENANCE - MP	39,272	27,000	37,000	Vac Truck, F450, (4) F350, 2014 Ford Van, Box Truck
51-300-5050	UTILITY SYSTEM MAINTENANCE	79,025	198,560	205,000	Water meter testing and calibration 6000, Water leak survey 10500, Restoration materials 10000, Paving 13000, Bulk materials 4000, Equipment rental 2000, Emergency repair 125000, Pressure wash Earnest tower 7000, Tonka filter inspections 6000, Replace aging fluoride and poly pumps 3500, Clean out and dispose of Well 5 Iron pit 5000, change bearings on Tall Oaks plant 2-1000, Change ferric lines at Tall Oaks 2000, Fire hydrant sand blasting and painting 10000
51-300-5100	PROFESSIONAL SERVICES	17,915	48,700	44,600	IEPA permit \$8000, Fire Extinguishers \$600, Misc \$500, GIS ELA program \$7000, BSI \$1500, Sensus \$2000, Baxter Woodman \$25000
51-300-5102	ACCOUNTING SERVICES	7,003	11,308	4,675	Pro Data \$675, allocation of audit now processed through general fund service charge allocation, lien fees \$4,000
51-300-5105	JULIE LOCATE FEES	1,142	-	4,000	Moved from code 5100
51-300-5110	ENGINEERING SERVICES	78,662	85,000	100,000	General Engineering Costs \$60k, GIS Services \$40k
51-300-5115	OUTSIDE LAB TESTING	18,258	27,432	29,400	NWRWRF Lab \$13,000, sludge handling \$3,000, sludge testing \$2,300, IEPA, State & Federal water testing \$8,500, Admin contract lab \$580, sample contingency \$2,000

Water/Sewer Fund Expenses Budget (continued)

General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
51-300-5120	LEGAL SERVICES	9,769	20,000	10,000	Based on FY18/19 less project costs
51-300-5150	PHYSICAL EXAMS	-	100	100	No change from last year
51-300-5160	TECHNOLOGY SERVICES	1,627	2,500	2,500	Equipment repairs \$1,000, misc \$1,500
51-300-5200	POSTAGE	6,453	12,150	10,750	\$6,000 Sewer & Water Billing, shipping \$1,000, Certified Mailings \$250; Backflow surveys \$3,500
51-300-5221	PRINTING	939	2,630	2,600	Postcards \$800, regular envelopes \$150, hang tags \$500, business cards \$100, misc \$1000; ship labels \$50
51-300-5224	PUBLISHING	2,306	1,500	2,000	Bids, system maintenance
51-300-5310	MEMBERSHIPS	582	1,090	1,090	AWWA \$400, CSWEA \$150, FVOA\$50, WEF \$140, North Suburban Labs \$150, APWA \$200; potential inc \$100
51-300-5320	TRAVEL	8	-	-	
51-300-5330	TRAINING	2,306	8,300	7,500	Seminars & Workshops \$2,500, safety manuals & videos \$500, CL2/Competent Person/Confined Space/ \$4,500
51-300-5401	SERVICE CHARGE - GENERAL FUND	290,136	353,956	359,655	Allocation of HR/Accounting/PW pro-rata charges
51-300-5402	SERVICE CHARGE - 911	7,884	9,556	11,943	Based upon 911 calls for Lift Station alarms
51-300-5410	UTILITIES	169,057	169,540	173,690	Verizon Cell Phones & 2 iPads \$5440; Comcast Phone (Tall Oaks internet) \$2600; Electric \$148000; Com Ed \$500; Nicor \$13,000; OMNI site Alarms \$600; Fox Utility Bill \$1800; tech mgt revolving internet \$1350; Access One \$1500.
51-300-5430	CREDIT CARD & BANK CHARGES	19,651	27,000	24,000	Bond handling fee & Credit Card fees - 2019 est actual
51-300-5500	LIABILITY & WORKERS COMP INS	110,125	110,000	110,000	WC \$15,900; Liability \$38,300; Claim \$55,000 (incl 5% premium increase)

Water/Sewer Fund Expenses Budget (continued)

General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
51-300-5600	BUILDING MAINTENANCE SUPPLIES	7,410	20,000	23,300	Cleaning supplies 1000, Electrical 4000, Lubricants 800, Locks 500, Paint/supplies 2500, Paper products 1200, Locate Supplies 2000, Construction materials 2000, Landscape supplies 1000, Plumbing 1000, Soaps 500, Signage 500, Weed Killer 800, Fastners 1000, Misc 3000, Cylinder rental 100, Batteries 400, Light bulbs 1000
51-300-5610	EQUIPMENT MAINTENANCE SUPPLIES	5,301	4,000	6,000	Pumps, saws, mowers, air compressor, Jet/vac , portable emergency generator repairs
51-300-5620	VEHICLE PARTS	2,572	12,700	12,700	Vehicles \$500, Vactor - nozzles, hoses, tubing \$5,000, Sewer Camera Parts - \$2,000, Camera Inspection \$5,200
51-300-5630	UTILITY SYSTEM MAIN SUPPLIES	129	8,000	7,800	IEPA field testing CL2 \$1,200, Fluoride \$2,500, Phosphate \$450, Iron \$450, Standards \$500 Contingency \$1,200, Poly/fluoride pumps \$1,500,
51-300-5640	WATER METERS	32,233	50,510	44,600	Meters-75 routine change outs and 20 residential construction at 200 each= 19000, MXU transmitters-100 routine change outs and 20 residential construction at 130 each= 15600, Misc meter gaskets, wire, fittings 5000, New commercial meter 5000)
51-300-5700	OFFICE SUPPLIES	1,535	3,525	4,000	Printer Cartridges \$450, Paper \$250, misc. \$1,000 (Pens, notebooks, post its, paperclips, etc.) Replace Office Furniture \$1,500, Utility Billing \$800
51-300-5710	OPERATING SUPPLIES	25,963	38,000	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

Water/Sewer Fund Expenses Budget (continued)

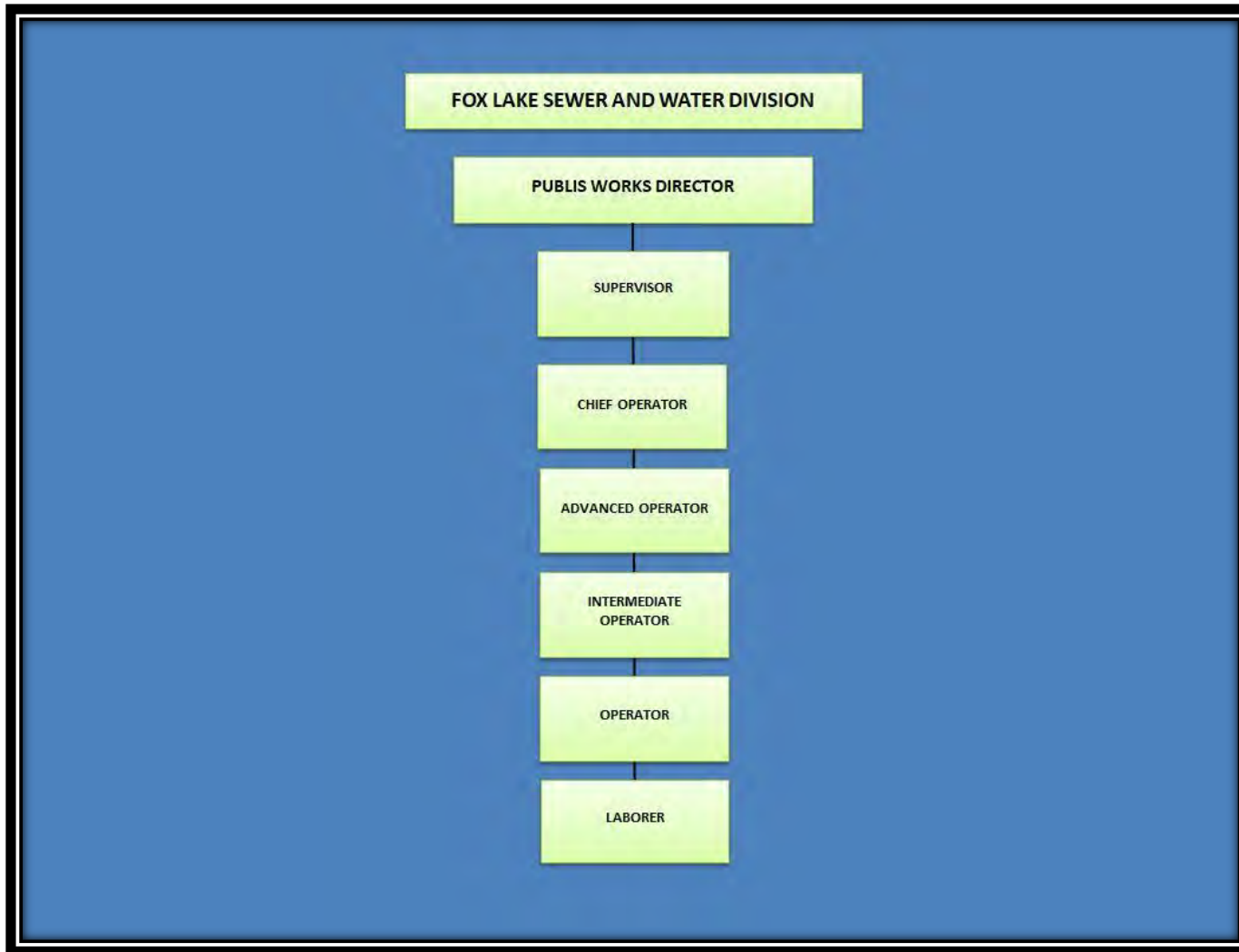
General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
51-300-5730	SMALL TOOLS	5,131	8,200	8,200	Tyvek Suits \$500, Rubber gloves \$500, System tools \$2,000, Small tools \$2,000, Safety Equipment \$3,000, First Aid Supplies \$200,
51-300-5740	UNIFORMS	3,045	6,000	6,725	Uniforms 500 x 7 employees 3500, Boots x 7 employees 1225, Hats, gloves, coats, hard hats, safety equipment 2000
51-300-5750	CHEMICALS	25,535	53,000	40,300	7635 lbs chlorine 4500, 4306 lbs fluoride 2100, 4197 lbs of Poly 5000, 200 gallons of Hypochlorite 1100, Sewer: 1900 lbs chlorine 1100, 5000 gallons of ferric 10000, 6408 lbs Bi sulfate 2000, 500 lbs Drytec Granual 1500, delivery charges 2000, contingency 1000, enzymes for lift station grease 10000
51-300-5751	FUEL	14,560	25,500	22,750	Gas - Regular: 100 gallons small equip \$250; 6000 gallons vehicles @ \$2.50/gallon \$15,000 - Diesel 2500 vehicles = \$6250; 500 generators @ 2.50/gallon \$1,250
51-300-5752	LAB SUPPLIES	-	-	-	Moved to operating supplies
51-300-5780	SOFTWARE LICENSES/SUPPORT	-	-	4,993	Civic Systems/Caselle support; Barracuda firewall
51-300-5785	COMPUTER EQUIPMENT	-	-	1,500	New meter reading laptop
51-300-5951	EMPLOYEE RECOGNITION	211	200	250	Employee Recognition.
51-300-5970	REFUNDS	2,981	5,000	5,000	Same as Prior.
51-300-8000	DEPRECIATION	777,686	925,205	800,000	Last year's actuals plus current capital
51-300-8020	AMORTIZATION EXPENSE	12,552	12,552	12,552	Bond issuance costs amortized over 15 years
	TOTAL OPERATING EXPENSES	\$ 2,468,873	\$ 3,062,465	\$ 3,023,660	

Water/Sewer Fund Expenses Budget (continued)

General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
51-400-6000	PRINCIPAL PAYMENT	304,202	393,256	392,448	Principal payment on Bonds: 2011B, 2014B, IEPA Junior Lien Loan, and IEPA North Tower
51-400-6001	PRINCIPAL PAYMENT OFFSET	(304,202)	(393,256)	(392,448)	Principal payments do not reflect an expense; they are a reduction of a liability.
51-400-6010	INTEREST EXPENSE	131,726	122,885	115,519	Interest payment on Bonds: 2011B, 2014B, IEPA Junior Lien Loan, and IEPA North Tower (does not include amortization expense.)
51-400-6020	BOND ISSUANCE COSTS	-	-	-	None anticipated
	TOTAL DEBT	\$ 131,726	\$ 122,885	\$ 115,519	

51-500-7020	BUILDING	952,195	135,000	120,000	Replace transfer switch at Kings Lift Station \$20000; Backup generators at Highschool Lift and Woodland Green Lift \$100,000
51-500-7303	EQUIPMENT	794	-	-	
51-500-7040	VEHICLES	81,826	-	237,500	New vac truck (50% split with NWR) \$225,000; Wireless equip split 50% with NWR \$12,500
51-500-7050	WATER & SEWER SYSTEM	556,278	1,240,000	9,446,690	Replace valves at Menards, Hilltop, and Lippincott Lift stations \$40K; Replace water main to fire department and police station \$200K, SCADA addition to south well at Tall Oaks and repair of multiple lift stations \$25K; Replace broken water system valves \$35K; Rehab of Wells 4 and 5 \$130K; Sanitary sewer lining \$140K; Interconnect Engineering PHI Const & Eng \$8,287,690 (\$7,952,690 covered by loan); Interconnect PHII Constr & Eng for start-up \$510,000 (\$500,000 covered by loan); Sayton Rd Water Main \$79K
	CAPITAL IMPROVEMENTS	\$ 1,591,093	\$ 1,375,000	\$ 9,804,190	
51-600-8000	CAPITAL EXP CLASSIFIED ASSET	\$(1,591,093)	\$(1,375,000)	\$(9,804,190)	Assets are capitalized and are not included in expense.
	NET INCOME/(LOSS)	\$ 2,692,973	\$ 1,421,370	\$ 1,607,821	

VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Water & Sewer
April 30, 2019



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 \$766,991 more operating expenditures in the current year mostly due to the addition of a laborer and collective bargaining agreement changes as well as increases in building and equipment maintenance costs. Expenses are separated by: Treatment Expenses, Division 300 and Pre-treatment Expenses, Division 310.

General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
52-100-3200	GRANT REVENUES	-	-	20,000	Lighting Incentive Grant
52-100-3505	FINES	375	-	-	None anticipated
52-100-3700	INTEREST INCOME	133,801	160,000	255,000	Estimated based on annual trend.
52-100-3701	REALIZED GAINS/LOSSES	1,128	-	-	
52-100-3720	SALE-FIXED ASSETS	3,599	3,000	4,000	Sale of Box Truck
52-100-3750	MISCELLANEOUS INCOME	4,175	-	2,000	Lab fees
52-100-3803	EXTERNALITY FEE - CREDIT	-	-	-	No entry necessary. Payback per agreement recorded in FY17
52-100-3835	SEWER CHARGES	748,097	725,000	771,000	Additional units added
52-100-3836	SEWER SURCHARGES	13,603	8,000	4,200	Industrial Users - current trend
52-100-3837	COUNTY SEWER CHARGES	3,942,496	4,000,000	4,150,000	Estimated based on agreement with Lake County + Baxter
52-100-3840	TAP-ON-FEES	1,564,240	180,000	160,000	FY18-19 estimated actual less Volo contract payments.
52-100-3841	REMEDIAL WASTE	89,945	50,000	-	No longer receiving remedial waste
52-100-3845	PENALTIES	17,971	15,500	15,500	Estimated based on annual trend
	OPERATING REVENUES	\$ 6,519,430	\$ 5,141,500	\$ 5,381,700	

Northwest Regional Water Reclamation Facility Budget (continued)

General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
52-200-3990	EXTERNALITY CREDIT AGREEMENT	15,614	100,844	104,794	Credit Agreement/Settlement – based on budgeted revenues 4.5%
	TOTAL REVENUE	\$ 6,535,044	\$ 5,242,344	\$ 5,486,494	

TREATMENT EXPENSES:

52-300-4000	WAGES	\$ 779,100	\$ 982,374	\$ 1,245,526	16.83 FTE plus contract changes; additional laborer
52-300-4002	WAGES - PART-TIME	15,533	45,730	16,125	.28 FTE
52-300-4010	OVERTIME	37,054	53,486	63,577	Weekend and emergency coverage
52-300-4100	HEALTH INSURANCE	188,557	234,419	289,927	Estimated 15% increase in premium on Jan 1
52-300-4110	LIFE INSURANCE	1,212	1,516	1,581	Minimal increase estimated for Jan 1 renewal
52-300-4200	SOCIAL SECURITY & MEDICARE	61,414	79,997	101,473	Salary changes
52-300-4220	IMRF	86,967	102,464	99,643	Percentage reduced (7%) 1/1/2019. Estimated at 10% Jan '20
52-300-4225	NET PENSION EXPENSE	10,838	10,000	12,000	Salary changes
52-300-5000	BUILDING MAINTENANCE	38,951	197,300	327,100	Boiler service \$2,000, door/window services \$1,500, weed control \$2,000, bio process diagnostics \$1,800, landscaping \$6,500, roof repairs \$50,000, SCADA service \$85,000, Fire alarm Maintenance/Repair \$1,000, Water Softener Service \$800, Brick Repairs \$20,000, backflow service \$1,000, Overhead door Services \$4,000, Janitorial Service \$9,800, AA lock replacement \$4,400, rags and towels \$1,500, Concrete Repairs & Crack Filling \$100,000, Concrete, HVAC repairs \$8,000, security gate \$5,000, fire extinguishers \$1,000, carpet cleaning \$800, LED lighting \$21,000

Northwest Regional Water Reclamation Facility Budget (continued)

General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
52-300-5010	EQUIPMENT MAINTENANCE	17,118	60,060	135,500	Elec Motor Repairs \$5,000, Screw Pump Motor Rebuild \$2,400, sump pump \$950, spectrophometer maintenance \$850, generator switch gear \$7,000, lab systems \$750, hoist inspection \$850, UPS batteries \$600, filter cartridges millipore \$2,100, cogen service \$6,000, prep skid service \$5,000, Meter/pipette Calibrations \$2,200.Linear Copier \$3,200, Washer \$2,600, seal rebuild/replace Moyno, Wmco, Hayward Gordon \$10,000, vfd repair/replacement \$6,000, primary digester cleaning
52-300-5021	VEHICLE MAINTENANCE - MP	14,045	14,500	15,000	Money allocated to motor pool to perform preventative maintenance to and repair NWRWRF Vehicles
52-300-5100	PROFESSIONAL SERVICES	173,464	241,000	226,425	NPDES \$52,500, Air emissions \$200, boiler permit \$500, background checks \$500, Odor control service contract \$172,725
52-300-5102	ACCOUNTING SERVICES	4,709	6,500	2,805	Lien filing fees \$1,500, ProData payroll service \$1,305
52-300-5110	ENGINEERING SERVICES	85,721	105,000	70,000	General engineering, Building Structure Analysis, SCADA, NPDES Renewal
52-300-5115	OUTSIDE LAB TESTING	10,386	14,400	15,950	ERA testing \$2,200, Sludge/npdes \$10,000, outside testing \$3,500 , Blackstone lab service \$250
52-300-5120	LEGAL SERVICES	28,669	30,000	20,000	Misc. legal services.
52-300-5130	SLUDGE REMOVAL	102,151	112,000	120,000	Sludge hauling - 8,000 cubic yards @\$15.00/cubic yrd
52-300-5150	PHYSICAL EXAMS	-	300	300	Vaccines and physicals
52-300-5160	TECHNOLOGY SERVICES	14,638	18,440	1,750	Equipment Repairs \$1,750

Northwest Regional Water Reclamation Facility Budget (continued)

General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
52-300-5200	POSTAGE	3,390	6,000	6,850	General \$1,000, Utility billing \$3,250, lab shipping \$700, pre-treatment postage \$250, instrument shipping \$500, equipment ship/freight \$1,000
52-300-5221	PRINTING	1,214	3,280	3,680	Utility billing \$1,180, job ads \$500, public notices \$200, bids \$800, po's letterhead, business cards, envelopes \$1,000
52-300-5224	PUBLISHING	1,211	1,000	1,100	Manuals and references
52-300-5310	MEMBERSHIPS	5,302	6,545	6,750	WEF \$600, FVOA \$200, CHMM \$425, ILWA \$5,000, AWWA \$265, FET \$85, MWAA \$125, IAWPCO \$50
52-300-5320	TRAVEL	182	2,200	1,500	Conference costs for Director
52-300-5330	TRAINING	3,069	4,220	4,475	Utility billing clerk \$150, ops seminars \$550, lab seminars \$300, mechanics training \$500, Electricians training \$250, Secretary \$250; Director training \$2,500
52-300-5340	TUITION REIMBURSEMENT	-	-	-	None anticipated
52-300-5350	MEETINGS	-	-	200	Meetings with agencies, service providers
52-300-5401	SERVICE CHARGE - GENERAL FUND	451,068	473,436	466,533	Allocable administrative, finance and HR costs. Increased by CPI 1.9%
52-300-5410	UTILITIES	531,571	421,660	553,994	Constellation Electricity \$476,000 (6 million* .05009), NICOR \$3,442/mth \$41,304, Village of Fox Lake water \$2,580/bi mthly \$15,480, Mobile \$800/month \$9,600, Phone \$742/month \$8,900, SCADA wireless \$180/mth \$2160, WIN 911 equipment alarm dialer \$550
52-300-5420	GARBAGE DISPOSAL	-	2,000	2,000	Chemical waste
52-300-5430	CREDIT CARD & BANK CHARGES	-	-	14,700	Bank & credit card fees – based on revenues
52-300-5500	LIABILITY & WORKERS COMP	176,309	222,200	222,200	WC \$48,500, Liability \$112,000, Claim reserve \$61,500
52-300-5510	RENTALS	24	3,000	3,000	Crane and Lift Rental
52-300-5540	EXTERNALITY FEE	294,077	226,900	235,787	4.5% of Revenue to General Fund per agreement with Lake County

Northwest Regional Water Reclamation Facility Budget (continued)

General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
52-300-5600	BUILDING MAINTENANCE SUPPLIES	169,183	229,400	328,950	Bldg 30 impeller/weir plates \$13k, Bldg 45 Aerzen parts \$12k, Bldg 55 painting \$50k, Bldg 60 seals & filters \$83k, other maintenance supplies \$171k
52-300-5610	EQUIPMENT MAINTENANCE SUPPLIES	17,508	46,100	48,350	Paint \$4,000, paint supplies \$1,500, plumbing supplies \$2,500, electrical supplies \$3,000, light bulb replacement \$1,200, oil \$4,500, grease \$4,500, analyzers/accessories \$10,000, steel stock \$2,000, rubber \$850, belts \$4,000, 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	1,274	5,000	5,000	General for pumps, mowers, ATV's.
52-300-5630	UTILITY SYSTEM MAIN SUPPLIES	-	-	-	Moved to operating supplies
52-300-5700	OFFICE SUPPLIES	2,281	3,900	5,920	Paper, paper clips, pens, pencils staples, folders, hanging folders, loos-leaf notebooks, report folders, tap scissors, hi-liters, markers, computer supplies \$1,900, print cartridges \$2,500, water billing office supplies \$720; standing computer desk \$800
52-300-5710	OPERATING SUPPLIES	12,986	22,400	23,700	General supplies \$5,000, Chlorine pump parts \$1,800, welding/torch gas \$1,200, mulch/top soil \$2,500, All Hoses & Fittings \$4,000, drinking water \$1,400, mechanics consumables \$2,000, Janitorial Supplies including paper products \$4,800, sampler parts \$1,000
52-300-5711	SAFETY SUPPLIES	2,883	7,200	6,300	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 Detection Meter \$3,400, Nitrile gloves \$2,000

Northwest Regional Water Reclamation Facility Budget (continued)

General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
52-300-5730	SMALL TOOLS	24,236	9,850	18,200	Peristaltic Pump \$3,500, Electrician Tools \$200, Operator Tools \$800, Mechanics Tools \$400, ammonia analyzer maintenance \$2,700, push cam \$1,000 (carryover), \$9,600 Sampler/Accessories
52-300-5740	UNIFORMS	2,572	9,500	4,800	Purchase/replacement of: coats, pants, boots, t-shirts, rain gear, winter gear, sweat shirts, coveralls
52-300-5750	CHEMICALS	264,339	305,000	336,600	50-r Caustic Cleaner \$1,800, Hydrex 4900 Filter Cleaner \$1,000, Siloxane Media Bldg 79 \$6,000, Salt (Ice Melt) \$3,600, Acid-Muriatic \$200, Calcium Hypochlorite \$5,800, Calcium Hypochlorite Tabs \$11,000, Deodorant Blocks \$1,200, Sulfuric Acid \$4,000, Ferric Chloride \$106,000, Micro Nutrients \$14,000, Polymer \$147,000, Salt (Softeners) \$3,600, Salt (Ice Melts) \$800, Sodium Hypochlorite \$30,000, Fertilizer sticks \$300, Weed Killer nonselective \$300
52-300-5751	FUEL	10,021	15,000	17,100	Diesel \$12,000, Fork Lift \$500, Gasoline \$4,600 (includes pretreatment vehicles)
52-300-5752	LAB SUPPLIES	17,227	31,500	33,000	Meters, probes, glass, plastic bottles, balance \$4,500, Consumables/equipment supplies: filter paper \$2,500, Lab kits \$26,000
52-300-5780	SOFTWARE LICENSES	-	-	14,161	\$2,500 Civic/Caselle Software, Antivirus (trend micro, app river) \$450, Allmax \$7000, Offline Data Storage (%50) \$1,650, Barracuda email archive/firewall \$681, Miscellaneous software \$1,480, Annual Security software fee \$400
52-300-5785	COMPUTER EQUIPMENT	-	-	9,100	Misc Tech Upgrades \$1,500, Monitor Replacement (4) \$600, Computer Replacement (7) \$7,000
52-300-5951	EMPLOYEE RECOGNITION	150	500	800	Employee recognition – cards, flowers, luncheons
52-300-7020	EQUIPMENT	-	15,000	1,100	Snow blower
52-300-8000	DEPRECIATION	1,978,021	2,070,646	2,075,000	Trend plus FY18-19 additions
	SUB-TOTAL EXPENSES	\$ 5,640,625	\$ 6,452,923	\$ 7,215,532	

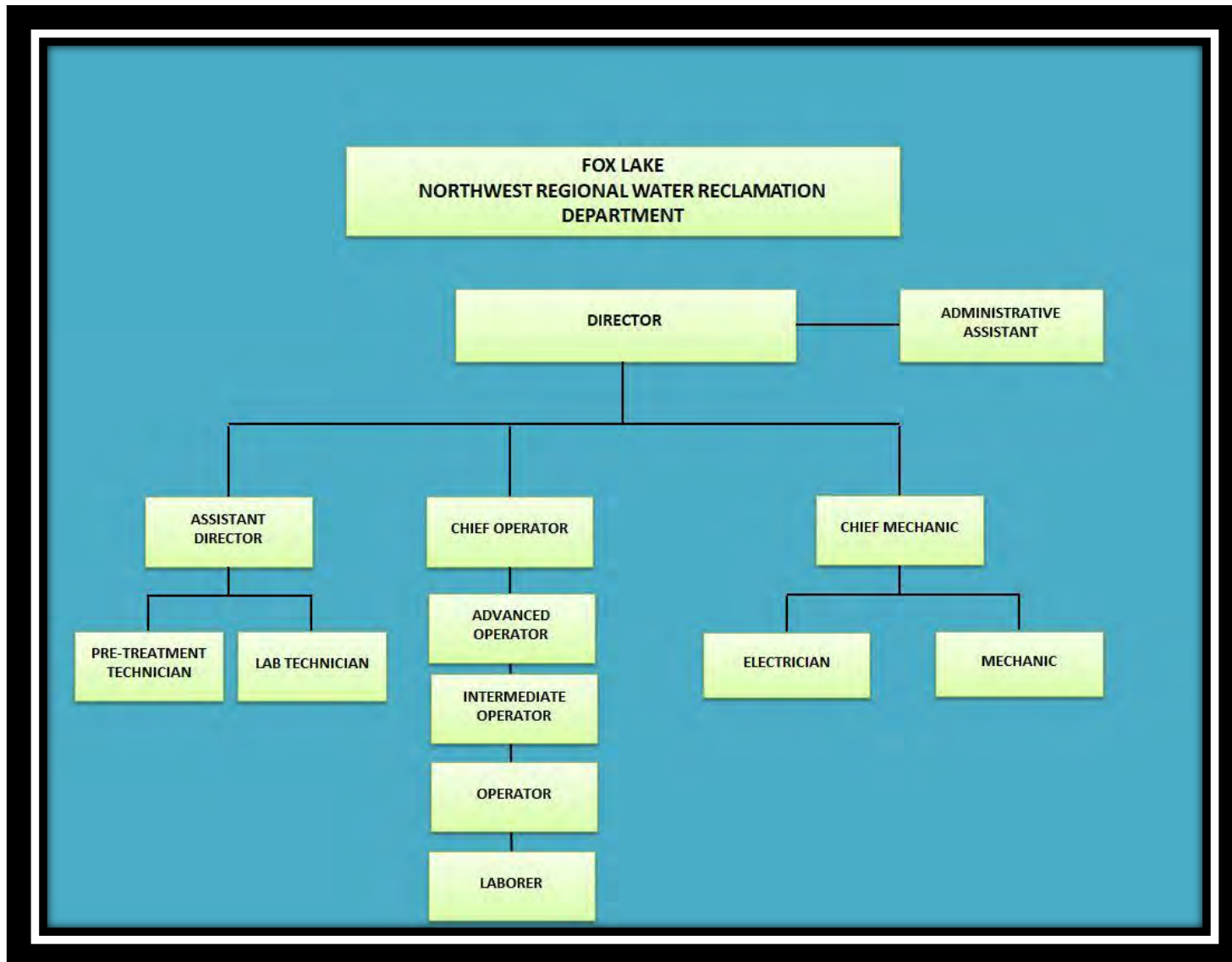
Northwest Regional Water Reclamation Facility Budget (continued)

General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
PRE-TREATMENT EXPENSES:					
52-310-4000	WAGES	\$ 111,780	\$ 73,665	\$ 78,687	1.03 FTE plus contract changes
52-310-4010	OVERTIME	5,069	5,500	3,500	Weekend and emergency coverage
52-310-4100	HEALTH INSURANCE	24,481	18,628	12,923	Decreased to 1 employee from 2 In FY19.
52-310-4110	LIFE INSURANCE	146	92	94	Decreased to 1 employee from 2 in FY19
52-310-4200	SOCIAL SECURITY & MEDICARE	8,802	5,856	6,288	Decreased to 1 employee from 2 In FY19.
52-310-4220	IMRF	12,789	7,419	6,295	Decreased to 1 employee from 2 in FY19. Est rate reduction.
52-310-5021	VEHICLE MAINTENANCE - MP	-	1,000	800	Pretreatment vehicle maintenance
52-310-5100	PROFESSIONAL SERVICES	532	13,000	1,000	Sample Repair \$500, H2S Meter Service Plan \$500, \$12,000 Pre-Treatment Assessment
52-310-5110	ENGINEERING SERVICES	-	500	15,000	General Pretreatment Assistance
52-310-5115	OUTSIDE LAB TESTING	15,051	15,100	19,100	Industrial Sampling \$8,000 (reimbursed), FOG monitoring \$2,500, 1/4 INF & EFF \$6,300, Eff LL HG \$1,300, Semi Annual FOC \$1,000
52-310-5120	LEGAL SERVICES	-	500	500	General
52-310-5160	TECHNOLOGY	-	3,000	400	Spam protection \$50, Anti Virus \$60, Equipment repairs \$300, Rugged Laptop Replacement \$2590
52-310-5330	TRAINING	-	600	800	misc training for technician
52-310-5410	UTILITIES	679	450	540	Cell Phones (1)
52-310-5700	OFFICE SUPPLIES	48	460	520	Toner \$220, Supplies \$400
52-310-5710	OPERATING SUPPLIES	285	3,650	4,555	ODA Logger replacement \$1,600, Glassware \$55, Test Kit refills/supplies \$400; Sensors \$800; Misc tools \$400; Batteries \$800; Sampler Supplies \$500
52-310-5711	SAFETY SUPPLIES	-	250	250	Misc. Safety Supplies
52-310-5740	UNIFORMS	115	-	-	Acct eliminated

Northwest Regional Water Reclamation Facility Budget (continued)

General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
52-310-5785	COMPUTER EQUIPMENT	-	-	2,800	Rugged laptop replacement
	SUBTOTAL PRE-TREATMENT EXPENSES	\$ 179,777	\$ 149,670	\$ 154,052	
52-500-7011	LAND IMPROVEMENTS	-	-	-	None anticipated
52-500-7021	BUILDING IMPROVEMENTS	118,426	340,000	540,000	Screw Pump Rebuilds (2) (#5 on 1st stage & #5 on 2nd stage) \$340,000, Roof Replacements \$200,000
52-500-7030	EQUIPMENT	3,570	810,000	1,566,500	RAS Pump Design/Replacement \$860K, Drive rebuild (Bldg 55) \$30k, WAS pump rebuild (Bldg 70) \$ 40k, Boerger recirc pump replacement (Bldg 77) \$24k, Mixer rebuild kits (Bldg 40) \$35k, Wireless equipment (50% with LWS) \$12.5k, Master flow meters \$565k
52-500-7040	VEHICLES	31,168	56,000	281,000	Replace box truck \$56k; Vac truck (shared with Water/Sewer Fund 50%) \$225k
52-500-7050	INFRASTRUCTURE IMPROVEMENTS	-	1,100,000	1,150,000	Aeration Trunk Line \$1.15M
	TOTAL CAPITAL EXPENSES	\$ 153,164	\$ 2,306,000	\$ 3,537,500	
52-600-8000	CAPITAL EXP CLASSIFIED ASSET	\$ (153,164)	\$ (2,306,000)	\$(3,537,500)	Assets are capitalized and are not included in expense.
	TOTAL FUND EXPENSES	\$ 5,820,402	\$ 6,602,593	\$ 7,369,584	
	NW REGION INCOME/(LOSS)	\$ 714,642	\$(1,360,249)	\$(1,883,090)	

VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Northwest Regional Water Reclamation District
April 30, 2019



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 a net loss of \$96,774 which is down almost 50% from the prior year loss.

General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
91-100-3700	INTEREST INCOME	\$ 1,417	\$ 1,000	\$ 1,000	Fund is in deficit position - minimal interest will be earned
91-100-3750	MISCELLANEOUS INCOME	3,564			
91-100-3810	VOIP SURCHARGE	32,568	32,568	32,568	No change projected.
91-100-3811	WIRELESS SURCHARGE	99,653	72,000	150,000	Same as FY19 estimated actual
91-100-3812	CONTRACTUAL 911 SERVICES	519,601	508,874	540,000	Charges to other districts/municipalities
91-100-3813	INTERNAL 911 FEES	573,089	693,182	710,625	FY18-19: Higher cost basis due to personnel adds and lower revenues from loss of agency.
91-100-3851	SERVICE CHARGES - WATER	7,884	9,556	11,943	
	TOTAL 911 REVENUES	\$ 1,237,776	\$ 1,317,180	\$ 1,446,136	
91-200-3901	BOND PREMIUM	186	186	186	Amortized premium over term.
	TOTAL REVENUE	\$ 1,237,962	\$ 1,317,366	\$ 1,446,322	

Fox Lake Dispatch – 911 Department (continued)

General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
91-300-4000	WAGES	\$ 467,820	\$ 602,584	\$ 677,356	12.17 FTE plus CBA adjustments, Full staff vs prior year
91-300-4002	WAGES - PART-TIME	109,326	77,017	66,236	1.4 FTE with COLA, reduced due to full staffing
91-300-4010	OVERTIME	66,992	85,332	50,038	Reduced due to full staffing
91-300-4100	HEALTH INSURANCE	103,420	171,629	200,750	Increase in premiums estimated at 15% on Jan 1, plus full staffing
91-300-4110	LIFE INSURANCE	778	1,109	1,144	Full staffing + minimal premium increase
91-300-4200	SOCIAL SECURITY & MEDICARE	46,497	56,890	60,721	Salary changes
91-300-4220	IMRF	65,954	70,009	56,641	Reduced Percentage (7%) Jan 1, 2019. Plan for 10% at Jan 1 2020, plus full staffing
91-300-4225	NET PENSION EXPENSE	8,572	15,000	10,000	Estimated @ FY17-18 with increased employee base
91-300-5000	BUILDING MAINTENANCE	5,093	7,500	3,400	Filters \$600, other \$500, Fire extinguisher inspection \$500, Goodman Plumbing \$400, Jensen's Heating and Air \$1100, City Lighting \$300
91-300-5011	RADIO LEASE/MAINTENANCE	4,895	3,264	3,425	Motorola User Fee \$3264 (34.00 monthly for 8 units)
91-300-5012	VOICE DATA LOGGING LEASE	-	2,400	2,400	5 Year Radicom Eventide Voice Logging Maintenance
91-300-5013	UPS POWER MAINTENANCE	-	4,300	4,700	Powersource 12mo Maintenance \$2500, Capacitor Replacement \$2,200

Fox Lake Dispatch – 911 Department (continued)

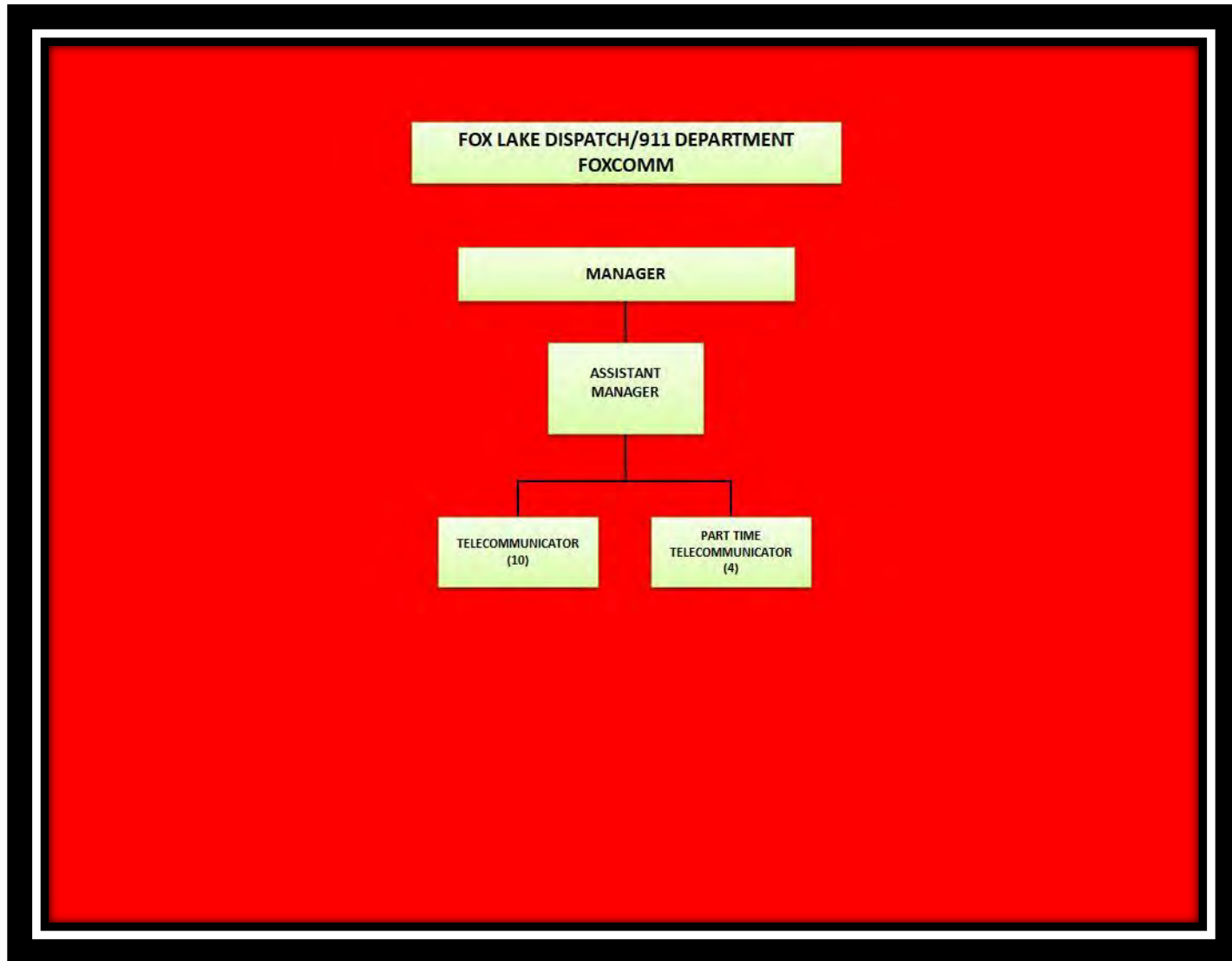
General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
91-300-5014	CAD LEASE/MAINTENANCE	33,394	37,000	30,534	CAD data charges \$5,580 (\$465/mo. To LCETS), Enroute CAD maintenance \$6,854 (LCETS), Solocom ETSB Connection \$7,500, Enroute 911 interface maintenance \$1,500 (LCETS), EMD license \$4,800 (Priority Dispatch), EMD maintenance ProQA \$4,300 (LCETS)
91-300-5015	MICROWAVE/BROADBAND CONNECTION	-	-	2,800	Comcast \$1,500; Technology Mgt revolving internet \$1,300
91-300-5016	SOLACOM/GUARDIAN MAINT	-	9,080	14,385	Maintenance contract for new equipment
91-300-5017	RADIO SOFTWARE MAINT	-	-	23,350	Zetron maintenance & support
91-300-5100	PROFESSIONAL SERVICES	10,035	5,000	-	FY20: Charges moved to other categories for Payroll Service, Drug Testing, Audit, Language Line
91-300-5102	ACCOUNTING SERVICES	-	-	1,640	Civic/Caselle support and ProData payroll service allocation
91-300-5106	REPAIRS	2,509	3,000	3,000	General and consoles equipment related
91-300-5108	HR RECRUITING/TESTING	-	-	1,500	HR costs for employees; marketing open positions
91-300-5109	LANGUAGE LINE	-	-	320	Language Line
91-300-5120	LEGAL SERVICES	33,537	10,000	2,500	Misc legal review of contracts/other \$2,500 (no labor contract and ETSB moved to new account)
91-300-5122	LEGAL SERVICES – ETSB	-	-	3,000	Legal costs for Emergency Telephone System Board (ETSB)
91-300-5160	TECHNOLOGY SERVICES	13,096	16,300	2,500	Miscellaneous computer repairs/service

Fox Lake Dispatch – 911 Department (continued)

General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
91-300-5200	POSTAGE	-	150	150	Mailings
91-300-5224	PUBLISHING	-	300	-	
91-300-5310	MEMBERSHIPS	352	19,311	2,075	APCO (2 members) \$200, NENA (2 members) \$375, 9-1-1 Magazine \$100, IAED center \$600, EMD recertification \$800
91-300-5311	911 CONSOLIDATION	-	-	15,000	Contribution to 911 Regional Consolidation
91-300-5320	TRAVEL	286	3,450	3,450	APCO Conference Hotel \$800, IAED Conference Hotel \$1300, Meal Reim \$750, Misc. Travel Air, Car Etc. \$2500
91-300-5330	TRAINING	7,220	8,500	9,050	APCO Continuing Ed \$1000, EMD Continuing Ed \$1800, PowerPhone \$500, APCO 33 \$500, APCO Conference \$1000, EMD Conference \$1200, IDPH Licenses \$250, NENA \$600, Police Sciences \$1200, AED Trainer \$1000
91-300-5350	MEETING EXPENSE	-	-	150	Staff meetings
91-300-5401	SERVICE CHARGES - GENERAL FUND	114,503	151,289	147,345	Service charges for Admin support
91-300-5410	UTILITIES	631	1,200	850	Water and sewer services
91-300-5412	ADMINISTRATIVE PHONE LINES	11,389	13,200	11,000	Access One phone charges
91-300-5414	ADMIN WIRELESS PHONES	1,594	1,700	1,700	One smartphone
91-300-5430	CREDIT CARD & BANK FEES	-	-	675	Fees
91-300-5500	LIABILITY & WORKERS COMP INS	5,366	19,764	23,000	Projected 5% increase in premium + full time staffing
91-300-5510	RENTALS	15,015	15,000	18,480	2310 sq ft @ \$8/sft

General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
91-300-5700	OFFICE SUPPLIES	4,839	8,900	8,900	Cleaning Supplies \$800, Warehouse Direct \$4000, Misc. \$300, CD/DVD \$300, Data Storage Hard Drive \$500, Medical Supplies \$150, Headset Replacement \$1000, 4 Chair Replacement \$1600
91-300-5720	COMMUNITY RELATIONS	-	-	300	Promotional materials for community events
91-300-5740	UNIFORMS	664	900	1,120	16 Fleece Pullovers and 16 Polos
91-300-5780	SOFTWARE LICENSES/SUPPORT	-	-	1,340	AppRiver spam filter, \$180, Barracuda email filter/firewall \$510, Anti-virus \$150, misc \$500
91-300-5781	EMERGENCY COMMUNICATION	-	-	6,350	Everbridge Nixel 360 & 5,150, Smart 911 \$1,200
91-300-5785	COMPUTER EQUIPMENT	-	-	3,000	Computer 2 Positions \$1500, 4 monitors 32" LED \$1500
91-300-5951	EMPLOYEE RECOGNITION	536	800	650	TC Week \$500, Employee Appreciation \$150,
91-300-8000	DEPRECIATION	40,825	79,106	65,425	Depreciation plus new equipment from FY18-19
91-400-6000	PRINCIPAL PAYMENT	3,575	3,718	3,790	Scheduled principal payments – Debt services 2011B
91-400-6001	PRINCIPAL PAYMENT OFFSET	(3,575)	(3,718)	(3,790)	Principal payments do not reflect an expense; they are a reduction of a liability.
91-400-6010	INTEREST EXPENSE	920	867	746	Scheduled interest payments.
	TOTAL 911 FUND EXPENSES	\$ 1,176,058	\$ 1,501,851	\$ 1,543,096	
91-500-7030	EQUIPMENT	155,088	100,000	-	None anticipated.
91-600-8000	CAPITAL EXP CLASSIFIED ASSET	(155,088)	(100,000)	-	None anticipated.
	911 CENTER NET INCOME/(LOSS)	\$ 61,904	\$ (184,485)	\$ (96,774)	

VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Dispatch - 911 Department
April 30, 2019



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 \$730,855 based upon actuarial assumptions. Approximately 87% or \$636,671 of the Village's contribution will be funded by police pension property tax receipts, with the balance provided by a contribution from the General Fund. The plan is 73% funded as of April 30, 2018. This contribution is 14.7% higher than the previous year.
- 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 6.75% reduced last year from 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 officers on disability.

General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2018-2019	Budget 2019-2020	Description
72-100-3007	PROPERTY TAXES	\$ 504,177	\$ 513,961	\$ 636,671	Per tax levy – 1.9% CPI
72-100-3700	INTEREST & DIVIDENDS	392,858	300,000	300,000	Assumed combined earnings of 6.75% of asset value
72-100-3701	REALIZED GAINS & LOSS	785,032	750,000	758,134	Assumed combined earnings of 6.75% of asset value
72-100-3825	MEMBER CONTRIBUTIONS	189,901	194,200	195,000	Sworn officer wages at 9.91%
72-100-3826	VILLAGE CONTRIBUTION	152,500	123,102	94,184	Per actuarial study with delayed partial adjustment of ADC increase over 3 year period (due to interest rate assumption change)
	TOTAL REVENUE	\$ 2,024,468	\$ 1,881,263	\$ 1,983,989	
72-300-4020	WAGES - RETIRED	\$ 658,231	\$ 804,000	\$ 890,000	Current base + 3% COLA + 1 new retiree
72-300-4024	WAGES - SURVIVING SPOUSE	33,993	33,993	33,993	Current base.
72-300-4025	WAGES - DISABILITY	100,224	104,580	104,580	Current base.
72-300-5100	PROFESSIONAL SERVICES	26,401	21,000	21,000	Same as Prior.

Police Pension Fund (continued)

General Ledger Number	General Ledger Account Description	Actuals 2017-2018	Amended Budget 2017-2018	Budget 2019-2020	Description
72-300-5120	LEGAL SERVICES	13,910	13,000	20,000	General and litigation services
72-300-5310	MEMBERSHIPS	795	3,300	5,000	Same as Prior.
72-300-5320	TRAVEL	1,565	2,000	2,500	Travel to conferences, seminars
72-300-5330	TRAINING	830	2,500	3,000	Same as FY18-19 estimated actual
72-300-5535	INVESTMENT EXPENSE	31,422	30,000	30,000	Same as Prior.
72-300-5971	REFUND/TRANSFER CONTRIBUTION	3,102	-	-	Non Anticipated
	TOTAL PENSION EXPENSES	\$ 870,473	\$ 1,014,373	\$ 1,110,073	
	POLICE PENSION INCOME/(LOSS)	\$ 1,153,995	\$ 866,890	\$ 873,916	

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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 2018-2019 Through 2022-2023

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 2018-2019 Through 2022-2023 (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 2018-2019 Through 2022-2023 (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 2018-2019 Through 2022-2023 (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 substantial 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 2019-2020 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 2018-2019 Through 2022-2023 (Continued)

The Village of Fox Lake detailed Capital Improvement Plan by department are detailed below, as updated for actual anticipated expenditures for FY2018-2019 and FY2019-2020 budget. The effect of these expenditures is an increase in depreciation expense, except for the land purchase which will be a \$52,000 debt service payment. None of these expenditures are expected to increase operating costs.

Administration

Project Type (Original Plan)	Prior FY2018-19 Unaudited Actual Expenditures	Current FY2019-20 Budgeted Expenditures	Targeted Future Expenditures			Total Modified for Prior and Current	Description of Current Year Expenditures
			FY 2020-21	FY 2021-22	FY 2022-23		
IT Improvements (\$35k/yr)	-	-	\$35,000	\$35,000	\$35,000	\$105,000	No planned expenditures
Equipment (\$175k FY17-18)							
Land Purchases (\$250k/yr) (\$300,867 in FY17-18)	\$198,000	\$198,000	\$250,000	\$250,000	\$250,000	\$1,146,000	Potential Purchase from Land Bank. FY19-20 includes \$52,000 debt serv
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)		\$50,000	\$60,000	\$60,000	\$60,000	\$230,000	Security for Government Buildings
TOTAL	\$198,000	\$248,000	\$351,000	\$351,000	\$351,000	\$1,499,000	

Community Development

Project Type (Original Plan)	Prior FY2018-19 Unaudited Actual Expenditures	Current FY2019-20 Budgeted Expenditures	Targeted Future Expenditures			Total Modified for Prior and Current	Description of Current Year Expenditures
			FY 2020-21	FY 2021-22	FY 2022-23		
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 2018-2019 Through 2022-2023 (Continued)

Public Works/Streets/Motor Pool

Project Type	Prior	Current	Targeted Future Expenditures			Total	Description of Current Year Expenditures
	FY2018-19 Unaudited Actual Expenditures	FY2019-20 Budgeted Expenditures	FY 2020-21	FY 2021-22	FY 2022-23	Modified for Prior and Current	
Tree Replacement Program (\$50k/yr beginning FY2020-21)		\$0	\$50,000	-		\$50,000	
Building Improvements (Not Incl in Original CIP)	\$265,931	\$0				\$265,931	Replace Parking Lot in PW Campus (\$150k), Station 1 Roof Replacement (\$40k)
Road Repair/Maintenance (\$2M/yr)	\$309,813	\$2,553,716	2,000,000	2,000,000	2,000,000	\$8,863,529	Sayton Rd, Nippersink (\$80k grant), Grand Rehabilitation (\$1.353M Federal grant; \$933k from Externality Fund, \$644k from MFT), Retaining Wall Engineering \$100k; Rt 12 Sidewalk TIF project \$171k; Frontage Rd: \$821K BDD-S Fund; Grace Ave: \$739k BDD-C Fund
Yard Dump Truck (\$167k in FY17-18)	\$138,000	\$0				\$138,000	5-yard Dump Truck
Vehicle Replacement Program (Avg 10-yr life, \$130k/yr FY19-20 & FY20-21))	\$32,695	\$0	130,000	130,000	130,000	\$422,695	
Storm Sewer Replacement (Avg 50-yr life, \$40k/yr)		\$0	40,000	40,000	40,000	\$120,000	
Utility-Street Lighting/Repair/Replacement (\$40k/yr thru FY19-20	\$250,000	\$0	40,000			\$290,000	Grand Avenue Lighting Project
Bridge Improvements (\$12.5k/yr)		\$30,000	12,500	12,500	12,500	\$67,500	Fossil Bridge (Externality Fund)
Equipment Replacement (Avg 14-yr life, \$40,714/yr)	\$104,735	\$150,000	40,714	40,714	40,714	\$376,877	Hot mix/cold patch hot box \$55k Roadside Utility Tractor \$45k J Deere snowblower \$25k Arrow message board \$25k
TOTAL	\$1,101,174	\$2,733,716	\$2,313,214	\$2,223,214	\$2,223,214	\$10,594,532	

Capital Improvement Plan 2018-2019 Through 2022-2023 (Continued)

Public Safety

	Prior	Current	Targeted Future Expenditures			Total	
Project Type (Original Plan)	FY2018-19 Unaudited Actual Expenditures	FY2019-20 Budgeted Expenditures	FY 2020-21	FY 2021-22	FY 2022-23	Modified for Prior and Current	Description of Current Year Expenditures
Building Improvement (\$60k/yr)		\$ 0	\$60,000	\$60,000	\$60,000	\$180,000	None budgeted
Equipment (\$17.5k/yr)		\$ 22,000	\$17,500	\$17,500	\$17,500	\$74,500	Search & rescue drone
Vehicles - 2 per year replacements/with Light Bars (\$90k/yr)	\$126,525	\$170,000	\$90,000	\$90,000	\$90,000	\$566,525	Replace 3 squad cars
TOTAL PUBLIC SAFETY	\$126,525	\$192,000	\$177,500	\$177,500	\$177,500	\$821,025	

Parks & Recreation

	Prior	Current	Targeted Future Expenditures			Total	
Project Type (Original Plan)	FY2018-19 Unaudited Actual Expenditures	FY2019-20 Budgeted Expenditures	FY 2020-21	FY 2021-22	FY 2022-23	Modified for Prior and Current	Description of Current Year Expenditures
Building Improvements (FY17-18 \$431,885) \$60k/yr after FY 18-19)	\$250,000	\$0	\$60,000	\$60,000	\$60,000	\$430,000	Park Lighting Project
Land Improvements –		\$423,209				\$423,209	Lakefront & Millennium Parks
Playground Equipment (\$20k/yr thru FY19-20)			\$20,000			\$20,000	
TOTAL PARKS & RECREATION	\$250,000	\$423,209	\$80,000	\$60,000	\$60,000	\$873,209	

Capital Improvement Plan 2018-2019 Through 2022-2023 (Continued)

General & Special Revenue Fund - CIP Summary

	FY2018-19 Unaudited Actual	FY2019-20 Budget	FY2020-21 Projection	FY2021-22 Projection	FY2022-23 Projection
Capital Reserve from Prior Year	\$3,702,187	\$2,657,449	\$3,812,587	\$ 997,873	\$ 0.00
Allocations from General Fund Externality Reserve	\$ 350,000	\$ 933,444	\$ 0.00	\$ 0.00	\$ 0.00
Allocations from General Fund Unassigned Reserve	\$ 0.00	\$ 0.00	\$2,814,714	\$ 997,873	\$ 0.00
Loan/Grant/Bond Proceeds	\$ 0.00	\$ 1,343,000	\$ 0.00	\$ 0.00	\$ 0.00
Allocations from Special Revenue Funds: TIF, MFT, BDD's	\$1,500,000	\$ 2,475,619	\$ 0.00	\$ 0.00	\$ 0.00
Grant/Loan Forgiveness	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Unidentified Funding Source	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 1,566,841</u>	<u>\$2,500,000</u>
Total Sources of Revenue	\$2,552,187	\$ 4,752,063	\$2,814,714	\$2,564,714	\$2,500,000
Total Capital Expenditures	<u>(\$2,035,000)</u>	<u>(\$3,596,925)</u>	<u>(\$2,814,714)</u>	<u>(\$2,564,714)</u>	<u>(\$2,500,000)</u>
Ending Capital Reserve	<u>\$4,214,374</u>	<u>\$ 3,812,587</u>	<u>\$ 997,873</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>

As demonstrated in the chart above, the capital budget projections show the capital reserves depleted in FY2022. 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 \$20M 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 operating revenues only exceed operating expenditures by \$18,438, 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 after FY2019-2020, the Village is planning to discuss these issues at the Village's December review of the capital plan.

Capital Improvement Plan 2018-2019 Through 2022-2023 (Continued)

Local Water & Sewer Fund – Planned Capital Project Costs

Project Type (Original Plan)	Prior	Current	Targeted Future Costs			Total	Description of Current Year Expenditures
	FY2018-19 Unaudited Actual Expenditures	FY2019-20 Budgeted Expenditures	FY 2020-21	FY 2021-22	FY 2022-23	Project Cost	
Interconnect Project		\$8,797,690				\$8,797,697	Phase I: \$8,287,690 funded by IEPA loan & Water Fund Phase II: \$500k funded by IEPA loan & Water Fund
Interconnect North and South System (\$18.25M for FY 17-18 and 18-19)	\$426,083					\$876,083	Engineering. See Note 1.
Repaint/Raise Washington Tower (\$1.4M for FY 17-18 and 18-19)	\$994,499					\$994,499	Engineering. See Note 2.
Rebuild Lippincott Lift Station (\$238,703 for FY18-19)	\$59,775					\$59,775	Engineering/Repairs. See Note 2.
Install Standby Generator Well #5 (\$48k/yr)	\$	\$130,000	\$48,000	\$48,000	\$48,000	\$274,000	Backup Generator Install Well #4 & #5
Rebuild Wildwood Lift Station (\$52k/yr)	\$		\$52,000	\$52,000	\$52,000	\$156,000	
Install Auxiliary Generators at All Sites (\$15,5/yr)	\$	\$100,000	\$15,450	\$15,450	\$15,450	\$146,350	B/U generators at High School & Green Lift Stations
Additional Equipment & Repairs (\$66k/yr)	\$21,008	\$20,000	\$66,000	\$66,000	\$66,000	\$239,008	Kings Lift station transfer switch
Upsize 4" and 6" water mains (\$560k/yr)	\$27,717	\$354,000	\$560,000	\$560,000	\$560,000	\$2,067,717	Sayton Rd Main Line (\$79k), Water Main by Fire Dept (\$200k), Valves Menards (\$40k), Replace Broken Valves in town (\$35k)
Rehab Wells (\$90/yr)	\$20,471	\$25,000	\$90,000	\$90,000	\$90,000	\$315,471	SCADA add to Tall Oaks South Well \$25k
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	\$237,500	\$80,000	\$80,000	\$80,000	\$559,326	New Vac Truck (50% w/NWR) \$225k; Wireless Broadcast Equip (50% w/NWR) \$12.5k
TOTAL WATER/SEWER FUND CAPITAL	\$1,760,949	\$9,804,190	\$1,011,450	\$1,011,450	\$1,011,450	\$15,055,496	

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 were carried forward to FY20.

Capital Improvement Plan 2018-2019 Through 2022-2023 (Continued)

Local Water & Sewer Fund - CIP Summary

	FY2018-19 Unaudited Actual	FY2019-20 Budget	FY2020-21 Target	FY2021-22 Target	FY2022-23 Target
Unrestricted Reserve from Prior Year	\$3,337,354	\$ 5,006,021	\$5,006,021	\$5,006,021	\$5,006,021
Allocations from Local Water/Sewer Fund	\$2,752,282	\$ 562,157	\$ 0.00	\$ 0.00	\$ 0.00
Loan/Bond Proceeds	\$1,013,761	\$ 9,242,033	\$ 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	\$3,766,043	\$ 9,804,190	\$1,011,450	\$1,011,450	\$1,011,450
Total Capital Expenditures	(\$2,097,376)	(\$9,804,190)	(\$1,011,450)	(\$1,011,450)	(\$1,011,450)
Ending Unrestricted Reserve	\$5,006,021	\$5,006,021	\$5,006,021	\$5,006,021	\$5,006,021

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 \$1.6M 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. The Village sought and was granted funding through the IEPA which allowed the project to be started in the current year for an estimated cost of \$18M.

The Interconnect project will impose on-going annual debt payments for the IEPA loan. At this time, the annual amount is undetermined. The other improvements are not expected to increase operating costs.

Capital Improvement Plan 2018-2019 Through 2022-2023 (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
	FY2018-19 Unaudited Actual Expenditures	FY2019-20 Budgeted Expenditures	FY 2020-21	FY 2021-22	FY 2022-23	Modified for Prior and Current	
Infrastructure (avg 28 year life, \$642,857/yr)	\$118,426	\$1,894,000	\$642,857	\$642,857	\$642,857	\$3,940,997	RAS pump and Design \$860k; Screw Pump Repairs \$340k; MasterFlow Meters \$565k; Other projects \$129k
Equipment & Vehicles (avg 12.5 yr life, \$464k/yr)	\$31,168	\$293,500	\$464,000	\$464,000	\$464,000	\$1,716,668	New Vac Truck (50% with Water) \$225k; Wireless Broadcast Equip (50% with Water) \$12.5k; Box truck replace \$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 Reschedule.
W3 Water Filtration (\$333k FY17-18)						\$ -	Planned Before 19-20 – Need to Reschedule.
Sludge Dewatering / Storage Barn (\$2M in FY's 17-18 and 18-19)						\$ -	Planned Before 19-20 – Need to Reschedule.
Outfall Pipe Rehab/Replacement \$2.2M/yr)		\$1,150,000	\$2,200,000	\$2,200,000	\$2,200,000	\$7,750,000	Aeration Trunk Line (1.15M)
TOTAL NW REGION	\$149,594	\$3,537,500	\$3,931,857	\$3,931,857	\$3,931,857	\$15,482,665	

Northwest Regional Water Reclamation Facility – CIP Summary

	FY2018-19 Unaudited Actual	FY2019-20 Budget	FY2020-21 Projection	FY2021-22 Projection	FY2022-23 Projection
Unrestricted Reserve from Prior Year	\$13,684,579	\$14,246,051	\$10,708,551	\$10,708,551	\$10,708,551
Allocations from Local Water/Sewer Fund	\$714,636	\$ 0.00	\$ 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	\$714,636	\$ 0.00	\$3,931,857	\$3,931,857	\$3,931,857
Total Capital Expenditures	(\$153,164)	(\$3,537,500)	(\$3,931,857)	(\$3,931,857)	(\$3,931,857)
Ending Unrestricted Reserve	\$14,246,051	\$10,708,551	\$10,708,551	\$10,708,551	\$10,708,551

Capital Improvement Plan 2018-2019 Through 2022-2023 (Continued)

The Northwest Regional Water Reclamation Facility (NWRWRF) capital plan for FY2019-20 is shown as being primarily funded by unrestricted reserves, which will cause a reduction in reserves of \$3.5M. While the reserve is still relatively robust at \$10.7M, 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. There are no operating expenses expected to be incurred from these improvements.

Dispatch/911 Department – Planned Capital Project Costs

	Prior	Current	Targeted Future Costs			Total	
Project Type (Original Plan)	FY2018-19 Unaudited Actual Expenditures	FY2019-20 Budgeted Expenditures	FY 2020-21	FY 2021-22	FY 2022-23	Modified for Prior and Current	Description of Current Year Expenditures
Equipment - (avg 12.5 life)	\$153,104	\$ 0	\$56,000	\$56,000	\$56,000	\$321,104	None
TOTAL 911 CENTER	\$153,104	\$ 0	\$ 56,000	\$ 56,000	\$ 56,000	\$321,104	

The 911 Dispatch Fund does not currently have any unrestricted reserves to afford new capital costs. The actual FY2019-20 estimated unrestricted *deficit* is \$898k. 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.

Section 7

Strategic Plan and Performance Measurement

- Strategic Plan Overview

- Strategic Plan 5-Year Goals and Objectives

- Goals and Objective – Year 2 Progress

- Goals and Objective – Year 3 Priorities

- Performance Measurement Overview

- Status of FY 2018-2019 Performance Metrics

- FY 2019–2020 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.

In June 2019, the Mayor and Board of Trustees decided to combine three of the Strategic Planning Teams (Marketing, Communications and Public Outreach, and Technology) into one larger strategic planning team entitled “Public Outreach and Technology.” Additionally the Mayor increased the number of Trustees per Planning Team (now four verse six) to three members on each of the four planning teams. Currently the meetings are posted as public meetings so the addition of a third Trustee will not violate the Opens Meeting Act as they are already posted meetings.

Staff will provide an update on the Strategic Plan accomplished items for the 2018-2019 budget year and will provide goals for 2019-2020 for the new four planning teams. You will see many of the same goals and objectives modified into a combined format.

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 through **S.E.R.V.I.C.E**:

- **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

The planning teams meet on a monthly basis, with *three* (new for 2019-2020) Trustees assigned to each committee. 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 for 2019-2020 are as follows:

- Infrastructure
- Recreation
- Economic Development
- Public Outreach and Technology (new 2019-2020)

Previous additional Planning Teams (2017 – 2019)

- Marketing
- Technology
- Communications / Public Outreach

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.

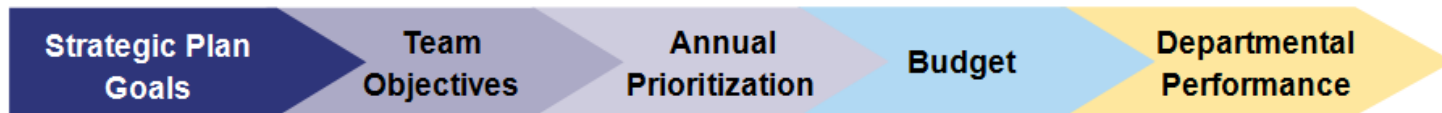
The annual prioritization of objectives within the strategic planning teams will be incorporated into the annual budget process, and departmental performance metrics. On an annual basis, the Department Head team will prepare departmental performance metrics for the annual Village of Fox Lake Budget. 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

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
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

Public Outreach and Technology	
Enhance the Village's communication, community engagement, and marketing of the Village to provide expedient and effective dissemination of information to internal and external customers through various multi-media platforms and dedicated efforts to enhance the Villages technological infrastructure.	
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

Public Outreach and Technology Continued	
Enhance the Village's communication, community engagement, and marketing of the Village to provide expedient and effective dissemination of information to internal and external	
Objective 5	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 6	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 7	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
Objective 8	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

Public Outreach and Technology Continued	
Enhance the Village's communication, community engagement, and marketing of the Village to provide expedient and effective dissemination of information to internal and external	
Objective 9	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 10	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
	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

Public Outreach and Technology combined strategic goals for 2019-2020 Fiscal Year. The new team combines the goals and objectives of the three previous teams – Marketing, Communication/Public Outreach and Technology.

Goals & Objectives – Year 2 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.

Marketing, Technology, and Communications / Public Outreach were combined into the newly combined Public Outreach and Technology Committee. The Objective and Tactic Year 2 Progress Reports from each individual committee is outlined in the new chart for Public Outreach and Technology Committee.

Outlined below are progress reports for each Strategic Planning Team's Year 2 Objectives and Tactics.

Infrastructure Planning Team				
Year 2 (2018 – 2019) 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	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	In process - moved to Year 3 for final completion date
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	In process moved to Year 4 for final completion date
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	In process moved to Year 4 for final completion date – Phase 1 is complete
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	In process moved to Year 5 for final completion date – Phase 1 loan is complete

Public Outreach and Technology Team

Year 2 (2018 – 2019)

Objective and Tactic Year 2 Progress Report

Tactics	Steps to Accomplish	Target Accomplishment Date	Year of Strategic Plan	Status of Tactic
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	Moved to Year 3
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	Moved to Year 3
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	Moved to Year 3
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	Moved to Year 3
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	Moved to Year 3

Tactics	Steps to Accomplish	Target Accomplishment Date	Year of Strategic Plan	Status of Tactic
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	Moved to Year 3
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 Target Date
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 Target 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 Target Date
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 Target Date
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 Target Date

Tactics	Steps to Accomplish	Target Accomplishment Date	Year of Strategic Plan	Status of Tactic
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	Year 4 Target Date
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 Target Date

Parks and Recreation Committee

Year 2 (2018 – 2019)
Objective and Tactic Year 2 Progress Report

Tactics	Steps to Accomplish	Target Accomplishment Date	Year of Strategic Plan	Status of Tactic
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	Enhanced volunteer program created. Internship Program moved to Year 3
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	Moved to Year 3

Economic Development Planning Team

Year 2 (2018 – 2019)

Objective and Tactic Year 2 Progress Report

Tactics	Steps to Accomplish	Target Accomplishment Date	Year of Strategic Plan	Status of Tactic
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	Moved to Year 3
Develop a business education program	Research program and develop material. Develop program. Implement.	April 2019	Year 2	Moved to Year 3
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 such as a Summer Art Series. 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	Moved to Year 5
Review and analyze Metra station, downtown and Village wide parking strengths and weaknesses	Complete parking study. Implement recommendations.	2020	Year 4	Year 4 Target Date
Develop partnerships to enhance beautification and safety along Route 12	Review current partnerships. Determine partnerships needed.	2025	Year 5	Year 5 Target Date
Increase beautification, walkability, bikeability, and branding within downtown	Review current status Develop plan for enhancement Implement.	2022	Year 5	Moved to Year 3

Goals and Objectives – Additional Accomplishments

As the Village's Strategic Plan is a fluid document some of the Objectives were accomplished in addition to those listed as priorities for the strategic planning year in addition to those accomplished.

Objective	Planning Team
Establish Champion of the Chain 501 (c) 3	Recreation
Utilize current trends to develop programing	Recreation
Increase and evaluate partnerships with Visit Lake County and other area tourism organizations	Public Outreach and Technology
Develop a monthly report with developmental updates and board decisions or all employees	Public Outreach and Technology
Utilize social media platforms to increase communication	Public Outreach and Technology
Review structure and content of website to promote transparency and end user friendliness	Public Outreach and Technology
Increase transparency of all Village materials and documents through the use of a new "transparency portal" on the Village website.	Public Outreach and Technology
Continue to grow and enhance the Community Leaders Forum	Public Outreach and Technology
Analyze all Village equipment for functionality	Public Outreach and Technology
Incorporate replacement program into CIP Budget	Public Outreach and Technology
Continue to evaluate and review reverse 911 and Nixel Operations	Public Outreach and Technology
Increase community events to promote downtown engagement	Economic Development
Update the sign ordinance to decrease sign pollution	Economic Development

Goals and Objectives – Year 3 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 19-20 (Year 3 of the Strategic Plan). Priorities for each team are outlined below.

Infrastructure Planning Team			
Year 3 (2019 – 2020)			
Objective and Tactic Accomplishment Goals for Year 3			
Tactics	Steps to Accomplish	Target Accomplishment Date	Year of Strategic Plan
Continue to provide quality water treatment to existing municipal entities and continue a strong relationship with Lake County.	Continue to provide quality service Continue working on CMOM Program compliance Complete design / fitting for Flow Meters	April 2020	Year 3
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	December 2019	Year 3
Develop a tree maintenance and replacement program	Research other area programs Develop and write program	April 2020	Year 3
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 2020	Year 3
Work with community partners to encourage communication regarding walkability and bikeability	Communicate planned improvements to residents Create maps of new pathways	April 2020	Year 3
Construct North/South Sewer and Water System Interconnect	Complete final design Bid Project Implement	Phase 1 complete	Year 4
Continue to apply for water related grants and low interest loans	Review funding opportunities Apply for grant opportunities Obtain funding Complete necessary reporting	Phase 1 complete	Year 4
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 5

Public Outreach and Technology Team

Year 3 (2019 – 2020)

Objective and Tactic Accomplishment Goals for Year 3

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	June 2019	Year 3
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	April 2020	Year 3
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	December 2019	Year 3
Continue to evaluate and review reverse 911 and Nixle Operations	Review current Nixle procedures. Develop policies and procedures. Implement policies and procedures.	April 2020	Year 3
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 2020	Year 3
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 2020	Year 3
Research various regional, state, and national marketing opportunities and determine feasibility	Research various marketing opportunities for municipalities Review feasibility of opportunities Implement recommend opportunities	April 2020	Year 3
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
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

Tactics	Steps to Accomplish	Target Accomplishment Date	Year of Strategic Plan
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
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	2022	Year 5
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
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

Parks and Recreation Committee

<p>Year 3 (2019 – 2020)</p> <p>Objective and Tactic Accomplishment Goals for Year 3</p>

Tactics	Steps to Accomplish	Target Accomplishment Date	Year of Strategic Plan
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 2020	Year 3
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	June 2019	Year 3
Analyze and review current recreation equipment/property.	Review current equipment. Have staff trained as Certified Playground Equipment Inspectors.	April 2020	Year 3
Develop an equipment replacement program based on analysis.	Build Equipment Replacement Program for Equipment.	April 2020	Year 3
Review, locate, and apply for new funding opportunities to decrease burden off general fund	Review OSLAD Grants and Kaboom Grants. Apply for OSLAD and Kaboom Grants.	April 2020	Year 3
Implement items from Parks Master Plan.	Use Prioritization Matrix from Master Plan and begin implementing based on priority.	Begin in Year 3	Year 5

Economic Development Planning Team

Year 3 (2019 – 2020)

Objective and Tactic Accomplishment Goals for Year 3

Tactics	Steps to Accomplish	Target Accomplishment Date	Year of Strategic Plan
Develop business centered e-newsletter	Develop template. Determine frequency. Implement.	April 2020	Year 3
Develop a business education program	Research program and develop material. Develop program. Implement.	April 2020	Year 3
Increase beautification, walkability, bikeability, and branding within downtown	Review current status Develop plan for enhancement Implement.	April 2020	Year 3
Review and analyze Metra station, downtown and Village wide parking strengths and weaknesses	Complete parking study. Implement recommendations.	2020	Year 4
Review options for grants and alternative methods of funding	Research funding opportunities. Apply for opportunities as they become available.	2020	Year 5
Develop partnerships to enhance beautification and safety along Route 12	Review current partnerships. Determine partnerships needed.	2025	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 2018-2019) 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 2018-19 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	Program	Performance Metric	Timeline	January 2019 Status	April 2019 Status
Recreation	Establish Celebrate Fox Lake 501 (c) 3	501 (c) 3 paperwork Submitted to agencies	Quarter 2 (December 2018)	COMPLETE	COMPLETE
Operations and Organizational Development	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)	ADJUSTED Adjusted to Quarter 4 (April 2019)	COMPLETE
Marketing	Review current signage and banners and update	Update Village signage and design five new banners for downtown area	Quarter 2 (December 2018)	ADJUSTED Adjusted to Quarter 4 (April 2019)	ADJUSTED Adjusted to Quarter 4 (April 2020)
Communication / Public Outreach	Establish Bi-Annual Supervisor meeting	Hold two Supervisor Meetings between May 2018 and April 2019	Quarter 4 (April 2019)	IN PROCESS Second meeting for Fiscal year 18-19 will be held on January 29. Planning Committee has already met and selected topics.	COMPLETE Second meeting was held January. Meetings will now be held in July and January each year. Meeting has received good feedback.
Communication / Public Outreach	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)	ADJUSTED Website re-design has created need for adjustment to Quarter 4 (April 2019)	IN PROCESS As of April 30, 2019 this will be complete and launched.

Administration – Finance Division

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	Program	Performance Metric	Timeline	January 2019 Status	April 2019 Status
Financial Policies and Practices	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)	IN PROCESS	IN PROCESS ADJUSTED Additional budget was provided for additional Finance and Parks software.
Financial Policies and Practices	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)	IN PROCESS Final pay check process enhanced to ensure accuracy. Accrual process enhanced within HR and Payroll.	IN PROCESS ADJUSTED Finance / HR payroll responsibilities were reviewed with some duties being adjusted between the two departments. Current software training is being scheduled and additional efficiencies are being considered prior to migration to new software

Financial Policies and Practices	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 disbursements, 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)	<p>COMPLETE</p> <p>Standardized wire transfer to maximized interest and minimized bank fees.</p> <p>Created additional controls on wire transfers for duplicate approval.</p> <p>Monitoring procedures for cash flow established on a monthly basis with warrants.</p>	COMPLETE
Communication / Public Outreach	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 vs on-line for utility billing and vehicle stickers and advertise the program	Quarter 2 (December 2019)	<p>COMPLETE</p> <p>All processes reviewed in conjunction with 2017 – 2018 audit process.</p> <p>On-going review of all processes is being conducted.</p>	COMPLETE

Administration - Information Technology Division

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	Program	Performance Metric	Timeline	January 2019 Status	April 2019 Status
Public Safety	Review locations for security cameras. Install and implement as recommended.	Install and implement within recommended areas.	April 2019 (Quarter 4)	IN PROCESS Bids have been received for the system. Transmission and interconnectivity are in process of being solidified with infrastructure requirements.	IN PROCESS Will be complete in April 2019
Technology	Implement a SharePoint system for the Village.	System established, live and in use by Village employees.	December 2018 (Quarter 2)	ADJUSTED Adjusted to Quarter 4 (April 2019)	IN PROCESS Due date adjusted to Quarter 4 (April 2020)
Infrastructure	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)	IN PROCESS	IN PROCESS Due date adjusted to Quarter 4 (April 2020)
Technology	Secure new phone system and phone service for Village staff	New system installed and implemented	Quarter 1 (June 2018)	COMPLETE	COMPLETE

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	Program	Performance Metric	Timeline	January 2019 Status	April 2019 Status
Communication / Public Outreach	Develop and implement Coffee with the Chief program	Have four (quarterly) Coffee with the Chief events at local businesses	Quarter 4 (April 2019)	<p>IN PROCESS</p> <p>Held Coffee with a Cop on National Coffee with a Cop Day – October 3, 2018 at Whistle Stop. Has meet with local businesses in the area informally on a monthly basis through walking high traffic business areas.</p> <p>More to be scheduled for remainder of year.</p>	<p>IN PROCESS ADJUSTED</p> <p>Has met with businesses on a regular basis – working with Community Development to develop Coffee and Code Program.</p> <p>Quarter 4 (2020)</p>
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)	<p>IN PROCESS</p> <p>Bids have been received for the system. Transmission and interconnectivity are in process of being solidified with IT.</p>	<p>IN PROCESS</p> <p>Staff will have installed by end of fiscal year (April 2019)</p>

Operations and Organizational Development	Train staff in accordance with new State of Illinois rules and regulations	Officers trained in accordance with statute	Quarter 4 (April 2019)	<p>IN PROCESS</p> <p>All officers have been scheduled or have committed CIT (Crisis Intervention Team) training. 80% complete with the initial sexual assault investigator training required by the State.</p> <p>Two trained as Certified Homicide Investigators which is a requirement for Mayor Crimes Task Force.</p> <p>Two members of Management have attended and graduated from staffing Command Program through Northwestern.</p> <p>All officers have completed 12 sessions of Police Law Institute Training which is required.</p> <p>New trainings for blood borne pathogen and hazardous material response will be completed by end of January.</p> <p>An Officer is now assigned to Major Crash Assistance Team and is in process of being trained in reconstruction.</p>	<p>COMPLETE</p> <p>Almost 95% of staff has completed sexual assault investigator training required by State.</p> <p>100% will be trained by April 2019.</p>
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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	Program	Performance Metric	Timeline	January 2019 Status	April 2019 Status
Recreation	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)	COMPLETE Twenty new volunteers have volunteered at past events for this fiscal year.	COMPLETE
Recreation	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)	COMPLETE	COMPLETE
Recreation / Financial practices and policies	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)	COMPLETE	COMPLETE
Recreation	Develop the Parks Master Plan for all area parks, buildings, and programs	Completed Parks Master Plan	Quarter 4 (April 2019)	IN PROCESS Existing Conditions Report is completed, prioritization has begun.	IN PROCESS ADJUSTED Existing Conditions Report is completed, prioritization completed, layouts almost completed. Quarter 1 completion target (June 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	Program	Performance Metric	Timeline	January 2019 Status	April 2019 Status
Operational and Organizational Development	Develop Capital Improvement Plan for equipment lifespan.	Determine future needs of departments and budgeting requirements.	Quarter 4 (May 2019)	IN PROCESS	COMPLETE

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	Program	Performance Metric	Timeline	January 2019 Status	April 2019 Status
Technology/ Infrastructure	Increase utilization of GIS within the Streets Division	GIS mapping of at least 50% of signage	Quarter 2 (Dec 2018)	ADJUSTED Adjusted to Quarter 4 (April 2019)	COMPLETE
Marketing / Communications	Develop new signage to direct motorists around the Village	Design and purchase of new signage	Quarter 4 (April 2019)	IN PROCESS In process of selecting locations and finalizing design.	ADJUSTED Adjusted to Quarter 4 (April 2020)
Infrastructure	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)	IN PROCESS Roads have been reviewed for structural health and prioritized. In process of determining how to implement based on funding.	ADJUSTED Adjusted to Quarter 4 (April 2020)
Technology/ Infrastructure	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.	COMPLETE Staff sent to training, awaiting certification. 100% of trees inventoried into GIS system.	COMPLETE

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	Program	Performance Metric	Timeline	January 2019 Status	April 2019 Status
Infrastructure	Design/Plan North/South System Interconnect	Final Engineering completed.	Quarter 2 (September 2018)	ADJUSTED Adjusted to Quarter 4 (April 2019)	IN PROCESS Phase 1 final engineering will be completed by Quarter 4 (April 2019)
Technology	Increase GIS utilization by collecting BBox locations	Implement Bbox into GIS and Collect 25% of all bbox locations.	Quarter 3 (December 2018)	ADJUSTED Adjusted to Quarter 4 (April 2019)	COMPLETE
Public Safety	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)	COMPLETE	COMPLETE
Infrastructure	Complete North Tower Construction Capital Improvement	Water Tower completed and operational.	Quarter 2 (December 2018)	COMPLETE	COMPLETE

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	Program	Performance Metric	Timeline	January 2019 Status	April 2019 Status
Economic Development	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)	ADJUSTED Adjusted to Quarter 4 (April 2019) This is in process as staff works to develop partnerships with companies that provide business boot camp services.	ADJUSTED Adjusted to Quarter 3 (December 2019)
Communication / Public Outreach	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)	ADJUSTED Adjusted to Quarter 4 (April 2019)	IN PROCESS First Coffee and Codes will be held on April 30, 2019.
Public Safety	Educate 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)	COMPLETE Code enforcement training was provided to PD. Partnership between PD and CD staff has increased.	COMPLETE

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	Program	Performance Metric	Timeline	January 2019 Status	April 2019 Status
Information Technology	Automate electronic monthly reporting data transfer	Create link between Operational database and Illinois Environmental Protection Agency (IEPA) portal.	Quarter 2 (December 2018)	COMPLETE Village portion of project is complete, IEPA and EPA is working on finalizing and upgrading their central data exchange.	COMPLETE
Infrastructure	Remove from service, refurbished conveyor; replace grout, reinstall, and test	Pumps Rebuilt and Operational	Quarter 4 (May 2019)	COMPLETE Three have been re-built.	COMPLETE
Infrastructure	Replace/upgrade worn Return Pumps, Controls and Variable Frequency Drives	Complete Final Design Engineering	Quarter 3 (January 2019)	ADJUSTED Final designing engineering is in process and will be provided in September Quarter 2 (December 2019)	ADJUSTED Engineering scheduled to Quarter 3 (January 2020)
Operations and Organizational Development	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)	IN PROCESS Lock out / tag out is completed. Confined space will be completed by Quarter 4.	COMPLETE

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	Program	Performance Metric	Timeline	January 2019 Status	April 2019 Status
Public Safety	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)	ADJUSTED Adjusted to Quarter 4 (April 2019) Training manual is in process and is written based on national standards and will be the basis of the Project 33 certification.	ADJUSTED Adjusted to Quarter 4 (March 2020)
Operations and Organizational Development	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)	ADJUSTED Adjusted to Quarter 4 (April 2019) Testing, interviewing, and backgrounds continue in addition to new employees completing training.	COMPLETE All full-time positions are filled. Part-time hours covered by current part-time staffing levels of 3 PT.
Marketing	New agency acquisition	Acquire two new agencies	Quarter 2 (December 2018)	ADJUSTED Adjusted to Quarter 4 (April 2019) Staff is actively working on acquiring additional agencies.	ADJUSTED Joined 911 Consolidation Committees

Information Technology	Text to 911	Implement Text to 911 program	Quarter 1 (July 2018)	<p>ADJUSTED Adjusted to Quarter 4 (April 2019)</p> <p>Text-to-911 is ready to go on the Verizon and Sprint networks. During testing it was found that the coverage is scarce in Fox Lake for both Networks.</p> <p>This will improve as the State of Illinois moves forward with NG9-1-1.</p>	COMPLETE
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FY 2019 – 2020 Departmental Performance Measures

Staff members within each Department provided performance metrics for Fiscal Year 2019-2020. This is the second 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.

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
Marketing	Enhance wayfinding signage within the downtown district.	Review current signage and banners and update.	Update Village signage and design wayfinding for downtown area.	Quarter 4 (April 2020)
Operations and Organizational Development / Marketing	Work with Census.gov to ensure Fox Lake residents have been properly counted.	Develop marketing strategy to ensure completing of 2020 Census. Develop Count Committee.	Over 77% completion rate for 2020 (2010 completion rate).	Quarter 4 (April 2020)
Operations and Organizational Development	Enhance and measure customer service for front line staff positions.	Develop customer service program for front-line staff.	Develop program, train staff, and implement.	Quarter 4 (April 2020)
Operations and Organizational Development	Enhance Village's Sustainability Plan.	Enhance and update the Village's current sustainability plan for modern practices on sustainable management.	Develop and implement.	Quarter 3 (December 2019)

Administration – Finance Division

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	Update and streamline the collections process for Redlight tickets, Quicket violations, utility billing delinquent accounts, and other Village past due accounts.	Review old past due accounts to ensure they have not already been paid and submit to collection agency; establish procedures for monthly communication to collection agency.	Increase collections overall by 10% over prior year and establish monthly communication of past due accounts to collection agency for at least three months.	Procedure will be in place by (Quarter 3) October 2019. Collections increase by 4 th Quarter of the fiscal year.
Technology	Use technology to streamline invoice approval and payment processes.	Train with Caselle to use scanner to forward invoices to managers for electronic approval, inquiry, and storage.	Training should be complete and all departments converted to electronic departmental approvals.	System will be converted by (Quarter 4) March 2020.
Financial Policies and Practices	Establish back-up for each core accounting function (accounts payable, utility billing, payroll, cash receipting) to ensure continuous functionality of the department.	Cross-train employees on back-up functions within reasonable internal control parameters and maintain functional schedule to retain skills over long-term.	All four primary finance functions backed up.	Completion by (Quarter 2) December 2019.
Financial Policies and Practices	Consolidate and update cash flow information and revise investment policy, if necessary, to allow for better investment decisions and a maximization of investment returns.	Convert accounting system to a pooled cash setup, analyze long-term cash flow through revision of Capital Improvement Plan, and revise Investment Policy if deemed necessary.	Accounting system setup is converted and revised Capital Improvement Plans for all areas are approved by the Village Board.	Completion by (Quarter 3) October 2020.

Financial Policies and Practices	Provide for timely and accurate State of Illinois Grant Accountability Transparency Act reporting.	Review requirements of GATA system, establish procedures to ensure accuracy of information is established, and process filing of report in a timely manner.	GATA report is filed for 2018-19 accurately and timely.	Completion by (Quarter 3) October 2019.
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Administration - Information Technology Division

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
Infrastructure	Enhance connectivity within Village operations.	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 2020)
Operations and Organizational Development	Establish enhanced means of internal communication.	Develop and implement Village-wide SharePoint for departmental use.	Develop SharePoint, use test group, provide training material, and implement.	Quarter 4 (April 2020)
Operations and Organizational Development	Implement annual equipment replacement program.	Order and install new workstations and computers per development replacement schedule.	Year 2 computers and monitors ordered and installed.	Quarter 3 (December 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
Public Safety	Comply with the newly enacted expungement statute.	Implement program for expungement of juvenile records.	Compliance with state statute by January 2020.	Quarter 3 (January 2020)
Public Safety	Comply with unfunded mandates relating to training such as certified homicide investigator, interaction with mental illness, and sexual assault response training.	Attend trainings as required by state statute.	Compliance with state statute by January 2020.	Quarter 3 (January 2020)
Operations and Organizational Development	Increase staffing levels, and develop leadership qualities within current staff.	Continue recruitment process for Police Officers. Send current staff to leadership trainings and continue mentorship within department through increased supervision.	Three new officers hired by Quarter 4 (April 2020) Sergeants sent to management trainings by Quarter 4 (April 2020).	Quarter 4 (April 2020)
Public Safety	Working with local schools to accomplish a mandatory safety drill in coordination with each school in compliance with new legislation.	School Safety / Mass Acts of Violence Drills.	This unfunded legislative mandate must be completed within 90 days of the start of each school year.	October 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 / 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 twelve programs or events that break even through revenue or donated product.	Quarter 4 (April 2020)
Recreation	Implement items from Parks Master Plan.	Implement program recommendations from Parks Master Plan.	New fitness programs implemented by Quarter 2.	Quarter 2 (January 2020)
Technology	Research and implement online registration.	Online registration software for program registration and facility rental.	Research and implement an online registration program.	Quarter 4 (April 2020)
Financial Policies and Practices	Increase sponsorships.	Increase sponsorships through an enhanced sponsorship packet, and relationship building.	Increase sponsorship dollars for 2019 – 2020 to \$10,000.00 (an additional \$2,650 from 2018-2019).	Quarter 4 (April 2020)

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
Operations and Organizational Development	Use CFA software to obtain information regarding Village Fleet.	Attend CFA training class to increase knowledge and use of CFA software in order to gather data.	Attend CFA training.	Quarter 3 (December 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
Infrastructure	Provide safe sidewalks within the Village.	Repair sidewalks with 1in displacement.	Complete repairs in Hickory Cove subdivision.	Quarter 2 (September 2019)
Marketing / Communications	Develop public parking signage within the Village.	Review public parking locations within the Village and develop a sign for the general public to locate those areas available for parking.	Review current parking locations, develop a sign design and implement signage within the downtown district.	Quarter 3 (December 2019)
Infrastructure	Provide safe, sustainable roadways within the Village.	Increase health and viability of streets within the Village.	Bid and construct roadways within the Village.	Complete Construction Sayton North Quarter 2 (September 2019) Bid and Start Construction Frontage Road and Grand Avenue Quarter 2 (September 2019)
Infrastructure	Determine structural health of all Village streets.	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.	Adjusted to Quarter 4 (April 2020)

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
Infrastructure	Continue with utility interconnectivity for future economic strength.	North/South Interconnect.	Construction begins.	Quarter 2 (September 2019)
Technology	Enhance database of services and service lines for proper functionality and increased improvement.	Increase GIS utilization by collecting B-Box locations.	Collect 25% of all b-boxes and implement into GIS.	Quarter 4 (April 2020)
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 approximately 8.75 miles.	Quarter 3 (December 2019)

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
Marketing / Communications and Economic Development	Start an "Open House Program" to enhance connectivity between local businesses, Relators and Village Staff.	Host two annual "Open Houses" one for local relators, and one for local businesses.	Two "Open Houses" hosted per year.	Quarter 4 (April 2020)
Marketing / Communications and Economic Development	Enhance communication between businesses and the Village.	Create a business centered e-newsletter.	Develop E-newsletter, gather subscribers, and send.	Quarter 2 (August 2019)
Economic Development	Develop a business education program.	Fox Lake Business Bootcamp Educational Series.	Develop business educational curriculum. Enlist minimum of 7 businesses to participate.	Adjusted to Quarter 3 (December 2019)

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
Technology	Optimize Excess Flow Diversion Process.	Coordinate with Engineers and Lake County Staff to develop an effective and repeatable diversion procedure.	Complete testing to confirm effectiveness.	Quarter 3 (December 2019)
Infrastructure	Complete Replacement of MLE Trunk Line.	Maintain Regulatory Compliance and Process Health throughout Installation and transition to above ground replacement.	Verification of Air Tight System.	Quarter 4 (May 2020)
Operations and Organizational Development	Prevent employee accidents and injuries.	Provide all required and recommended training to each NWRWRF Staff member.	Maintain an injury free workplace.	Review each quarter and report annually – Quarter 4 (April 2020)
Infrastructure	Monitor Individual Flow contribution of each tributary system.	Coordinate with Engineers to complete design services and determine specific locations of required metering devices.	Facilitate completion Of Final Design and Survey Services.	Quarter 3 (January 2020)

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 4 (March 2020)
Technology	Create and maintain inventory list and user guide for 911 technology to increase critical 911 operations.	911 Technology Program.	Inventory technology within the 911 Center and associated equipment within the village. Develop a working guide for Telecommunicators and administration to improve critical operations during system outages and center evacuations.	Quarter 3 (December 2019)
Marketing	Market FoxComm as viable Dispatch solution to local government entities.	New agency acquisition.	Involvement and commitment to the Regional 911 Consolidation.	Quarter 4 (April 2020)
Technology	Increase capability for residents and visitors to report incidents.	Text to 911.	Public Education for hearing impaired community with assistance from the hearing impaired support groups.	Quarter 1 (July 2019)

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.