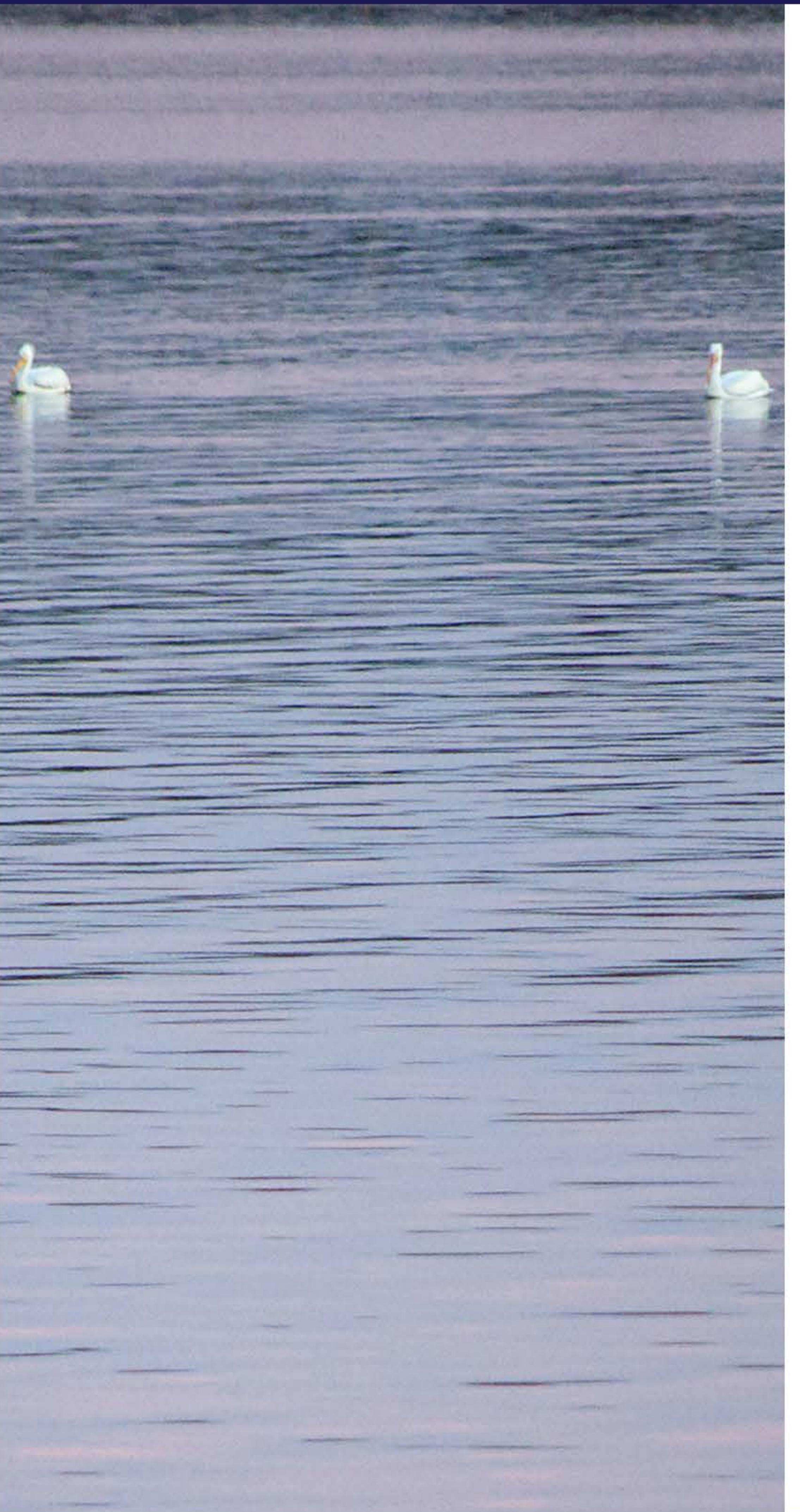




Village of Fox Lake

Fiscal Year Budget

2021 - 2022



Anchoring Traditions...Linking the Future

Village of Fox Lake

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Section 1

Transmittal Letter

Wayde Frerichs – Finance Director/Treasurer

Laura Linehan – Assistant Village Administrator/HR Director



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

September 30, 2021

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 commencing on May 1, 2021 and ending April 30, 2022. We are grateful to 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 FY21-22 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.

In FY 2020-2021 the Village planned for the worst and hoped for the best. Due to strong fiscal management, a hiring freeze and COLA freeze for all positions, an overall decrease in expending, and forgoing of capital project, the Village ended 2021 with fund balances that meet the Village's policy allowing it to maintain its levels of service to the community.

As the pandemic continues to carry into the FY 2021-2022 budget cycle, revenue projects were calculated based on conservative trends with the expectation that various revenue streams could continue to be impacted.

Due to the strong financial position of the Village, prior even to the receipt of American Rescue Plan Act funds of 1.2 Million total, the Village moved forward with previously planned capital projects and vehicle replacements, which outlines the Village's decrease in the Village's capital reserve. 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.

As of March 2021, since 2017, the Village has lost a total of 68 employees. This averages to around 13 employees per year. The turnover of positions within the Village lead the Village Board to direct staff to complete a salary analysis to analyze how the Village could be more competitive. You will see an increase in expenditures in personnel which is a result of the analysis and bringing positions to the 10th percentile of neighboring communities. The Village will continue to monitor wages throughout the area in order to remain competitive and continue to address turnover.

As with any budget, challenging decisions need to be made and priorities need to be established; internal strategies for the upcoming fiscal year include the continued evaluation of the E911 dispatch operations options, continued efforts to develop strong incentives for business partnerships, and the continuation of infrastructure improvement projects that have been planned over the last several years.

Challenges going forward include dealing with the aftermath of the COVID-19 pandemic as well as identifying new sustainable revenue streams, outside of property taxes, for the Village's street maintenance program and other non-capital expenditures. It will be crucial for the Village to find 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 even with a conservative approach to revenue forecasting and a more aggressive approach for expenses.

Economic and Political Climate

As the budget was initially being prepared, unemployment was around 7.9%. This was a vast improvement from the 17.2% a year earlier when the COVID outbreak became realized and the state ordered a shut-down of schools and non-essential businesses in mid-March of 2020. While places of eating taxes and video gaming revenues plummeted, some businesses such as grocery, hardware, and superstores/discount retailers have been a source of steady sales tax revenue. As of November when the FY2020-21 budget amendment was brought to the Board, revenues were much better than expected while expenses had been curtailed significantly. The Village expects the economy to keep improving as we move into FY2021-22 and as a result, revenues have been budgeted to increase slightly from the prior year's amended budget and expenses were budgeted more aggressively with increases in non-grant or IEPA funded capital projects and including vehicle and equipment replacements as well as supplies and maintenance expenses.

At the national level, the average unemployment rate for 2019 was 3.7 percent. In April 2020 the national rate increased to 14.7 percent. In Illinois the seasonally adjusted unemployment rate skyrocketed from 4.2% in March 2020 to 17.2% in April 2020. The State of Illinois has struggled for years with unfunded and growing liabilities which continue 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; at any given moment, shared state revenues could be adversely altered, resulting in local government hardships.

The below changes were taken into account in both the FY2020-2021 amended budget and the FY21-22 adopted budget being presented here.

- Cannabis Regulation and Use Tax Act became effective January 1, 2020. As cannabis sales and related products continue to increase, receipts are estimated at \$9,500 to the Village or \$0.90 per capita. The Act provides 8% of the State's revenue to municipalities allocated on a per capita basis.
- Starting January 1, 2020, marketplace facilitators such as Amazon are required to collect the 6.25% use tax on marketplace sales from certain retailers. This and the 2018 Supreme Court decision on South Dakota v. Wayfair, Inc case will temporarily result in increased use taxes. This revenue source is ultimately expected to be collected via the method below.
- Effective January 1, 2021, marketplace facilitators and eligible remote retailers are required to collect both Illinois' 6.25% Retailers Occupation Tax (ROT) and any locally imposed ROT, instead of the 6.25% use tax, on online purchase from sellers based on where the produce is delivered. This will reduce use taxes significantly but will increase state and local ROT. This did not have a discernable impact on the Village revenues in FY20-21 because of the lag time from the sales to the recording of revenue by the Village. However, the result of this change is expected to increase local use significantly especially as citizens shopping habits shift to an online presence, this revenue is expected to be recognized in FY2021-22.
- Effective July 1, 2019, the State doubled the motor fuel tax from \$0.19 to \$0.38 per gallon resulting in additional revenue to the Village from the newly created Transportation Renewal Fund (TRF) of approximately \$15.00 per capita for FY20-21 and projected to be \$16.00 per capita for FY21-22.

The Federal Reserve Bank has held interest rates to near zero, negatively affecting the short-term interest rates that affect all but the Police Pension Fund interest earnings. Interest earnings have been reduced or flat overall due to the lower rates and reductions in reserves from capital spending. The Federal Reserve has hinted that interest rate increases are coming and although that is good for interest income, it increases the cost of any possible borrowing and the cost of purchased goods and services.

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 economy through these unchartered waters. 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 continues the evolution of many of the prior years' 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 budget for adoption, a conservative approach was used when forecasting revenues and a more aggressive approach was used for expense budgeting. We remain optimistic that we are emerging from the stronghold and negative impact of the pandemic but remain cautious as well. The following bullet points highlight some of the optimistic expectations incorporated into this year's budget.

- Terminate the hiring freeze for all open positions across every department;
- Non-union wages have been increased for a 3.0% COLA and a 2.5% market adjustment intended to keep the Village competitive with surrounding communities in an effort to reduce turnover;
- Previous cuts that were implemented Village-wide were lifted and expenses were budgeted aggressively and supplies that were foregone or temporarily deferred were included in this year's budget, including previously planned projects and technological upgrades;
- Budget for capital expenditures on roadway projects that were previously deferred as well as equipment and vehicle replacements that were also previously deferred;
- Funds for land acquisition, for the purposes of park expansion, have been budgeted;
- At the time the budget was adopted, grant revenue continued to be elusive. However recent grant opportunities have been identified but still will not be recognized until FY23 and beyond.

The Village Board completed an in-depth review of the General Fund preliminary budget during its March 31st Budget Workshop, April 13th and April 27th, 2021 Board meetings. This year, the budget meetings focused on discussions regarding personnel, capital and revenue and expense accounts that changed by more than 10k from prior year as opposed to going through each line item in detail. These discussions also included expectations for a strong economic recovery. A separate review of the budget will be conducted periodically and will be presented to the Board for the Board action to make budget adjustments that may be 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 FY 2021-22 budget detail that follows:

Comprehensive Village Outlook

- Total revenue for the Village is \$24.2M (excluding IEPA loans and IDOT grants), which is \$400k or 1.6% higher than the prior year amended budget.

- Total expenditures (excluding capitalized assets and depreciation in the enterprise funds) are budgeted at \$29.22M, which is \$3.6M or 14% higher than the prior year's amended budget. This computes to a net use of funds in FY 2021-22 of \$1.27M.
- General Fund revenue accounts for 40% of the total revenue, down from 40.8% of the prior year amended budgeted revenues.
- General Fund total expenditures, including the inter-fund transfer to the NWRF and capital outlay of \$14.3M, represents 28% of the Village's \$50.4M total budgeted expenditures.
- Personnel-related expenditures account for 46% of total expenditures in contrast to 49% for non-personnel-related operating expenditures.
- Spending on capital projects, including those assets capitalized in the enterprise funds, total \$23M, which is \$7.8M lower than the prior year's amended budget.
- Village-wide emphasis continues to be 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 \$8.7M both in the form of general obligation bonds and revenue bonds. The Village has additional debt capacity of \$18.2M 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 \$10.2M and the unrestricted net asset balances of the Water Fund and NWRWRF Fund are projected at \$11.6M and \$10.5M, respectively.

General Fund Outlook

- General Fund revenue is \$12.268M; this is \$35k higher than the 2020-21 amended budget estimates of \$12.233M. This increase in revenue projection is anticipated to be relatively flat as compared to the amended budget for FY2020-21 which was amended upward as it became evident that the COVID-19 pandemic impacts on revenues, when coupled with the CARES Act monies of 420k, would not be as negative as originally feared. Nearly every revenue source including utility taxes, taxes on retail sales, places for eating taxes and video gaming proceeds were consistent with the amended budget expectations or stronger at FY2020-21 year-end.
- Taxes represent the highest source of revenue for the General Fund at \$8.65M or 70.5% of total General revenues. Public Safety uses the most General Fund resources at \$6.2M or 51% of the total expenditures; slightly higher than the prior year at 50% of total expenditures.
- Total operating expenditures for the General Fund are budgeted at \$12.17M, which is \$450k or 1.3% lower than the prior year amended budget of \$12.2M. This is mostly attributed to flat estimates compared to the prior year's amended budget in non-capital related expenses and decreased debt service as a result of bonds being paid off in prior years.
- Total debt service payments for the General Fund increased to \$490K from the prior year of \$464k. This change is contributed mostly to an accelerated principal payment on the Series 2014B debt issue. Again, the Village does not expect to issue any general obligation debt this fiscal year. The Village is anticipating securing additional loans of \$12M from the IL EPA for the Water/Sewer Interconnect Phase II project.
- Capital expenditures are budgeted at \$1.6M for the year compared to prior year of \$368k. This significant change is due to budgeting for projects deferred last year in response to the pandemic uncertainties. The projects included in this year's budget are Fossil Bridge, a portion

of the Rt. 12 sidewalk project, Hickory Cove, Holly Ave, Knollwood, Grand Ave. and Washington/Rt. 59 design in conjunction with Lake County.

- Net deficit of revenues, excluding grant revenues, over expenditures before capital projects is \$400k. This deficit is the result of conservative revenue forecasting coupled with an aggressive expense budget.
- Total General Fund reserves are projected to decrease by \$2M, to \$10.2M. The decrease is primarily a result of budgeted capital expenditures and debt service, the difference between budgeted operating revenues and expenses is a deficit of \$97k. \$6.0M, which represents 49.21% of total non-capital expenditures for the General Fund which meets the Village fund balance policy of 33%.

Special Revenue Funds Outlook

- The Tax Increment Financing District Fund will collect \$60k in taxes and will spend \$261k, with \$246k on sidewalk and land improvements in the District.
- The Motor Fuel Tax Fund shows \$336k in tax revenue, \$196k in operating expenditures for road lighting, deicing and routine maintenance. The \$2.7M Nippersink Blvd. reconstruction project is expected to be funded this fiscal year with available matching funds through next fiscal year.
- The Business Development Districts (BDD's) in the South and Central areas of the Village are projected to receive \$650.5k and \$525.5k, respectively, in sales tax revenue. Revenue projections are flat as compared with FY2020-21 projected actuals. There are no capital expenditures budgeted for the South District and there is \$686k planned for the Central District which includes the Holly Ave. roadway project and 53% of the Rand Rd. sidewalk project. The Grand Avenue lighting and Millennium Park improvements were completed in FY2020-21. Beautification, signage and continued development in the central and south districts are intended to expand business interests in the community.

Enterprise Funds Outlook

- The Commuter Parking Fund is budgeted for \$15k in revenues and \$90k in expenditures. Revenues are slightly more than 20% of pre-pandemic totals while expenditures decreased by only \$5k or 5.3%. This Fund will need to be analyzed and may need to be supported by the General Fund via transfers or addition revenue will have to be identified.
- The Water/Sewer Fund shows revenues of \$4.6M as compared to \$4.5M for the prior year (excluding IEPA interconnect project loans). The increase in the revenue is primarily due to a water and sewer rate increase coupled with the post pandemic reinstatement of non-payment and administrative shut-off fees; bi-monthly base rates increased from \$50.95 to \$52.99 (4.0%) and the consumption charge increased from \$3.79 to \$3.94 per thousand gallons (4.0%).
- Water/Sewer operating expenditures are budgeted slightly lower at \$3.29M as compared to \$3.35M in the prior year amended budget.
- Water/Sewer capital expenses are planned at \$15.6M compared to \$22.9M last year. The most significant project is the continued interconnect project's Phase I completion and construction phase of Phase II of approximately 11M, financed with IEPA low interest loans. Additional capital expenditures include \$3.8M in water and sewer system improvements for wells, lift stations and water and sewer mains.

The remaining capital expenditures are for scheduled vehicle and equipment replacements, building generators, sanitary sewer lining and private service tap-on to the new interconnect Phase I.

- The Water/Sewer unrestricted reserves are projected to increase 1.3M.
- The NWRWRF budget includes \$5.6M in revenues, which is \$558k more than the prior year amended budget. This increase is entirely due to anticipated connection fees from the decommissioning of the Lakes Region Sanitary District. The reinstatement of non-payment penalties is estimated at 15k and interest income is expected to increase minimally.
- NWRWRF expenditures are budgeted at 7.5M compared to the prior year's amended budget of 7.3M. The Village has budgeted aggressively as we remain optimistic regarding a strong economic recovery from the pandemic. Expenses that were needed but could be cut during last year's pandemic uncertainties have been reintroduced this year. Expenses and economic conditions will be monitored closely throughout the year.
- NWRWRF capital expenses are scheduled at \$2.05M and include the carryover rehabilitation/rebuild of a screw pump and building roof replacements, Master Flow Meters, RAS pump replacement, building #55 drive replacement and vehicle replacements.
- The NWRWRF unrestricted net assets at year-end are projected to be \$10.6M; down from \$12.8M estimated at the end of FY 2020-21. 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 balance deficit is estimated to increase by \$63.5k from (\$622) to (\$686k) as projected revenues of \$1.4M expected to just cover operating expenses of \$1.4M. A required capital expenditure for radio system hardware has been budgeted for 75k. This fund will most likely require temporary transfers from the General Fund as operations and services fees are evaluated.

Fiduciary Fund Outlook

- The Police Pension Fund projected revenues at \$2.6M, which is an \$800k increase from the FY2020-21 budget. The Police Pension property tax levy for 2020 (FY 2021-22 revenues) consumes a higher percentage of the total property tax levy because the Village's obligations went up dramatically due to last year's changes in the earnings assumptions from 7% to 6.75%. The total Village contribution (including property tax levy) is \$1.025M compared to \$828k last year for a total increase of \$197k. Hopefully future funding requirements can be offset by strong market performance and investment returns.
- The net surplus of revenue over expenses in the pension fund is projected to be \$1.45M resulting in an estimated reserved fund balance of \$21.8M at year-end.

Budget Presentation

The FY21-22 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. We would like to express our gratitude to the entire Village staff for their diligence in developing this essential financial instrument. Particularly, we would like to thank Interim Finance Director Susan Griffin, Accounting Manager Laura Rudkin, Police Chief Jimmy Lee, Economic 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 dedication to the community. Finally, we would like to sincerely thank the Village Board for their ongoing stewardship over Village finances and foresight in planning for the Village's future.

Sincerely,

Wayde Frerichs
Finance Director & Village Treasurer

Laura Linehan
Assistant Village Administrator & HR Director

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Section 2

Organization & Services

GFOA Budget Award FY2020-21

Village of Fox Lake Map

List of Principal Officers

Organizational Chart

Village Commissions, Committees, and Board

Community Profile

Community Characteristics

Fund Structure

Department Fund Relationship Structure

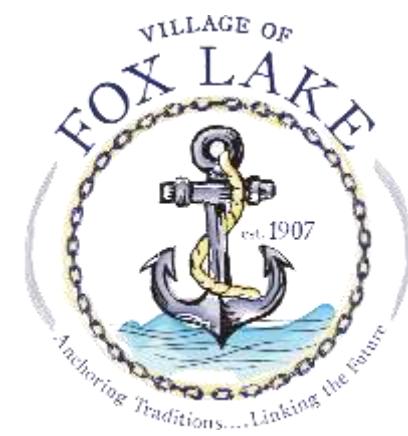
Budget Process and Structure

Budget Process

Budget Timetable

Basis for Budgeting and Fund Structure

Account Numbers





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

Village of Fox Lake
Illinois

For the Fiscal Year Beginning

May 01, 2020

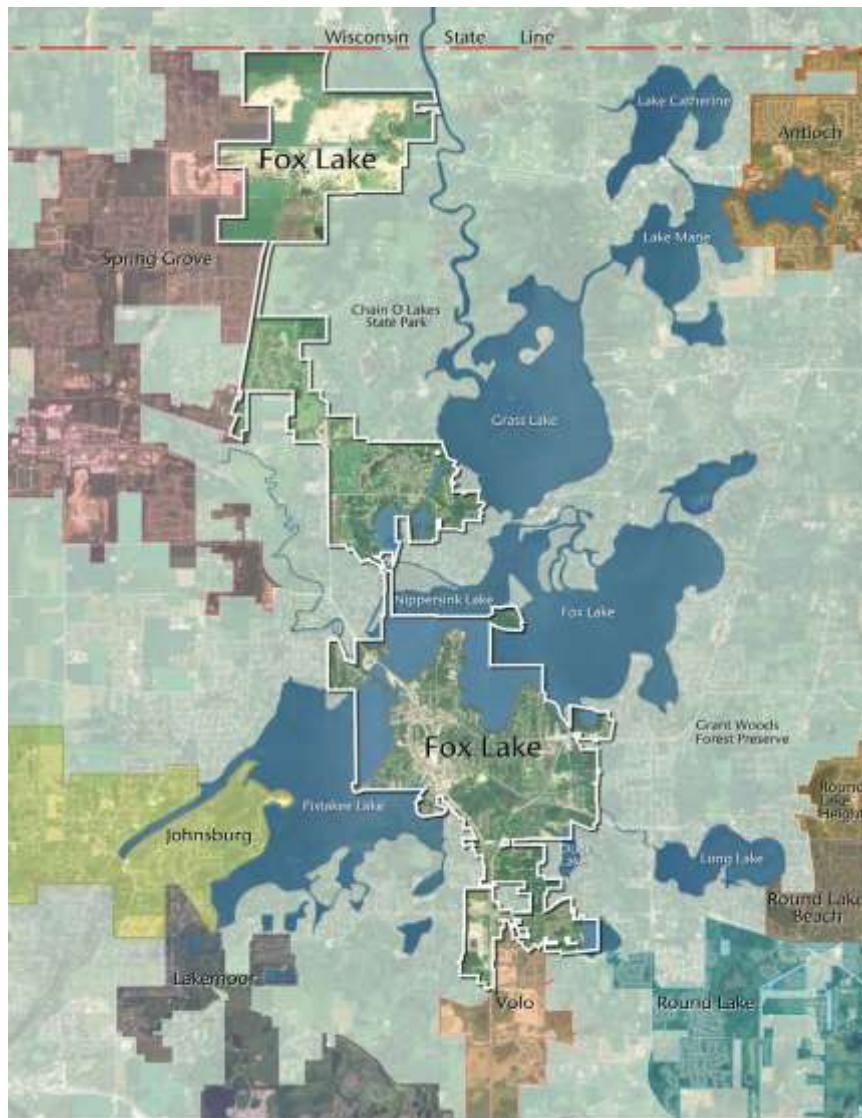
Christopher P. Morill

Executive Director

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, 2020. 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

Amy Driscoll (Appointed August 24, 2021)

Brian Marr

Danice Moore

Ron Stochl

Village Clerk

Vacant

Village Administrator

Deb Waszak (August 16, 2021 start date)

Asst. Village Administrator/HR Director

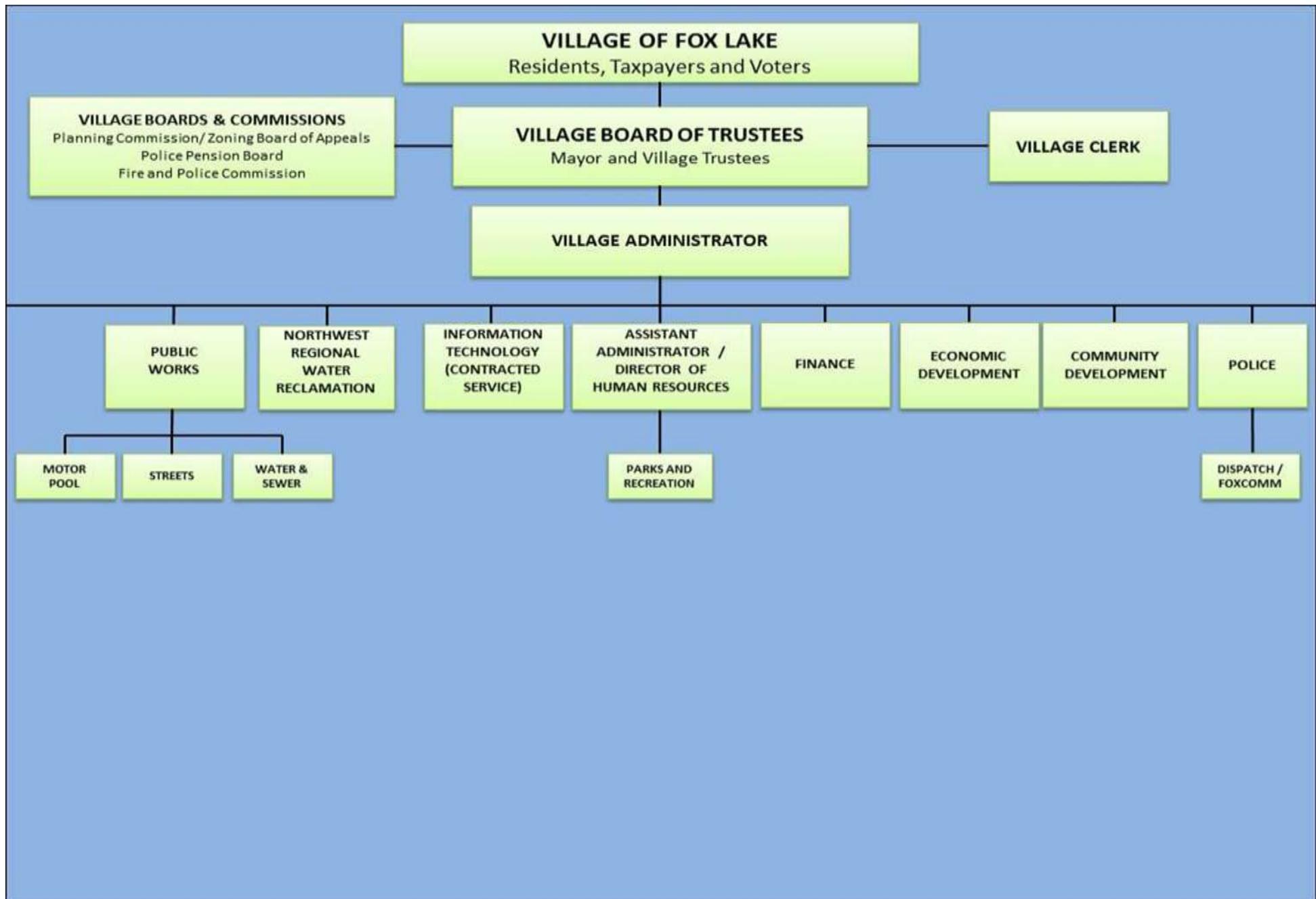
Laura Linehan

Village Treasurer/Finance Director

Wayde Frerichs

Village Attorney

Howard Teegen





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. In May of 2021, the Village removed the combined committee leaving – Economic Development, Infrastructure, and Recreation as the three remaining teams. The Strategic Planning Teams consist of a Chairperson who shall be a department head or staff member appointed by the Village Administrator and four 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 four (4) 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 10,978, per uncertified 2020 Census statistics, 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 uncertified 2020 United States Census, the population grew to 10,978 residents, which represents a 3.8% increase from the 2010 Census.
- Those individuals with at least a high school degree represented 91.9% 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 4,551 reported households in 2018. In 2019, there were a reported 4,637 households in the Village. This represents a 1.9% increase.
- In 2019, the median housing value was listed at \$161,100 and the median household income was \$60,230.

Age Distribution

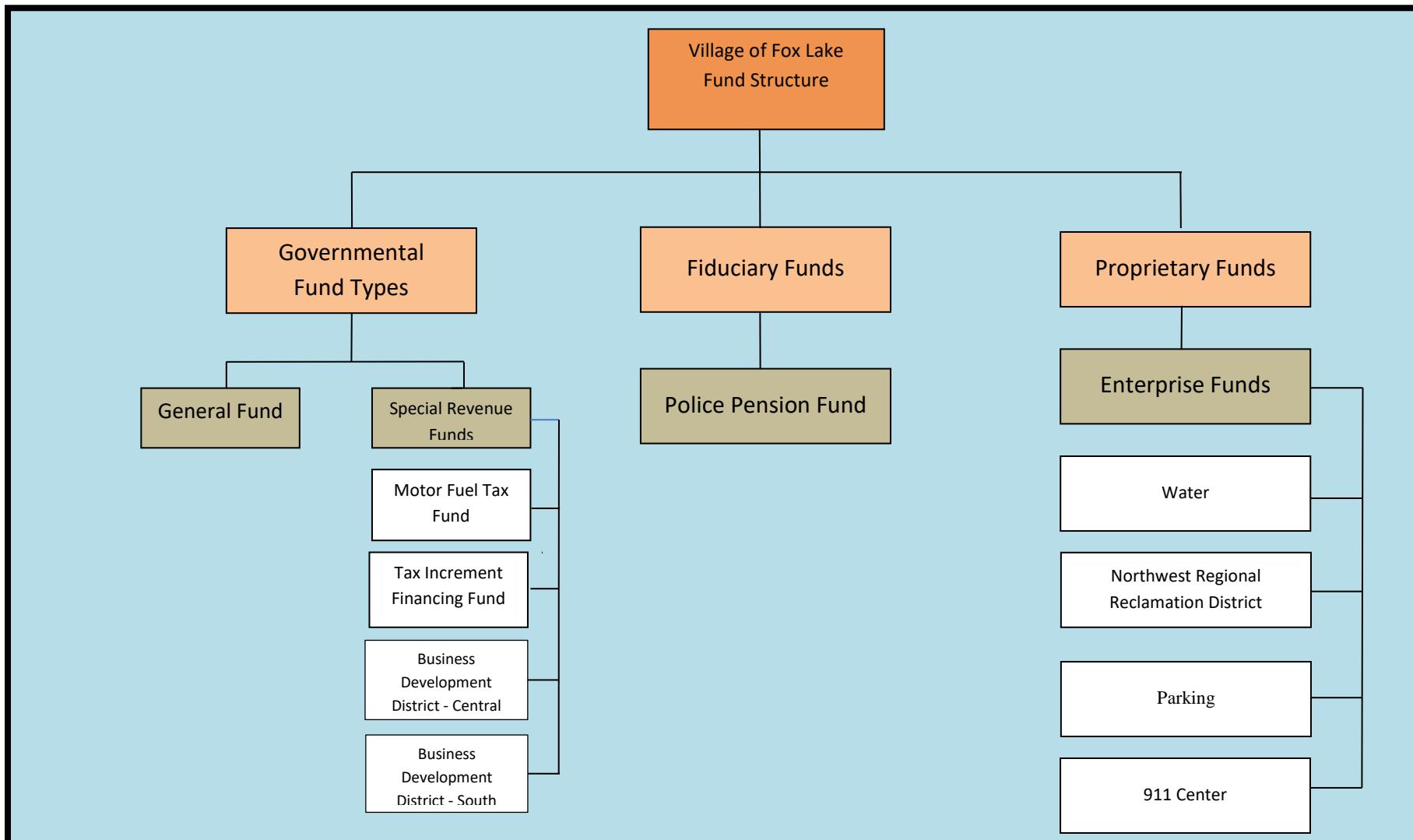
- The median age in the Village in 2010 was 40.9 years. In 2000, the median age was 37.
- In the 4,637 households that were reported in 2019, 26.2% had children under the age of 18 living with them, 18.6% had individuals aged 65 or over living with them and 41.3% were married couples living together. The average household size was 2.32 and the language other than English spoken at home was 9.6%.

Racial Composition

- The racial makeup of the Village in 2019 was 93.8% White, .8% Black or African American, 1.6% Asian, 2.3% Two or More Races and Hispanic or Latino was 8.5% of the population.

Village of Fox Lake Fund Structure

April 30, 2021



Department Fund Relationship Structure

Fund Type	Fund	Department	Department Summary Page	FY21-22 Budgeted Expenditures
General	General	Total		\$14,302,963
		Administration	61-67	\$1,874,412
		Motor Pool	68-70	\$320,230
		Garbage	71	\$989,640
		Public Safety	72-77	\$6,214,788
		Parks & Recreation	78-81	\$413,858
		Insurance	82	\$275,000
		Fire Department	82	\$50,000
		Streets/Public Works	83-86	\$1,299,385
		Community Development	87-89	\$734,662
		Grant Expense	90	\$0
		Debt Service	90	\$490,290
		Capital Expenses	91	\$1,640,698
Special Revenue				\$4,100,050
	Tax Increment Financing District	Administration	93-94	\$260,600
	Motor Fuel Tax	Streets/Public Works	95-96	\$2,931,000
	Business Development District-South	Business Development/Infrastructure	97-98	\$146,500
	Business Development District-Central	Business Development/Infrastructure	98	\$761,950
Enterprise Funds		Total		\$12,357,906
	Parking	Building & Development & Public Works	99-100	\$90,651
	Water & Sewer	Public Works	101-108	\$3,294,948
	NW Regional Reclamation District	Public Works	109-117	\$7,510,148
	911 Center	Dispatch	118-123	\$1,462,159
Fiduciary Fund	Police Pension	Non-Departmental	124-125	\$1,175,587
			Total Funds	\$31,936,506

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 typically involves the citizens, Mayor and Village Board, Village Administrator, Village Treasurer/Finance Director, Assistant Village Administrator, Department Directors, Managers and many other stakeholders throughout the community. Each person plays a critical role in the development of the budget for the upcoming fiscal year.

The goal of the budget process is to present a balanced budget to the Village Board of Trustees for review and adoption. A balanced 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. However, this year, the Village implemented new budgeting software called miViewPoint which eliminated the need for budget worksheets. Through the software's "workflow" process, budgets are established by respective department heads and then discussed in meetings as the budget process moves forward, as discussed below.

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 between the Department Directors and the 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.

Following initial meetings with Department Directors, Finance Director and Village Administrator, a workshop is held with all Elected Officials to review the proposed document. This year, the workshop was condensed to focus on three areas:

- 1) Capital Improvements
- 2) Personnel
- 3) Individual line-items increasing over \$10,000.00 (included justifications as to why an increase/decrease occurred)

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 10, 2021	FY 2021-2022 Proposed Budget Worksheets distributed to staff
March 5, 2021	Completed budget worksheets due to Administration/Finance
March 8-11, 2021	Budget Review Meetings with Village Administrator and Finance
	Finance Prepares preliminary budget and provides copies to the Village Board
March 12-19, 2021	
March 31, 2021	11:30 a.m. FY 2021-2022 Budget Workshop @ Police training room
March 20-27, 2021	Finance Prepares budget narrative, tables, schedules
	FY 2021-2022 Tentative Budget Available to Public, the Village Board and Staff
April 5, 2021	
April 2, 2021	Public Hearing Notice appears in the Daily Herald
April 13, 2021	6:00 p.m. Public Hearing Fiscal Year 2021-2022 Proposed Budget 6:30 p.m. Regular Village Board Meeting Fiscal Year 2021-2022 Proposed Budget (1st Reading)
April 27, 2021	6:30 p.m. Regular Village Board Meeting Adopt FY 2021-2022 Budget (2nd Reading)
April 30, 2021	Deadline for adopting Fiscal Year 2021- 2022 Budget
May 27, 2021	Filling Deadline with Lake and McHenry County Clerk Certified copy of Fiscal Year 2021- 2022 Budget
September 30, 2021	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.

Basis for Budgeting and Fund Structure (Continued)

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.

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

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Section 3

Executive Overview

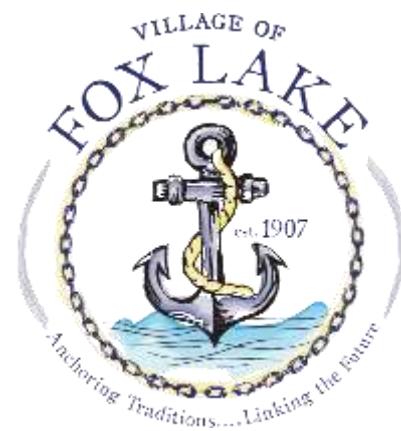
Budget at a Glance

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 FY2021-2022 total budgeted revenues are projected to decrease by \$16,112,853 or 34.5% compared to the FY2020-2021 amended budget's total revenue of \$46,778,041. The revenue change is primarily the result of decreased capital funding for road construction and utility infrastructure improvements through the State Grant and the Clean Water and Illinois Environmental Protection Agency loan programs. A couple major projects, the sewer and water interconnect and Nippersink Blvd project, were started last year along with the receipt of outside funding for such. Additionally, some revenues continue to be budgeted conservatively due to COVID-19 variants and their unknown economic impacts while expenses were more aggressive as we remain hopeful that we're emerging from the pandemic's stronghold.

Fund	Fund Type	Revenues	Operating Expenditures	Capital Expenditure	Debt Services	Depreciation	Net Increase/(Decrease)
General Fund	General	\$12,268,711	\$12,171,975	\$1,640,698	\$490,290		(\$2,034,252)
TIF Fund	Special Revenue	\$60,500	\$14,600	\$246,000			(\$200,100)
Motor Fuel Tax Fund	Special Revenue	\$2,941,700	\$196,000	\$2,735,000			\$10,700
Business Development District – South	Special Revenue	\$650,500	\$146,500				\$504,000
Business Development District – Central	Special Revenue	\$525,500	\$76,000	\$685,950			(\$236,450)
Commuter Fund	Enterprise	\$15,050	\$85,615			\$5,036	(\$75,601)
Local Water & Sewer Fund	Enterprise	\$4,598,000	\$2,241,064		\$194,752	\$859,132	\$1,303,052
Northwest Regional Water Reclamation	Enterprise	\$5,567,900	\$5,710,148			\$1,800,000	(\$1,942,248)
911 Dispatch Fund	Enterprise	\$1,412,686	\$1,396,665		\$494	\$65,000	(\$49,473)
Police Pension Fund	Fiduciary	\$2,624,641	\$1,175,587				\$1,449,054
Total Village Budget		\$30,665,188	\$23,214,154	\$5,307,648	\$685,536	\$2,729,168	(\$1,271,318)

* Depreciation is not budgeted in Governmental Funds.

Enterprise Funds Non-Budgeted Items (included in budget but with an offset because these don't increase revenues or expenses)

Fund Name	Fund Type	IEPA Loan Proceeds	Capitalized Expenses	Debt Principal Payment	Budget Offset	Net Amount
Water & Sewer Fund	Enterprise/Proprietary	\$3,892,756	\$15,580,390	\$711,046	(\$12,398,680)	-0-
Northwest Regional Water Reclamation	Enterprise/Proprietary		\$2,046,000		(\$2,046,000)	-0-
911 Dispatch Fund (Fox Comm)	Enterprise/Proprietary		\$75,000	\$4,076	(\$79,076)	-0-

The General Fund and Special Revenue Funds show a combined use of Fund Balance of \$2.0M. This is primarily the result of increased personnel costs, continued construction and new project costs, and increased expenditure projections as we emerge from the COVID-19 pandemic coupled with conservative revenue projections, especially in the BDD Central Fund. The Local Water & Sewer operation generates sufficient operating revenues to fully fund the operation, maintenance and replacement costs. The NRWRF Enterprise Fund's budgeted revenues are projected at an increase of \$558,554 or 11% due to anticipated tap-on fees. Revenues provided the funding to meet the operating and maintenance costs but again do not fund the depreciation. A rate study is due to review the regional rates to determine if appropriate rates are being charged for the services. The Commuter Fund and the 911 Dispatch Fund have been unable to fully fund the operation and show a projected combined deficit of \$125,074. These two funds will require fund transfers from the General Fund to support the operations.

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 income, IEPA loan proceeds and interfund transfers. The total projected revenues, including IEPA loan proceeds and interfund transfers-in, for fiscal year 2021-2022 is \$30,665,188. The following table depicts total revenues for all funds by category for the years ending 2019 to 2022.

Account Category	Actual 2018-2019	Actual 2019-2020	Amended Budget FY 2020-2021	Estimated Actual FY 2020-2021	Approved Budget FY2021-2022	\$ Change	% Change
Property Tax	\$2,592,277	\$2,683,258	\$2,635,683	\$2,644,749	\$2,794,025	\$158,342	6%
Other Local Tax	1,830,270	1,710,004	1,490,653	1,509,152	1,620,000	\$129,347	9%
Intergovernmental	5,700,247	5,865,783	6,057,272	5,974,271	6,000,475	(\$56,797)	-1%
Grants	172,507	299,352	3,522,744	801,743	2,694,900	(\$827,844)	-23%
Vehicle Stickers	192,678	168,825	147,325	147,325	145,000	(\$2,325)	-2%
Licenses & Permits	78,136	76,171	62,225	62,225	40,975	(\$21,250)	-34%
Franchise Fees	159,900	159,459	157,600	157,600	145,000	(\$12,600)	-8%
Building & Zoning	206,398	153,952	125,200	136,996	123,850	(\$1,350)	-1%
Service Charges	33,816	66,339	33,507	65,813	97,813	\$64,306	192%
Program Fees	93,771	84,663	5,000	5,000	17,000	\$12,000	240%
Interfund Service Charges	1,610,998	1,631,219	1,690,875	1,672,198	1,682,293	(\$8,582)	-1%
Reimbursements	245,982	162,008	99,026	86,975	89,700	(\$9,326)	-9%
Garbage Collection Fees	994,544	1,010,118	1,013,780	1,013,780	1,019,000	\$5,220	1%
NWR Water Reclamation	251,025	250,790	215,001	235,000	250,000	\$35,000	16%
Fines & Forfeitures	492,730	500,981	387,516	357,692	348,500	(\$39,016)	-10%
Parking Fees	94,610	71,831	10,000	7,500	15,000	\$5,001	50%
Water Charges & Fees	4,652,978	4,588,795	4,422,800	4,423,300	4,580,000	\$157,200	4%
NWRWR Charges & Fees	5,274,789	5,629,177	4,937,196	4,994,634	5,487,000	\$549,804	11%
Police Pension	1,698,545	737,374	1,878,982	4,616,509	2,624,641	\$745,659	40%
911 Charges	525,157	548,267	564,000	564,000	564,000	\$0	0%
Debt Proceeds	186	2,264,593	186	186	186	\$0	0%
Interfund Transfer In	-	-	107,045	107,045	-	(\$107,045)	N/A
Miscellaneous	972,424	908,488	309,936	335,123	325,830		
TOTAL ALL FUNDS	\$27,873,969	\$29,571,445	\$29,873,551	\$29,918,816	\$30,665,188		

The Village's 2020 property tax extension estimate was equal to the 2019 levy as adjusted by 1.4% CPI. The intergovernmental taxes show a 1.0% decrease, which is mostly due to the taxes collected by the Village that are linked to the economy which have been budgeted slightly less than the amended FY2020-2021 budget as we see positive signs of emerging from the COVID-19 pandemic. Intergovernmental tax receipts were, for the most part, budgeted flat when compared to the amended FY2020-2021 budget.

Accordingly, the revenues projected for the other programs and services are mostly flat when compared to the amended FY2020-2021 budget with a few notable exceptions. As pandemic restrictions begin to be lifted and a significant portion of the population gets vaccinated, the Village Board has approved Finance's recommendation to reinstate non-payment penalties on utility billing and waste collection service charges, park programs are budgeted to increase 300% as programs are reinstated and the PACE bus program is anticipated to return as well, gaming receipts are expected to double as establishments with gaming licenses reopen, School Resource Officer reimbursement is expected to roughly double as a result of billing a full year versus a half year. Additionally, the Village Board voted to waive liquor, vending and business licenses for FY2021-2022 so those revenue sources are all budgeted at zero. Grant revenue is also down as a result of COVID-19 stimulus monies being distributed in FY2020-2021. Installments 5 and 6 of the State's Rebuild Illinois Program for eligible roadway projects are also anticipated to be received in the current budget year. Interest rates are expected to remain close to zero as the Fed tries to navigate COVID-19's aftermath and isolated resurgence to support a fragile economy.

As planned, the Village will continue the efforts to improve and expand the water and wastewater infrastructure through current Interconnect projects to decommission its Tall Oaks Wastewater Treatment Plant to gain scale of economy by diverting flow to the Northwest Regional Treatment Facility. These improvements are expected to cost an additional \$22.3 million, which continues to be funded with low interest State revolving loans.

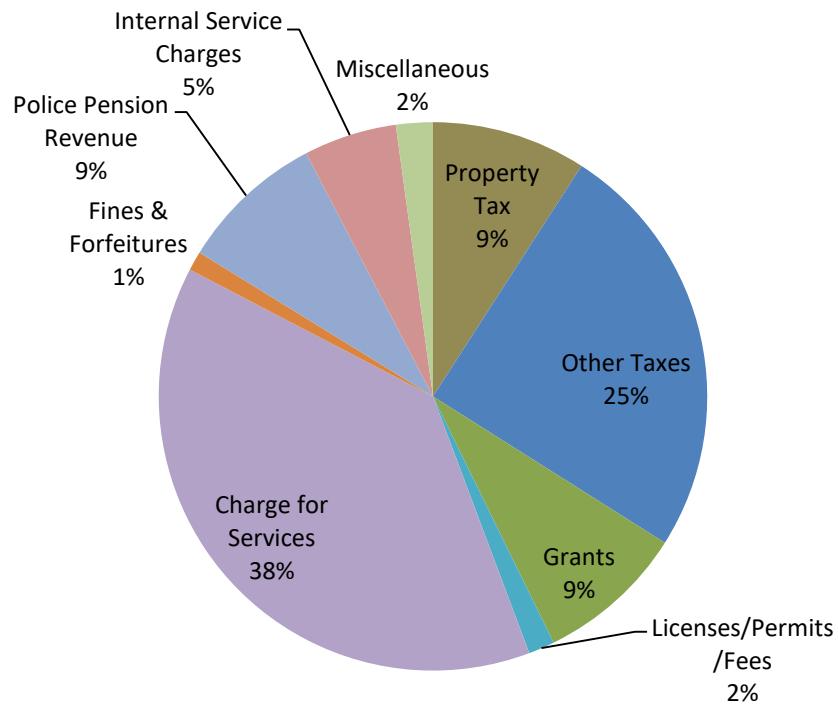
Summary of Revenues by Source – All Funds

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.

FY2021-2022 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>	Commuter Parking		<u>NW Region</u>	Police		
						<u>Fund</u>	<u>Water/Sewer</u>		<u>Pension</u>	<u>911</u>	<u>All</u>
						<u>Fund</u>			<u>Fund</u>	<u>Fund</u>	<u>Funds</u>
Property Taxes	\$2,734,025		60,000								\$2,794,025
Intergovernmental Taxes	4,949,475	336,000		525,000	650,000					190,000	6,650,475
Local Taxes	970,000										970,000
Grant Revenue	89,700	2,605,200									2,694,900
Licenses & Permits	309,825										309,825
Charge for Services	114,813					15,000	4,580,000	5,487,000		564,000	10,760,813
Garbage Collection Fees	1,019,000										1,019,000
Fines & Forfeitures	348,500										348,500
Interfund Service Charge	1,024,293									658,000	1,682,293
Reimbursements	89,700										89,700
Miscellaneous	619,380	500	500	500	500	50	18,000	80,900	2,624,641	686	3,345,657
Total Revenue	12,268,711	2,941,700	60,500	525,500	650,500	15,050	4,598,000	5,567,900	2,624,641	1,412,686	30,665,188

REVENUE SOURCES - ALL FUNDS

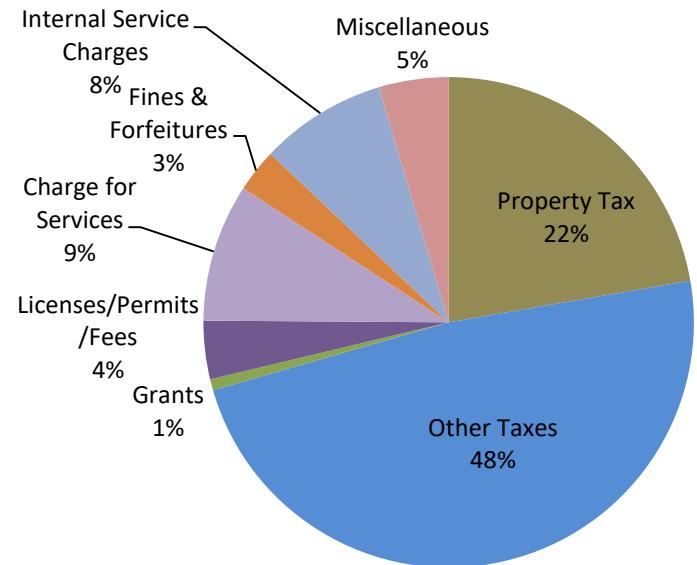


The chart to the right demonstrates that taxes are the largest source of revenue to the General Fund, including real estate taxes, shared income tax, sales tax, food and beverage tax and utility consumption taxes, and followed by permit fees and fines.

In the table below, revenue is summarized by fund for the last five years. Prior to the COVID-19 pandemic, revenues were on the decline but seem to be leveling over last couple years even in a COVID-19 environment. Revenues are expected, other than extraordinary sources, to remain relatively flat across all funds with the exception of the MFT, BDD-Central, North West Region and Police Pension Funds. MFT revenues dropped in the absence of new grant revenue, BDD-Central dropped because the district revenue is not buoyed by a grocery or home improvement store like the BDD-South, the NWR Fund is expected to increase due to anticipated tap-on fees and the Police Pension revenue is expected to increase in large part because unrealized gains were budgeted.

The chart to the left shows the major revenue sources combined for all funds. Fees for the Charge for Services comprise 38% of revenues, which is generated through providing water and wastewater services to the Village's residents; the wastewater treatment services to the municipalities in the NW Water Reclamation District through intergovernmental agreements; and dispatching services to local police and fire departments pursuant to contracts.

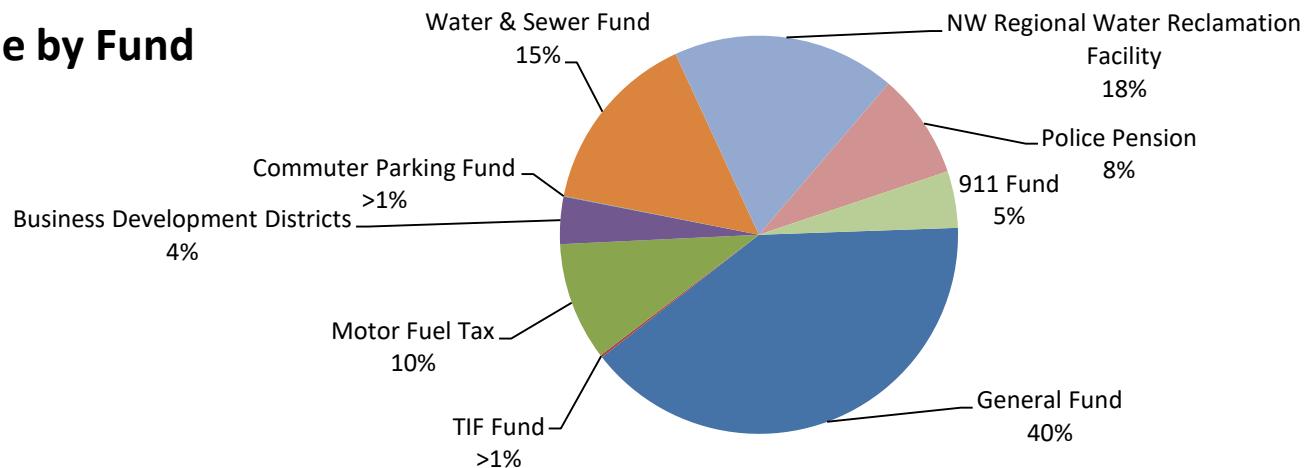
REVENUE SOURCES - GENERAL FUND



Summary of Revenues by Fund

	Actual 2017-2018	Actual 2018-2019	Actual 2019-2020	Amended	Estimated	Approved	Increase/ (Decrease)
				Budget 2020-2021	Actual 2020-2021	Budget 2021-2022	
General Fund	\$13,366,823	\$12,829,709	\$12,516,317	\$12,233,371	\$12,240,112	\$12,268,711	\$35,340
TIF Fund	48,639	59,434	85,219	60,723	69,789	60,500	(223)
Motor Fuel Tax	292,219	308,412	427,055	3,475,500	754,103	2,941,700	(533,800)
Business Development Dist-South	169,731	629,958	634,823	635,751	650,000	650,500	14,749
Business Development Dist-Central	121,836	519,668	583,400	575,750	527,000	525,500	(50,250)
Commuter Parking Fund	108,019	100,704	72,479	10,030	7,525	15,050	5,020
Water & Sewer Fund	5,293,573	4,779,883	7,018,355	4,548,845	4,542,145	4,598,000	49,155
NW Regional Water Reclamation Facility	6,535,044	5,606,339	5,981,936	5,009,346	5,066,784	5,567,900	558,554
Police Pension	2,024,469	1,698,545	737,374	1,878,982	4,616,509	2,624,641	745,659
911 Fund	1,237,963	1,341,315	1,514,485	1,445,254	1,444,849	1,412,686	(32,568)
Total All Funds	<u>\$29,198,316</u>	<u>\$27,873,968</u>	<u>\$29,571,443</u>	<u>\$29,873,552</u>	<u>\$29,918,816</u>	<u>\$30,665,188</u>	<u>\$791,636</u>

Revenue by Fund



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 2020 was 1.4%.

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 Illinois unemployment rate was 3.7% in February 2020. In May 2020, the unemployment rate was abnormally high 15.3% due to the COVID-19 pandemic. The unemployment rate had dropped to 7.1% as of March 2021, still high by historical standards but far better than COVID-19 driven predictions.

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. The COVID-19 crisis has upended auto sales as manufacturing plants shut down and raw materials, especially computer chips from China, become nearly impossible to obtain. As a result, cars, recreational vehicles and heavy equipment sales are down significantly which has driven the prices for used alternatives up just as significantly.

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. Village IEPA loans and private construction loan interest rates remain at historical lows but the Federal Reserve has signaled possible rate increases through 2024 signaling optimism for a COVID-19 recovery. The Village has or will ultimately receive nearly \$22M IEPA loans with interest rates ranging from 1.01% to 1.38%. Business license fees have been waived this budget year.

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 FY2021-2022 budgeted property tax revenues are based on the 2020 taxable equalized assessed value (EAV) of \$313,609,474, \$289,515,515 located in Lake County and \$24,093,959 located in McHenry County. This is an increase over the 2019 taxable EAV of \$286,444,624, in Lake County (1.072%) and \$23,032,069 in McHenry County (4.6%).

For the 2020 Tax Levy, to be collected in FY2021-22, the following amounts were levied and then subsequently extended after PTELL was applied:

Component	Levy Request	Final Extension
Corporate	\$897,467	\$894,596
Police Protection	457,870	456,408
Police Pension	778,610	776,121
Audit Tax	16,310	16,258
IMRF	147,106	146,637
Liability Insurance	170,873	170,328
Social Security	165,027	164,501
Total	\$2,633,263	\$2,624,849

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, 2019 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 \$987,473, with a statutory minimum contribution set at \$779,962. 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 FY2021-2022 budget is \$1,024,641, of which \$776,121 is included within the tax levy and the remaining \$248,520 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 \$400k for FY2021-2022. 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 \$115k for FY2021-2022. 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 FY2021-2022 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. 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 \$95k, which is 17% lower than 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 decrease 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 FY2021-2022 forecasted an increase by 3.7% to \$140,000 as capacity restrictions due to COVID-19 are lifted.

Business Development District Taxes

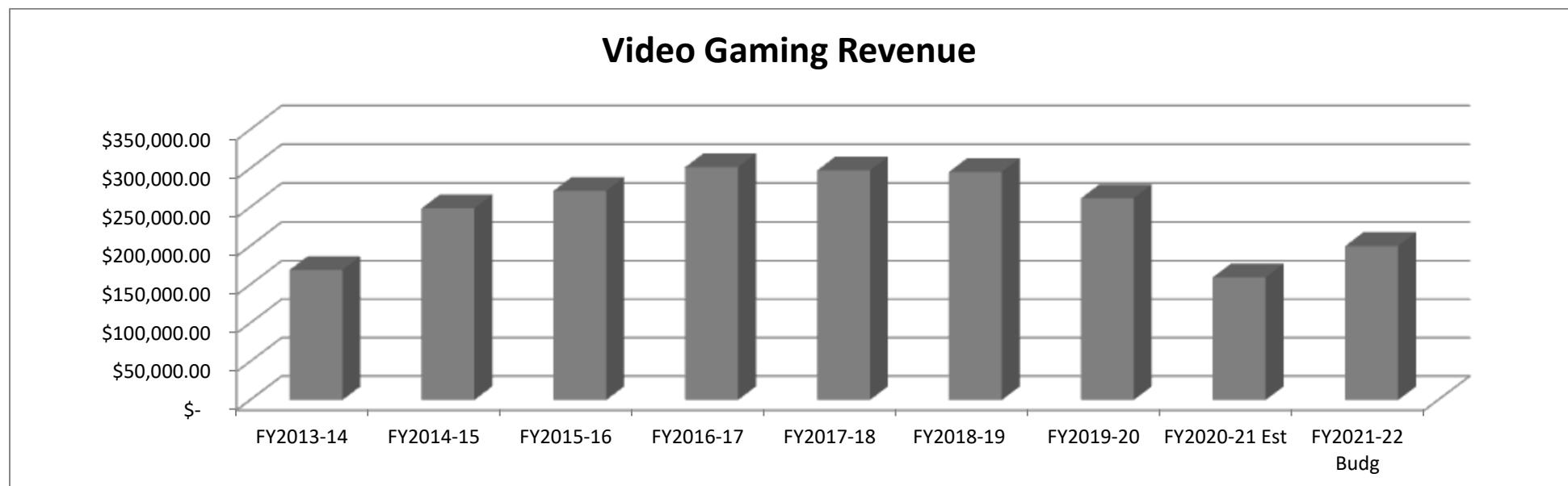
Two new Business Development districts were formed by the Village, one for the Central Business District and one for the South Business District. A new 1% tax was added as of January 1, 2018 to sales taxes collected by businesses in each of the designated areas. Taxes will be utilized for projects and 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 overall revenue generated in the FY2021-2022 budget is expected to be \$35,000 lower than the prior year budget even though encouraging data on vaccinations and COVID-19 related restrictions are lifted; revenues totaling \$650,000 and \$575,000 for the South and Central districts respectively. This revenue source continues to be budgeted conservatively due the uncertainty of COVID-19 variants and resurgent possibilities.

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 of the Village's gaming ordinance, there are now 28 establishments that are licensed under the Act. We are projecting \$200k in income for FY2021-2022. This revenue is budgeted at double the prior year's budget as we remain optimistic that our gaming establishments will reopen as COVID-19 restrictions ease. 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 FY2021-2022.

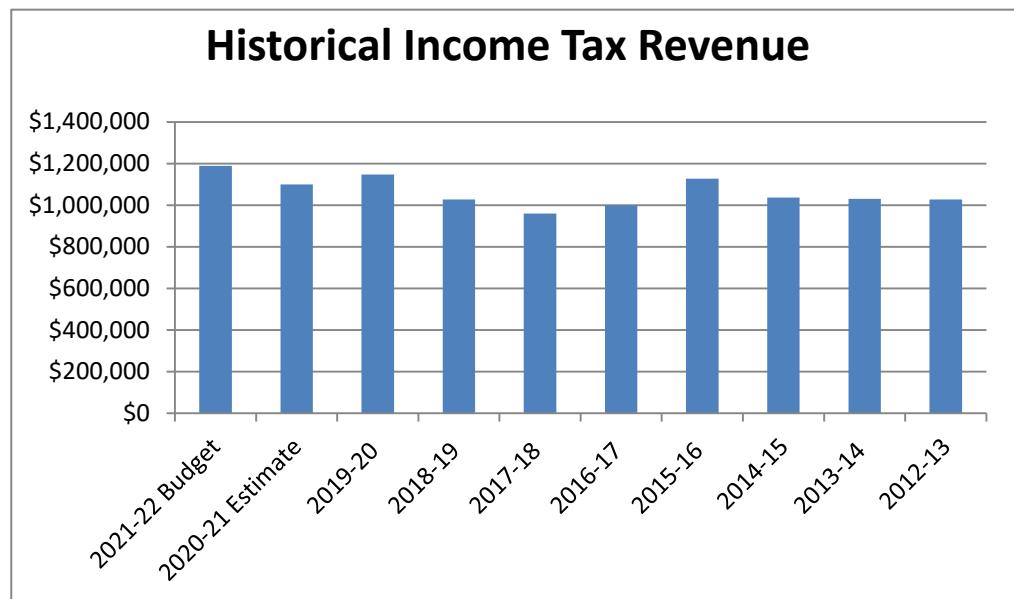


Illinois Income Tax

Illinois Income Tax is imposed on every individual, corporation, trust and estate earning or receiving income in the state. Beginning August 1, 2017 local government receives 6.06% of the net collection of all income tax received from individuals, trusts, and estates, and 6.85% of the net collections of all income tax received from corporations. The amount that each municipality receives is based on its population in proportion to the total state population. Effective July 1, 2017 the tax is a flat 4.95% of income for individuals and 7% for corporations.

Historical Income Tax is reflected below:

Fiscal Year	Revenues	% inc/(dec)
2021-22 Budget	\$1,189,000	8.09%
2020-21 Estimated Actual	\$1,100,000	-4.06%
2019-20	\$1,146,597	11.63%
2018-19	\$1,027,104	7.07%
2017-18	\$959,323	-4.07%
2016-17	\$999,978	-11.30%
2015-16	\$1,127,431	8.82%
2014-15	\$1,036,050	0.50%
2013-14	\$1,030,884	0.30%
2012-13	\$1,027,830	13.07%
2011-12	\$909,022	4.35%



The 2010 Census Population and Housing Occupancy Status information reflects the Village at a population rate of 10,579. The 2020 Census (uncertified) has determined the Village's population to be 10,978; however, the budget was established using 10,579. Based upon data provided by the Illinois Municipal League (IML) and historical trends, the taxes projected for FY2021-2022 have been increased from the amended prior year's \$104 per capita to \$112 per capita for a total of \$1,189,000.

Unemployment in the state of Illinois was relatively low at the beginning of the year. The COVID-19 outbreak and the economic downturn had caused the State unemployment rate to shoot up from 3.7% in February 2020 to 15.3% in May. In spite of the Fed has taking unprecedented actions to save the economy during the coronavirus crisis and the anticipation of a quick recovery, the U.S. Federal Reserve predicted unemployment to remain at 9.3% by the end of 2020, much higher than the pre-pandemic rate of 3.7%. The Illinois unemployment rate had dropped to 7.9% by December 2020 and was 7.1% as of March 2021.

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. With the shift in shopping habits, due to the COVID-19 pandemic, to a home-based online experience coupled with increased prices for used durable goods as a result of the shortages of new durable products, use taxes projected for FY2021-2022 have been increased from the prior year's estimated actual of \$36.87 per capita to \$37.81 per capita for a total of \$400,000. History of local use taxes is presented on the following page:

Use Tax

Fiscal Year	Revenues	Est Per Capita	% inc/(dec)
2021-22 Budget	\$400,000	\$37.81	2.56%
2020-21 Estimate	\$390,000	\$36.87	3.14%
2019-20	\$378,112	\$35.74	15.53%
2018-19	\$327,283	\$30.94	16.99%
2017-18	\$279,758	\$26.44	7.44%
2016-17	\$260,379	\$24.61	6.07%
2015-16	\$245,469	\$23.20	12.50%
2014-15	\$218,194	\$20.63	17.56%
2013-14	\$185,604	\$17.54	11.01%
2012-13	\$167,196	\$15.80	10.28%
2011-12	\$151,609	\$14.33	-0.80%
2010-11	\$152,832	\$14.28	20.10%

Fiscal Year	Revenues	Est Per Capita	% inc/(dec)
2020-21 Budget	\$250,382	\$23.67	-18.18%
2019-20 Budget	\$306,000	\$28.93	-6.50%
2018-19	\$327,283	\$30.94	16.99%
2017-18	\$279,758	\$26.44	7.44%
2016-17	\$260,379	\$24.61	6.07%
2015-16	\$245,469	\$23.20	12.50%
2014-15	\$218,194	\$20.63	17.56%
2013-14	\$185,604	\$17.54	11.01%
2012-13	\$167,196	\$15.80	10.28%
2011-12	\$151,609	\$14.33	-0.80%
2010-11	\$152,832	\$14.28	20.10%

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. Due to uncertainties of COVID-19 variants and resurgence, this revenue source has been conservatively budgeted at \$50,000 versus FY2020-21's amended budget of \$60,000.

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.

Prior to COVID-19, IML was estimating Motor Fuel Tax receipts at \$32.50 per capita. The FY2020-21 budget was established using IML's pandemic adjusted estimate of \$22 per capita or \$229,000. As restrictions are lifted and recreational travel and commuter travel resume, the FY2021-22 budget projection for Motor Fuel Tax is \$336,000 or \$31.76 per capita.

Due to the COVID-19 impact on the traffic, alternative energy, high unemployment numbers, and technological advancement that allow for more employees to telecommute, will continue to depress growth in this revenue. In early 2020, the Illinois Department of Transportation (IDOT) provided local public agencies with funds for capital projects. The Rebuild Illinois grants is a program utilizing proceeds from state general obligation bonds. IDOT awarded \$1.5 billion in six (6) disbursements to local agencies beginning on May 4, 2020. The Village will receive \$116,199.62 additional IDOT grant revenue over a period of three years totaling \$697,197.72. These revenues are used to fund bondable transportation improvement projects, projects with a useful life of greater than or equal to 13 years, and can be used in conjunction with MFT, State or Federal funding

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 0.75%, and Village Municipal Tax 1% (included in the State Rate) for a total Sales Tax Rate of 7.0%. In addition the Village has levied a tax of 1% on sales in their two business districts, as previously discussed.

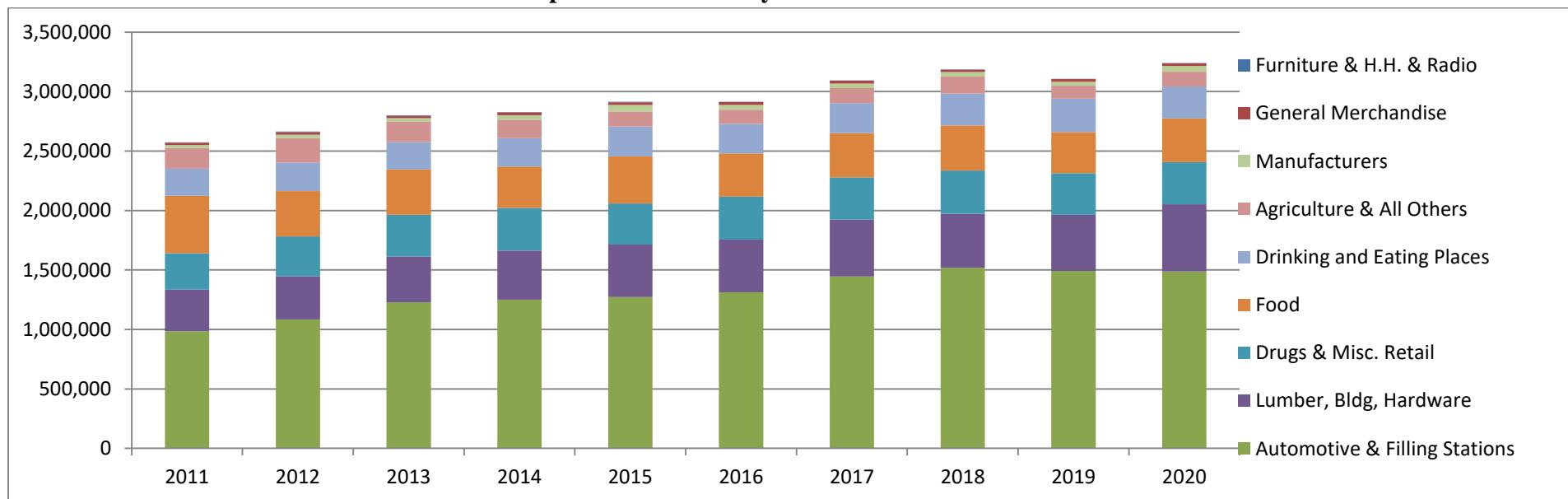
Within the Village, the largest sales tax generators are auto sales, whose sales are heavily influenced by economic conditions. Additional areas of strong sales tax generation are groceries, constructions/home improvement materials, and retail establishments/drug stores. Automotive, home improvement and drug and retail store sales have been stronger than anticipated during the pandemic, the taxes projected for FY2021-2022 have been budgeted flat as compared to the amended FY2020-2021 budget at \$3,300,000.

The charts below and on the following page summarize sales tax collections over the last ten years.

Sales Tax Collections by Calendar Year

Sales Tax	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Automotive & Filling Stations	985,218	1,084,031	1,229,127	1,250,317	1,271,559	1,311,629	1,446,017	1,517,784	1,491,020	1,488,064
Lumber, Bldg, & Hardware	349,903	362,996	384,466	411,442	440,941	443,582	478,760	455,712	472,851	564,982
Drugs & Misc. Retail	306,314	335,845	349,119	359,823	346,635	361,138	353,178	361,356	349,595	353,352
Food	481,014	381,078	383,077	347,674	397,093	363,159	371,699	379,585	346,384	368,222
Drinking & Eating Places	228,608	239,470	228,940	239,173	249,525	248,735	252,475	269,249	280,306	268,034
Agriculture & All Others	175,850	205,688	170,270	154,649	127,280	118,731	127,939	142,393	109,446	123,887
Manufacturers	24,721	28,381	31,006	37,414	53,674	41,192	37,204	37,395	32,768	47,778
General Merchandise	18,277	21,772	21,735	24,287	23,262	23,900	24,859	19,860	22,810	23,078
Furniture, H.H. & Radio	2,308	3,554	2,940	1,473	3,258	2,695	1,947	1,619	2,264	2,901
Total	\$2,572,213	\$2,662,815	\$2,800,680	\$2,826,252	\$2,913,227	\$2,914,761	\$3,094,078	\$3,184,953	3,107,444	3,240,298

Graphic of Sales Tax by SIC Code & Calendar Year



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 at \$145k which is 8% less than the amended budget for FY20-21.

Grant Revenue

Grant revenue was budgeted for repetitive police grants, like the vest reimbursement program and expanded patrol coverage for holidays, totaling \$25,700, similar to prior years. Additionally, following the Board approval for the budget resolution, the Village was identified as being eligible for \$1.4M in American Rescue Plan Act (ARPA) funding as well an additional \$6,900 in unallocated CURES Act monies. \$2.6 million was carried over to fund the reconstruction of the Nippersink Boulevard project as well. A budget amendment will be taken to the Board in November to incorporate the additional CURES and ARPA funding.

Vehicle Stickers & Licenses

The vehicle sticker fee program was changed beginning in May and June of 2018 to be set at \$25 per residence irrespective of the number of motor vehicles owned. Revenue is expected to remain relatively flat compared with the FY2020-2021 budget at \$145,000. Other license fees are expected to remain consistent with the prior year as well, except for business and vending licenses which were both waived for FY2021-22.

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 \$100,000, which is less than those collected in FY2020-2021 since there is no major residential development anticipated starting in FY2021-2022. Impact fees are fees collected from developers to pay for the purchase of land to be used for parks. The Village also expects these revenues to be flat as compared to the amended FY 2020-2021 budget at \$10,000.

Park Fees

The Parks & Recreation department sponsors classes, events and programs such as the Egg Hunt, Polar Plunge, Festival of Lights, Senior Events, Mayor's Fish Fry/Youth Fishing Derby, Summer Art Series, Farmers' Market, Sports Programs, Triathlon and the Bloody Mary Fest. These programs and special events were canceled in FY2020-21 in response to the COVID-19 pandemic. The FY2021-22 budget has included the return of all programming and special events albeit Bloody Mary Fest will be a virtual event. Revenues are conservatively projected to be \$15,000

Garbage Fees

The Village has a contract with Waste Management who supplies the refuse pick up in the Village. The Village collects garbage fees from the residents bi-monthly through their utility bills and pays Waste Management on a monthly basis. The Village's current contract with Waste Management was extended to October 31, 2024. The contract includes a rate freeze through November 2019 and an annual 2.5% increase in user fees for collection and disposal services thereafter. Fees are expected to decrease slightly over the prior year by 1.4% to \$1,000,000. Non-payment penalties have been budgeted at \$19,000 compared to zero in the prior year as a result of penalties being reinstated as we emerge from the COVID-19 pandemic.

Other Fees

The Village receives several fees: Cell Tower rental income of \$155,000, rent for the 911 center's use of the Police Department facilities of \$18,480, and an externality fee of \$250,000. 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 expected to experience continued downward pressure as a result of officer safety and related social distancing measures due to continuing COVID-19 concerns. This revenue source has been budgeted flat, at \$125,000, as compared to FY2020-21. Additionally, Red-light camera fines have been budgeted conservatively at \$135,000 due to the Illinois House passing a bill that would possibly ban red-light cameras statewide and the continued COVID-19 impact on the traffic flow.

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.

Inter-fund 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 inter-fund 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 realized return on investments is expected to be \$550,000 for the Police Pension Fund and \$188,000 for all other funds, which is higher than the budget amount for FY2020-2021 due to the anticipated recovery from the COVID-19 crisis that dropped the earning rates to nearly zero on the government invested money market funds and similarly impacted adversely the Police Pension Funds both in terms of the market value and the investment returns. However, the market moved much higher as it gained back its losses and closed at record highs. Higher returns are expected on higher cash balances in the beginning of FY2021-22.

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, this fiscal year the Village projected investment proceeds consistent with prior year estimates with the exception of unrealized gains/losses. Unrealized gains/losses were not budgeted last year and aren't typically a budgeted item since they are uncertain and totally speculative. However, the market, as a whole, has completely rebounded from the lows set at the beginning of the pandemic and has actually set new all-time highs and the speculation has partially been removed for this year. Preliminary IMRF rates that the Village pays are projected to be significantly lower as a result of the unanticipated strong market performance. The interest/dividend revenue forecasted for corporate, government agency fixed-income securities and CDs is flat with the prior year's amended budget at \$400,000; realized capital gains were budgeted at \$150,000. The Pension fund is the only Village fund that is authorized to purchase equity investments. The Fund utilizes Morgan Stanley as an outside investment consultant.

Sale of Village Assets

The Village annually sells unused equipment, including police vehicles and public works equipment. The revenues estimated to receive for these activities are \$5,000, which is consistent with 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 a low occupancy rate of 71%. As working from home has become the new “normal” and numerous companies have chosen not to return to the office yet, this revenue source will continue to experience downward pressure. This revenue source used to consistently generate \$100k in revenue pre-pandemic, it is budgeted at \$15,000 this year. 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 FY2021-2022 is \$4.5 million. Rates increased over the prior year by CPI (2.0%) plus 2.0%, or a total of 4%, 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 \$196,806 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 and sewer service to the Village’s current customer’s base of 5,098 water connections and 5,639 sewer connections. 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 below 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			
FY21	\$50.95	\$50.95	\$50.95
FY22	\$52.99	\$52.99	\$52.99
Consumption Charges			
FY21	\$3.79/1000 gallons	\$3.79/1000 gallons	\$1.05/ 1000 gallons
FY22	\$3.94/1000 gallons	\$3.94/1000 gallons	\$1.09/1000 gallons

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 3,032 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 gallons
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 inter-fund transfers. The table on the following page depicts total operating expenses by category for all funds for the Fiscal Years ending 2021 to 2022.

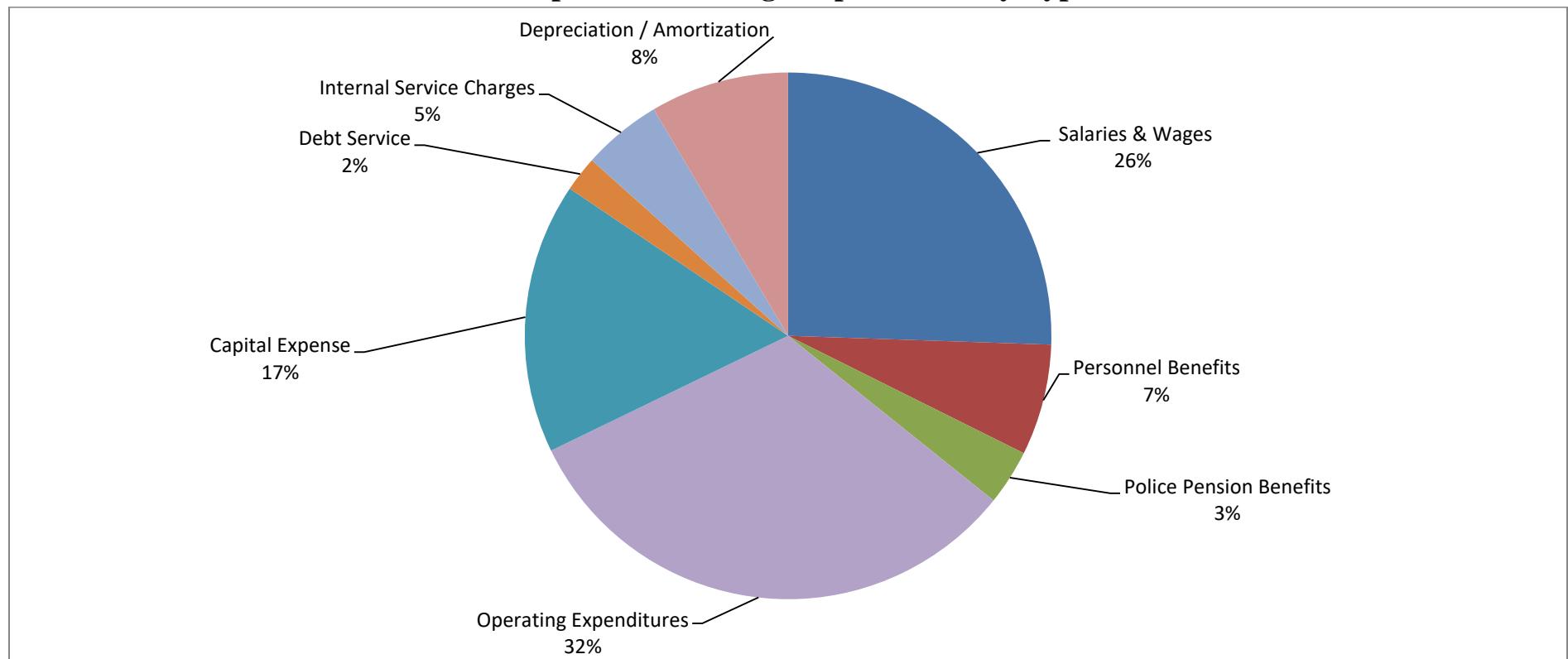
Village Spending by Category

Category	Actual 2017-2018	Actual 2018-2019	Actual 2019-2020	Amended Budget 2020-2021	Estimated Actual 2020-2021	Approved Budget 2021-2022	Increase / (Decrease) Budg-Budg
Personnel Salaries & Wages	\$6,511,636	\$6,844,083	\$7,172,639	\$7,239,978	\$7,091,253	\$8,154,540	\$914,562
Personnel Benefits	1,841,611	1,862,650	2,583,674	2,408,417	2,080,007	2,177,880	-230,537
Police Pension Benefit Payments	792,447	893,589	1,014,680	1,050,079	1,051,004	1,085,092	35,013
Contractual & NWR Externality Fee	4,017,834	4,032,004	3,848,386	4,762,718	4,661,626	4,912,034	149,316
Liability & Work Comp Insurance	517,053	533,719	472,235	504,676	454,776	497,800	-6,876
Commodities, Programs, Technology	2,896,841	3,033,175	3,100,661	3,718,863	3,444,065	4,766,029	1,047,166
Capital Expense (Incl Grant Funded)	1,493,711	1,974,777	3,015,951	5,643,212	1,919,591	5,307,648	-335,564
Debt Service	711,253	768,131	935,946	830,097	668,964	694,668	-135,429
Internal Service Charges	1,134,925	1,173,652	1,278,211	1,375,052	1,328,565	1,553,934	178,882
Miscellaneous	95,440	111,601	50,744	8,322	13,060	66,844	58,522
Interfund Transfers Out	0	0	0	107,045	107,045	0	-107,045
Depreciation/Amortization	2,801,569	2,645,070	2,622,408	2,690,036	2,633,036	2,720,036	30,000
Total Expenses	\$22,814,320	\$23,872,451	\$26,095,535	\$30,338,495	\$25,452,992	\$31,936,505	\$1,598,010

The total budget for all Village expenditures in FY2021-22 is \$31,936,505; the total expenditures increased by \$1,598,010 from FY20-21's amended budget. However, a comparison of the estimated actual expenditures reflects an increase in expenditures of \$6,483,513. This is due to the carryover of several projects from FY2020-21 to FY2021-22 and the concerted effort to eliminate spending on non-essential items, in FY2020-21, as a result of the uncertainties and economic impacts of the coronavirus pandemic on the Village's resources on the revenue side. Expenditures that have been reinstated in FY2021-22 include the resumption of deferred capital projects, hiring for all open position, implementing COLA and market adjustment wage increases and spending on operations and maintenance of the facilities.

The Village also re-evaluated and subsequently increased the salaries for many of its skilled positions so that it could remain competitive in the market. Operating expenses across all funds increased from 16% of expenditures to 32% in FY2021-22. Spending connected with the two business development districts have been reduced as large capital improvement projects have been completed and replaced with smaller capital improvement projects. Other projects in these areas are currently being evaluated and considered.

Composition of Village Expenditures by Type



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

As a service provider, a portion of the Village's budget, 36% 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. The capital expenditures comprise 17% of the Village's total general fund spending in FY2021-2022. Capital spending, before offsets, accounts for 46% of spending across all funds due to major water and sewer interconnect projects, MFT roadway improvements and Northwest Water Reclamation improvements which highlight the Village's commitment to the fiscal responsibility of managing the system's capital needs to assure preservation of the long-term viability of the infrastructure through the use of grants, low interest state loans 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:

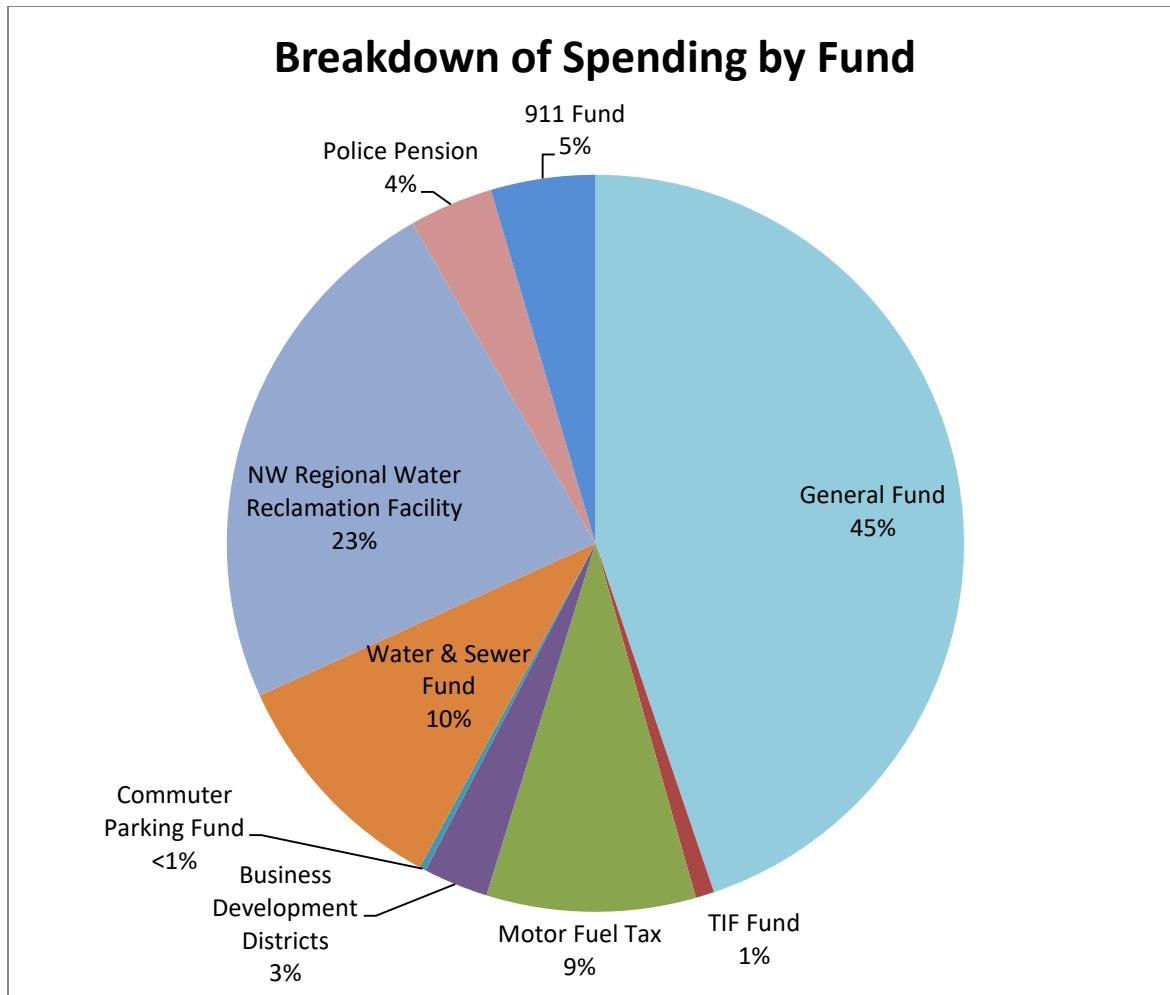
Fund Expenses by Category for FY2021-2022

<u>Fund</u>	Salaries & Benefits	Operating Expenses	Capital Expenditures	Debt Service	Internal Service Charges	Depreciation	Total
General Fund	\$6,622,850	\$4,524,484	\$1,640,698	\$490,290	\$1,024,641		\$14,302,963
Business Development District - Central		55,000	685,950		21,000		761,950
Business Development District - South		120,000			26,500		146,500
TIF Fund		14,600	246,000				260,600
Motor Fuel Tax		196,000	2,735,000				2,931,000
Commuter Parking Fund	34,665	45,950			5,000	5,036	90,651
Water & Sewer Fund	820,005	1,036,059	15,580,390	914,930	385,000	850,000	19,586,384
NW Regional Water Reclamation Facility	1,839,870	3,393,485	2,046,000		476,793	1,800,000	9,556,148
Police Pension		1,175,587					1,175,587
911 Fund	1,015,030	381,635	75,000	4,570		65,000	1,541,235
Subtotal All Funds Before Budget Offsets	10,332,420	10,942,800	23,009,038	1,409,790	1,938,934	2,720,036	50,353,018
Less: Capital Expenditure & Debt Budget Offsets			(17,701,390)	(715,122)			(18,446,512)
TOTAL ALL FUNDS	\$10,332,420	\$10,942,800	\$5,307,648	\$694,668	\$1,938,934	\$2,720,036	\$31,936,506

Summary of Fund Expenditures for 5 Years

<u>Fund</u>	<u>Actual 2017-2018</u>	<u>Actual 2018-2019</u>	<u>Actual 2019-2020</u>	<u>FY2020-2021 Amended Budget</u>	<u>FY2020-2021 Estimated Actual</u>	<u>Approved Budget 2021-2022</u>	<u>Increase / (Decrease)</u>
General Fund	\$11,694,012	\$12,279,208	\$12,513,857	\$11,731,916	\$11,122,001	\$14,302,963	\$3,180,962
TIF Fund	13,712	59,621	5,325	321,531	10,617	260,600	249,983
Motor Fuel Tax	304,158	455,580	314,248	3,364,972	625,000	2,931,000	2,306,000
Business Development District – South	80,512	121,105	791,653	717,500	595,754	146,500	-449,254
Business Development District – Central	53,394	142,808	403,327	1,280,524	740,483	761,950	21,467
Commuter Parking Fund	109,644	140,403	89,093	95,981	61,681	90,651	28,970
Water & Sewer Fund	2,619,550	2,442,285	2,873,580	3,349,715	3,018,570	3,294,948	276,378
NW Regional Water Reclamation Facility	5,861,240	5,863,131	6,445,421	6,910,346	6,736,728	7,510,148	773,420
Police Pension	870,473	1,006,413	1,074,705	1,129,364	1,128,251	1,175,587	47,336
911 Fund	1,207,627	1,361,897	1,583,825	1,436,646	1,413,908	1,462,159	48,251
TOTAL ALL FUNDS	\$22,814,322	\$23,872,451	\$26,095,034	\$30,338,495	\$25,452,993	\$31,936,506	\$6,483,513

The tables above illustrate the increased spending mostly in the General, TIF, MFT, Local Water and Sewer Fund and NW Regional Water Reclamation Facility Fund. These increases are mainly due to funding major projects that are planned to be undertaken in this budget cycle. The major projects include the reconstruction of roadways, sidewalk project along Rand Rd, design and construction phase of the Water and Sewer Interconnect Phase II, replacement of treatment equipment and rehabilitation of facility and structures of the NW Regional Water Reclamation Facility.



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 45% of the total expense budget in FY2021-2022. Also, the two business development districts enter into their third year and now comprise 3% of the total capital 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 FY2019-2020, FY2020-2021, and FY2021-2022 in Full-Time Equivalents (FTE's):

Department	Actual FY2019-2020 FTE's		Actual - Unaudited FY2020-2021 FTE's		Budget FY2021-2022 FTE's		Increase or Reduction
	<u>FT</u>	<u>PT</u>	<u>FT</u>	<u>PT</u>	<u>FT</u>	<u>PT</u>	
Administration	6.78		8.47		7.62		(0.85)
Motor Pool	2.35		2.10		2		(0.10)
Public Safety	26.65	.50	36.25	.50	40	.50	3.75
Parks & Recreation	1.02	1.12	1.46		2	.72	1.26
Public Works/Streets	8.74		12.34		11.5	0.5	(0.34)
Community Development	3.06		3.11		5		1.89
Commuter Parking	0.74		0.44		0.5		0.06
Water & Sewer	4.69		6.95		7.5	0.5	1.05
NW Regional Reclamation Facility	11	0.42	16.52	0.28	16.0	0.5	(0.30)
911 Center	9.2	1.39	10.94	1.4	11.00	1.0	(0.34)
Subtotal	73.23	4.43	98.58	2.18	103.12	3.72	6.08
Total FTE's	77.66		100.76		106.84		

The FY2021-2022 budget's authorized FTEs increased over prior year as the hiring freeze was lifted and all departments were budgeted at full staff and part-time positions were added as well as a Police Department reorganization was budgeted.

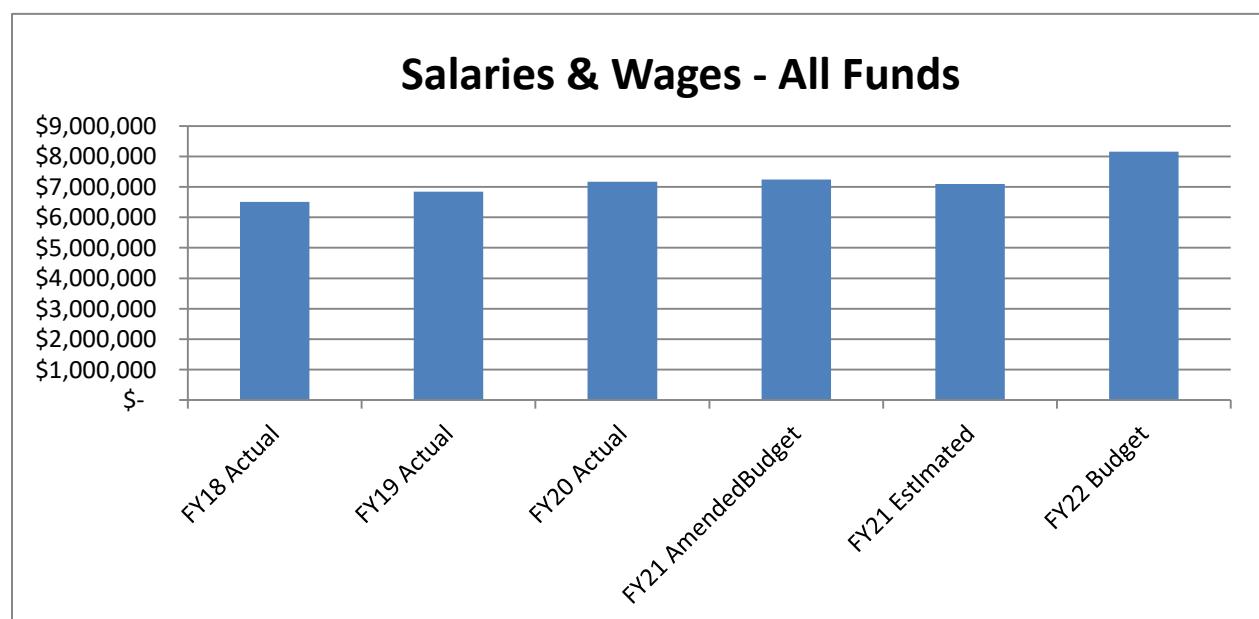
Salaries & Wages

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, 2025 (One-year extension negotiated from 4/2020-4/30/2021)
AFSCME Council 31	Local Water & Sewer , NWRWRF	April 30, 2025
Fraternal Order of Police Labor Council for Telecommunicators	Telecommunicators (911)	April 30, 2024

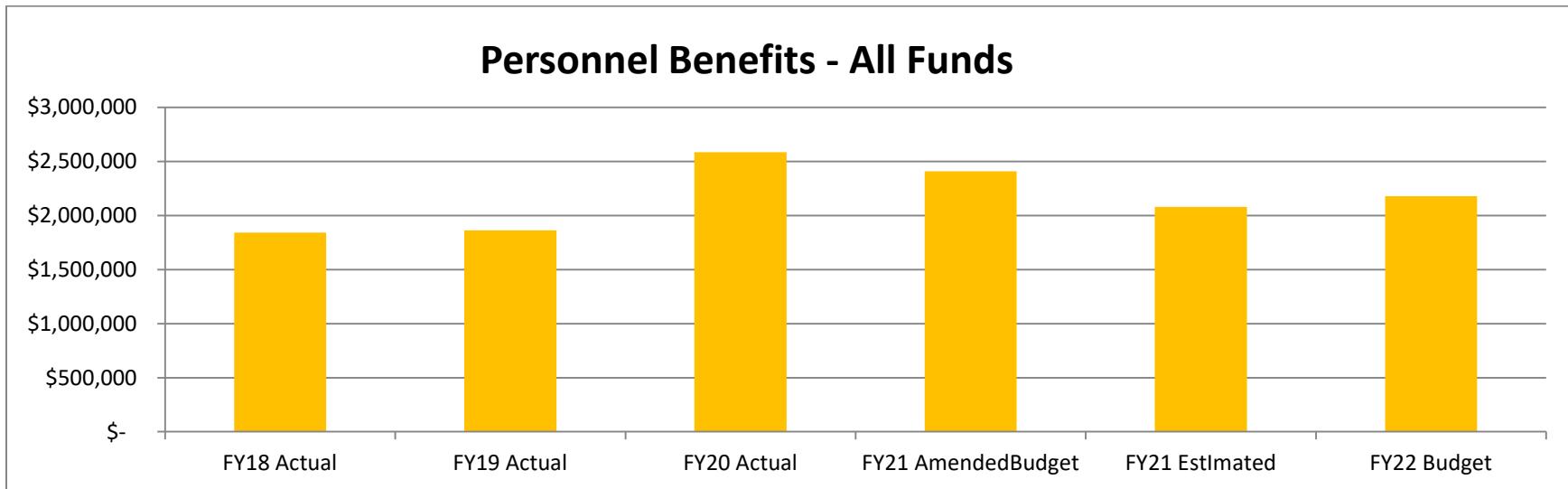
In FY2021-2022, twenty-seven percent (26%) of all Village expenditures are allocated to salaries and wages. The Village's pay ranges are evaluated each year to establish both internal and external equity within the market and to ensure fair competitive wages and a dependable workforce. The Village has budgeted a 3% COLA and a 2.5% market adjustment for non-union employees after a rate freeze for the prior year as a result of COVID-19 and the related uncertainties. As mentioned earlier, the Village re-evaluated and subsequently increased the salaries for some of its skilled positions so that it could remain competitive in the market. Additionally, a reorganization of the Police Department was budgeted for and an Economic Development Director position was added in the Administration Department along with budgeting for dual Administrator salaries. All three collective bargaining agreements are due to be negotiated in FY2021-22 as well. Union contracts are anticipated to include increases similar to the non-union increases. FY2021-2022 expenditures for salaries increased but decreased as a percentage of overall expenditures.

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 2020 and CY2021 have experienced an average increase of 8%. All employees who choose 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 \$23,009,038 in the FY2021-22 budget for improvements compared to \$27,945,705 in the FY2020-21 budget. This amount includes the continued funding of the design and construction of interconnect projects that will connect water and sewer facilities in the North to the South system and allow the Village to decommission its Tall Oaks Treatment Plant, which will result in operating cost reductions for the long-term. The capital improvements funded through General and Special Funds include vehicles and equipment, land acquisition and improvements and the following roadway projects: Washington/Rt.59, Holly Ave, Hickory Cove, Fossil Bridge, Nippersink Blvd. and the Rt.12 sidewalk project totaling 5.3M. Water and Sewer interconnect and infrastructure improvement of \$15.6M funded primarily through the State's low interest rate loan programs; replacement and rehab of wastewater treatment equipment, vehicles and buildings for \$2.046M and 9-1-1 equipment of \$75k.

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 FY2020-21 with expenditure trend information. A reasonable estimation of expenditure is developed for FY2021-22 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 three General Obligation Bond (Series 2007, 2011B, 2014B) issues outstanding as of May 1, 2021. By the end of FY2021-22, the Village will also have six (6) low interest IEPA loans outstanding. The four (4) loans listed below and an additional two (2) that will add approximately \$11M, after nearly \$1.5M that will be forgiven, to the overall outstanding loan amount, all relating to Water and Sewer infrastructure improvements. Bond descriptions and amortization schedules are listed within the Debt Position section on the next page.

Enterprise Fund Expenses

The Commuter Parking Fund, Water& Sewer Fund, NW Regional Water Reclamation Facility Fund and 9-1-1 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 FY2021-22, 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. In addition to the Village currently receiving loans from the IEPA, up to the limit of \$9.0M, to fund the Interconnect Phase I, the Village has applied and will receive an additional \$11M in loans to fund the Interconnect Phase II. Long-term debt is used only for capital projects that cannot be financed from current revenue sources. The Village's repayment schedule for long term debt is allocated in the General, Local Water and Sewer and 9-1-1 Funds. Total bond and loan debt outstanding as of April 30, 2021 is \$12,733,011. The current debt limitation for the Village is \$27,048,817 which is significantly higher than the amount outstanding.

Existing Debt	Principal Outstanding
Bond Series	
2014 B GO Debt Certificates	\$2,240,000
2007 GO Debt Certificates	\$37,000
2011B GO Debt Certificates	<u>\$885,000</u>
Total Subject Debt	\$3,162,000
Current Limit (2020 EAV \$313,609,474 @ 8.625%)	27,048.817
Surplus Debt Capacity	<u>\$23,886,817</u>
IEPA Loan Series	
IEPA Loan Series L17-4802 Drinking Water SRF Loan	\$1,953,777
IEPA Loan Series L17-5377 Drinking Water SRF Loan	\$1,349,904
IEPA Loan Series L17-5581 Clean Water SRF Loan	\$1,998,980
IEPA Loan Series L17-3974 Clean Water SRF Loan	\$4,268,350
Total Subject Debt	\$9,571,011
Total Existing Debt	\$12,733,011

Debt Service Schedules (page 1 of 4)

Existing G.O. Debt Service Schedules

Fiscal Year Ending	G.O. Debt Certificates, Series 2014B			G.O. Debt Certificates, Series 2007			G.O. Debt Certificates, Series 2011B		
	Issue Date: June 3, 2014	Date of Maturity: May 1, 2029	Amount of Contract: \$3,180,000	Issue Date: December 3, 2007	Date of Maturity: January 1, 2023	Amount of Contract: \$212,000	Issue Date: November 15, 2011	Date of Maturity: November 1, 2023	Amount of Contract: \$3,640,000
April 30th	Principal	Interest	Total P&I	Principal	Interest	Total P&I	Principal	Interest	Total P&I
2022	370,000	64,000	434,000	17,000	2,376	19,376	275,000	44,200	319,200
2023	160,000	56,050	216,050	18,000	1,628	19,628	285,000	34,575	319,575
2024	155,000	51,325	206,325	19,000	836	19,836	300,000	21,750	321,750
2025	200,000	46,000	246,000				300,000	10,500	310,500
2026	205,000	38,900	243,900						
2027	205,000	30,700	235,700						
2028	215,000	22,300	237,300						
2029	220,000	13,600	233,600						
2030	230,000	4,600	234,600						
TOTAL	\$1,960,000	\$327,475	\$2,287,475	\$54,000	\$4,840	\$58,840	\$1,160,000	\$111,025	\$951,825

Existing IEPA Loans Repayment Schedules

Fiscal Year Ending April 30th	Waterworks & Sewerage System Revenue Bonds, IEPA Junior Lien Series L17-4802	Waterworks & Sewerage System Revenue Illinois Water Revolving Fund loan L17-5377	Waterworks & Sewerage System Revenue Bonds, IEPA Revolving Loan Series L17-5581
	Issue Date: November 15, 2014 Date of Maturity: November 25, 2035 Amount of Contract: \$2,608,507.43	Final Closing Date: March 30, 2018 Date of Maturity: December 27, 2037 Amount of Contract: \$1,543,275.00	Project: interconnect Phase I- Drinking Water
	Interest Rate: 1.995%	Interest Rate: 1.64%	Repayment Start Date: December 20, 2020
	Interest Payable: 04/25 and 10/25 Principal Payable: Annually on 4/25 & 10/25 Payable to: Illinois Environmental Protection Agency	Interest Payable: 06/27 and 12/27 Principal Payable: Annually on 6/27 & 12/27 Payable to: Illinois Environmental Protection Agency	Date of Maturity: June 12, 2040 Amount of Loan after forgivenessss: \$2,044,555.89 Interest Rate: 1.38%
	Funding Source: Water & Sewer	Funding Source: Water & Sewer	Principal & Interest Payable: 6/12 & 12/12 Total Semi-Annual Payments of \$58,666.71 Payable to: IEPA
			Funding Source: Local Water/Sewer
	Principal 2021 115,133 2022 117,442 2023 119,796 2024 122,198 2025 125,892 2026 128,416 2027 129,697 2028 132,297 2029 134,949 2030 137,655 2031-2040 807,947	Interest 2021 40,703 2022 38,395 2023 36,040 2024 33,639 2025 31,189 2026 28,689 2027 26,140 2028 23,540 2029 20,887 2030 18,182 TOTAL 49,155	Total P&I 2021 155,837 2022 155,837 2023 155,837 2024 155,837 2025 157,080 2026 157,105 2027 155,837 2028 155,837 2029 155,837 2030 155,837 TOTAL 857,102
	Principal 2021 69,457 2022 70,601 2023 71,764 2024 72,945 2025 74,147 2026 75,368 2027 76,609 2028 77,870 2029 79,152 2030 80,456 TOTAL 601,535	Interest 2021 21,855 2022 20,711 2023 19,548 2024 18,367 2025 17,163 2026 15,944 2027 14,703 2028 13,442 2029 12,160 2030 10,856 TOTAL 67,649	Total P&I 2021 91,312 2022 91,312 2023 91,312 2024 91,312 2025 91,310 2026 91,312 2027 91,312 2028 91,312 2029 91,312 2030 91,312 TOTAL 669,184
	Principal 2021 45,576 2022 90,057 2023 91,304 2024 92,569 2025 93,850 2026 95,150 2027 96,468 2028 97,803 2029 99,158 2030 100,531 TOTAL 1,142,090	Interest 2021 13,091 2022 13,800 2023 13,483 2024 28,940 2025 27,393 2026 25,824 2027 24,234 2028 22,622 2029 20,987 2030 19,330 TOTAL 91,086	Total P&I 2021 58,667 2022 103,857 2023 104,788 2024 121,509 2025 121,243 2026 120,974 2027 120,702 2028 120,425 2029 120,145 2030 119,861 TOTAL 1,233,176

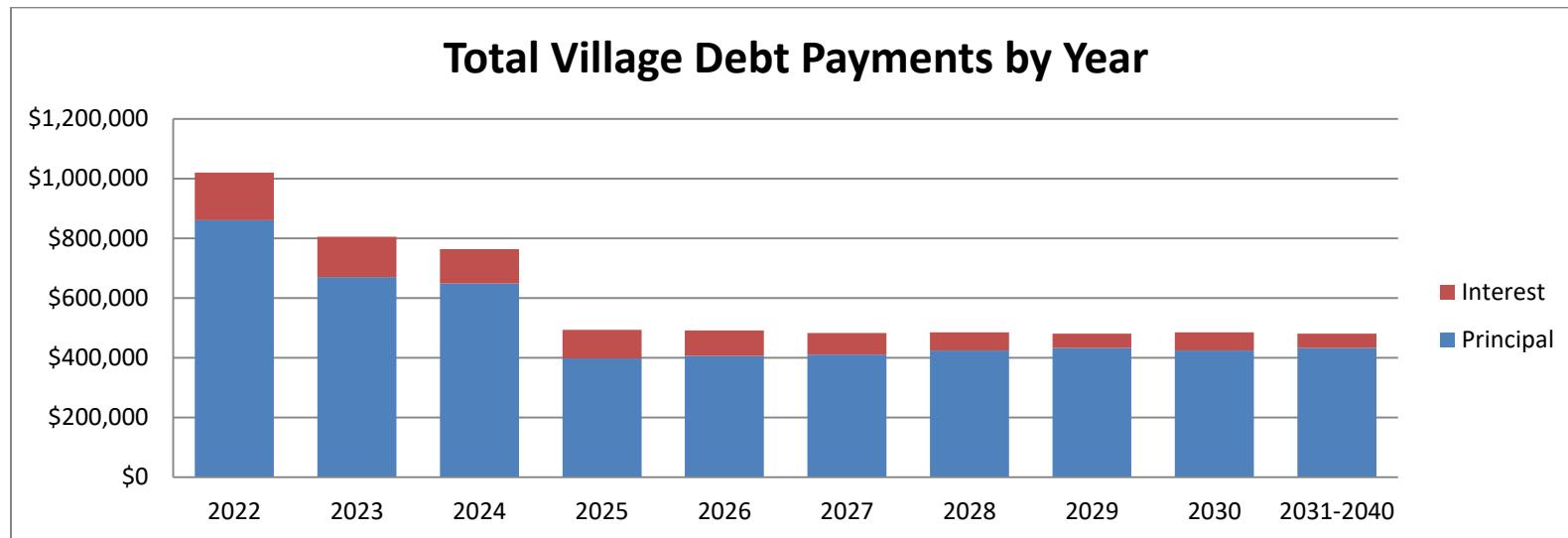
Existing IEPA Loans Repayment Schedules

Fiscal Year Ending	Waterworks & Sewerage System Revenue Bonds, IEPA Revolving Loan Series L17-3974	Waterworks & Sewerage System Revenue Bonds, IEPA Junior Lien Series L17-5581	Waterworks & Sewerage System Revenue Bonds, IEPA Junior Lien Series L17-3974
	Project: interconnect Phase I- Wastewater	Project: interconnect Phase I- Drinking Water	Project: interconnect Phase I- Wastewater
	Repayment Start Date: April 9, 2021 Date of Maturity: October 9, 2040 Amount of Loan after forgiveness: \$4,362,265.29 Interest Rate: 1.38% Principal & Interest Payable: 10/9 & 4/9 Total Semi-Annual Payments of \$125,205.28 Payable to: IEPA Funding Source: Local Water & Sewer	Repayment Start Date: December 20, 2020 Date of Maturity: June 12, 2040 Amount of Loan after forgiveness: \$2,044,555.89 Interest Rate: 1.38% Principal & Interest Payable: 6/12 & 12/12 Total Semi-Annual Payments of \$58,666.71 Payable to: IEPA Funding Source: Local Water/Sewer	Repayment Start Date: April 9, 2021 Date of Maturity: October 9, 2040 Amount of Loan after forgiveness: \$4,362,265.29 Interest Rate: 1.38% Principal & Interest Payable: 10/9 & 4/9 Total Semi-Annual Payments of \$125,205.28 Payable to: IEPA Funding Source: Local Water & Sewer
	Principal	Interest	Total P&I
April 30th	93,915	29,733	123,648
2021	192,168	58,243	250,411
2022	194,829	55,581	250,410
2023	197,527	52,884	250,410
2024	200,262	50,148	250,410
2025	203,035	47,375	250,410
2026	205,847	44,564	250,410
2027	208,697	20,498	229,195
2028	211,587	38,823	250,410
2029	214,517	35,893	250,410
2030	2,439,880	174,691	2,614,571
TOTAL	\$4,362,265	\$608,432	\$4,970,698
	Principal	Interest	Total P&I
	45,576	13,091	58,667
	90,057	13,800	103,857
	91,304	13,483	104,788
	92,569	28,940	121,509
	93,850	27,393	121,243
	95,150	25,824	120,974
	96,468	24,234	120,702
	97,803	22,622	120,425
	99,158	20,987	120,145
	100,531	19,330	119,861
	1,142,090	91,086	1,233,176
	2,439,880	174,691	2,614,571
	\$4,362,265	\$608,432	\$4,970,698

FINAL CLOSING ON THESE TWO ISSUES WILL OCCUR IN FY22

Fiscal Year Ending	Waterworks & Sewerage System Revenue Bonds, IEPA Junior Lien Series L17-5582			Waterworks & Sewerage System Revenue Bonds, IEPA Junior Lien Series L17-3975		
	Project: interconnect Phase II- Drinking Water			Project: interconnect Phase II- Wastewater		
	Anticipated Repayment Date: November 2021 Anticipated Date of Maturity: May 2041 Amount of Loan after forgiven: \$4,230,000.00			Anticipated Repayment Date: November 2021 Anticipated Date of Maturity: May 2041 Amount of Loan after forgiven: \$6,940,000.00		
	Interest Rate: 1.38%			Interest Rate: 1.38%		
	Interest Payable: 5/1 & 11/1			Interest Payable: 5/1 & 11/1		
	Payable: IEPA			Payable: IEPA		
	Funding Source: Local Water & Sewer			Funding Source: Local Water & Sewer		
	Principal	Interest	Total P&I	Principal	Interest	Total P&I
April 30th						
2021	185,014	57,738	242,752	303,546	94,728	398,274
2022	187,576	55,176	242,752	307,749	90,525	398,274
2023	190,174	52,578	242,752	312,011	86,263	398,274
2024	192,807	49,945	242,752	316,331	81,943	398,274
2025	195,477	47,275	242,752	320,712	77,562	398,274
2026	198,184	44,568	242,752	325,153	73,121	398,274
2027	200,928	41,824	242,752	329,656	68,619	398,275
2028	203,711	39,041	242,752	334,220	64,054	398,274
2029	206,532	36,220	242,752	338,849	59,426	398,275
2030	209,392	33,361	242,753	343,541	54,733	398,274
2031-2040	2,260,205	167,316	2,427,522	3,708,232	274,510	3,982,741
TOTAL	\$4,230,000	\$625,042	\$4,855,043	\$6,940,000	\$1,025,484	\$7,965,483

Below is a chart depicting the principal and interest payment of all Village debt from 2021 until all the debt is paid in 2040 (with the exception of debt that is expected to be closed in FY22).



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 recreation, 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 including local taxes. These sources make up 70.5% of the FY2021-22 General Fund revenue projections compared to 61.4% of the FY2020-21 General Fund revenue budget. The increase in taxes as a percentage of the General Fund total revenues is attributed to the increase in intergovernmental and local taxes FY2021-22.

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 FY2021-22 assumes a modest increase in revenues of 35k due to conservative optimism and an increase to operating expenditures of 1.8M, along with aggressive capital spending, the Village will remain compliant with its Fund balance policy with a minimum 33% reserve because of stronger than expected revenues in FY21. The Village plans to look at these reserves periodically to review and ensure that COVID-19 variants and restrictions don't create problems for fund balance policy compliance.

The General Fund Balance at the end of FY2021-22 is projected to be \$10,222,747 which is 81% of operating revenues. We are optimistic that revenues will continue to be strong although budgeted conservatively optimistic, the Village projects the FY2021-22 Unassigned Fund Balance at 49.21% of the total General Fund operating expenditures. During the FY2021-22 budget, capital improvement spending is aggressive but in compliance with the fund balance policy. Below is a chart showing the Village's compliance with the Fund reserve policy, including projected fund balance for the budget year 2021-22.

General Fund Balance Reserves	Actual FY17-18	Actual FY18-19	Actual FY19-20	Estimated Actual FY20-21	Projected FY21-22
Beginning Fund Balance	\$8,730,046	\$10,585,925	\$11,136,426	\$11,138,887	\$12,256,999
General Fund Revenues (w/o Interfund Service Charges)	\$12,383,934	\$11,839,959	\$11,493,305	\$11,255,164	\$11,244,418
General Fund Expenditures (w/o Interfund Service Charges)	\$9,365,596	\$9,807,602	\$9,795,958	\$9,844,920	\$11,637,972
Capital Expenditures net of Grants/Financing	\$1,162,459	\$1,481,856	\$1,694,886	\$292,132	\$1,640,698
Annual Operating Surplus/(Deficit)	\$1,855,879	\$550,501	\$2,461	\$1,118,112	(\$2,034,252)
Total Ending General Fund Balance	\$10,585,925	\$11,136,426	\$11,138,887	\$12,256,999	\$10,222,747
Assigned/Restricted/Non-Spendable					
Capital Improvement Assigned Reserve	\$3,702,187	\$4,362,616	\$5,078,840	\$4,793,008	\$3,152,310
Other Non-Spendable/Restricted	\$1,634,798	\$1,438,270	\$620,771	\$913,507	\$988,759
	\$5,336,985	\$5,800,886	\$5,699,611	\$5,706,515	\$4,143,670
Total Ending Unrestricted/Unassigned Fund Balance	\$5,248,940	\$5,335,540	\$5,439,276	\$6,550,484	\$6,156,930
Unrestricted Fund Balance % of General Operating Expenditures	56%	54%	56%	67%	49.2%

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 FY2021-22 Budget, with surplus (deficit) shown for each fund. While the enterprise funds include the capital expenditures for 2021-22, 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 Fund Balance/ Unrestricted Net Balance	FY2021-22 Revenue & Debt Proceeds ^a	FY2021-22 Non-Capital Expenditures ^b	FY2021-22 Capital Asset Outlays	FY2021-22 Capitalized Assets Offset	Excess of Revenue over Expenditure	Projected Unrestricted Balance	Projected Reserved, Assigned, Restricted Funds As of 4/30/22
	As of 4/30/21	As of 4/30/22						
General Fund	\$12,256,999	\$12,268,711	\$12,662,265	\$1,640,698		(\$2,034,252)	\$0	\$10,222,747
Special Revenue Funds								
TIF Fund	509,793	60,500	14,600	246,000		(200,100)		309,693
MFT Fund	1,232,130	2,941,700	196,000	2,735,000		10,700		1,242,830
BDD - South	495,489	650,500	146,500			504,000		999,489
BDD- Central	411,892	525,500	76,000	685,950		(236,450)		175,442
Enterprise Funds								
Commuter Parking Fund	174,155	15,050	90,651			(75,601)	(176,562)	275,116
Water & Sewer Fund^a	10,301,515	8,490,756	3,294,948	15,580,390	(15,580,390)	5,195,808	11,604,567	16,793,036
NW Regional Reclamation Facility	12,770,862	5,567,900	7,510,148	2,046,000	(2,046,000)	(1,942,248)	10,634,614	36,295,423
911 Fund	-622,602	1,412,686	1,462,159	75,000	(75,000)	(49,473)	(686,151)	405,704
Fiduciary Fund								
Police Pension	20,348,123	2,624,641	1,175,587			1,449,054		21,797,177
Total Funds	\$57,879,356	\$34,557,944	\$26,628,858	\$23,009,038	(\$17,701,390)	\$2,621,438	\$21,376,468	\$88,515,657

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



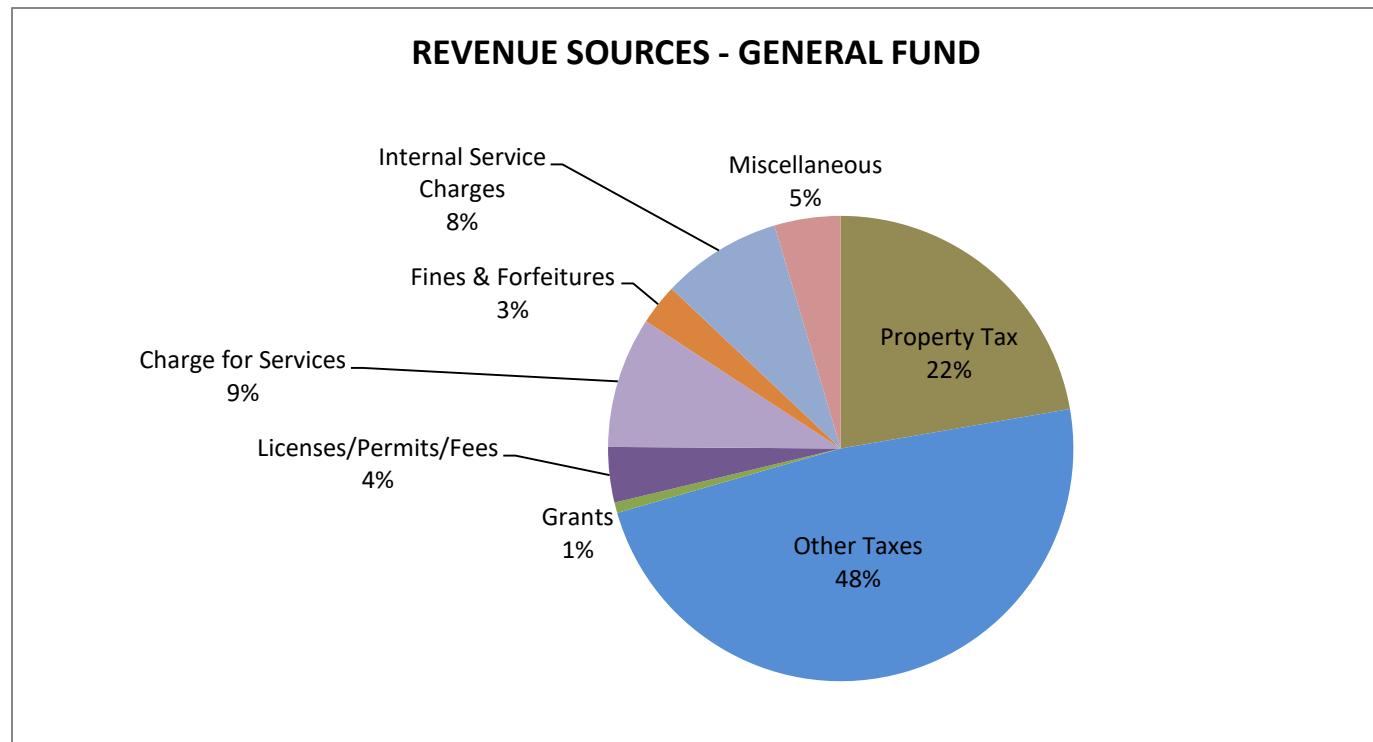
General Fund Summary and Detail

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 FY2021-22 is \$12,268,711 representing a .29% increase over the prior year's amended budget. This change is relatively flat based on stronger than expected revenue receipts during the COVID-19 lockdown mandates and conservative revenue budgeting for the upcoming fiscal year. The Village derives the majority of its revenue in the General Fund from Intergovernmental Taxes (40%), Property Taxes (22%), and Local Taxes (8%). Intergovernmental taxes include Sales tax, Income tax, Use Tax, Road/Bridge tax, Cannabis Excise 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 a few potential business and residential developments opportunities including Sayles property (TIF), Route 12 and 134 (13 acres), and Thelen property north of the Village.

For more detailed description on revenues and assumptions refer to Section 3 Executive Overview.



General Fund Revenues

ACCOUNT	ACCOUNT TITLE	ACTUAL 2018-19	ACTUAL 2019-20	AMENDED BUDGET 2020-21	APPROVED BUDGET 2021-22	DESCRIPTION
01-105-3000	REAL ESTATE TAXES	\$1,886,073	\$2,155,074	\$2,139,949	\$2,284,805	Based on Levy Ordinance
01-105-3001	REAL ESTATE TAXES - IMRF	135,252	143,913	138,503	145,170	Based on Levy Ordinance
01-105-3002	REAL ESTATE TAXES - INSURANCE	380,970	166,505	160,797	168,625	Based on Levy Ordinance
01-105-3004	REAL ESTATE TAXES - FIRE	0	0	(181)	0	Based on Levy Ordinance
01-105-3010	UTILITY - ELECTRIC TAX	433,702	409,021	371,700	400,000	Based on latest 36 months revenue trend
01-105-3011	UTILITY - NATURAL GAS TAX	130,157	121,028	120,000	115,000	Conservative estimate as this source is weather dependent
01-105-3012	UTILITY- TELEPHONE TAX	148,373	125,080	113,952	95,000	Declining revenue source estimated at \$8k per month
01-105-3015	USE TAX	327,283	378,112	425,000	400,000	Based on IML MFY 2021 forecast of \$37.81 per capita
01-105-3020	HOTEL/MOTEL TAXES	1,464	5,319	15,000	20,000	Based on latest 12 months actual receipts
01-105-3030	ROAD & BRIDGE TAXES	139,693	140,416	136,892	135,425	Based on CY2020 tax extension
01-105-3040	RENTAL CAR TAXES	168.79	119.51	160.34	75	Conservative estimate based on expected rental car businesses
01-105-3050	PLACES FOR EATING TAX	193,013	153,256	135,000	140,000	Based on latest 12 months actual receipts plus increase for business openings post-COVID
01-105-3060	VIDEO GAMING PROCEEDS	295,486	261,476	100,000	200,000	Based on latest 12 months trend
01-110-3100	INCOME TAXES	1,027,104	1,146,597	1,100,000	1,189,000	Based on IML MFY 2022 forecast \$112.39 per capita
01-110-3101	PERSONAL PROPERTY REPLACE TAX	64,881	71,515	55,000	50,000	Based on IDOR 2022 fiscal year forecast
01-110-3110	SALES TAXES	3,293,800	3,089,119	3,300,000	3,300,000	Based on current budget
01-110-3112	CANNABIS EXCISE TAX	0	2,616	7,200	9,500	Based on COGFA Current Forecast \$0.90 per capita.
TAXES TOTAL		\$8,457,419	\$8,369,168	\$8,318,973	\$8,652,600	
01-115-3200	GRANT REVENUE	5,685	2,200	434,044	64,000	FY21: CARES Act grant; FY22: COPS Grant (50% of salary Officer #29 & #30
01-115-3210	GRANT - TRAFFIC	5,408	13,714	15,000	22,000	Federal traffic enforcement grants

01-115-3211	GRANT - TOBACCO	3,740	3,795	2,500	2,500	Based on grant request
01-115-3212	GRANT - VEST	1,343	4,822	1,200	1,200	DOJ bulletproof vest grant for sworn officers
01-115-3215	GRANT - PARKS	0	0	0	0	Stormwater Management Grant carryforward to FY21. Moved to BDD-C Fund
01-115-3216	Grant Revenue - CDBG	2,500	18,200	0	0	None anticipated
						FY22: Grants for Nippersink project moved to Motor Fuel Tax Fund. Nippersink-Oak to
01-115-3225	GRANTS FEDERAL - STREETS	153,832	101,271	0	0	Grand/Federal \$2,055,200; State \$550,000 Project Costs in FY22 FY21 Budget is Portion of Grant for Design Engineering Cost
	GRANTS	\$172,507	\$144,004	\$452,744	\$89,700	
01-120-3300	VEHICLE STICKERS	192,678	168,825	147,325	145,000	Based on FY2020 Revenue includes penalties . Penalties waived by Village Board in FY21 for customer COVID relief.
01-120-3320	VACANT PROPERTY REGISTRATION	0	10,108	15,150	15,000	55 properties @ \$200 + 20 properties @ \$200
01-120-3340	LICENSES - ANIMALS	1,946	1,560	1,520	1,000	Based on latest 12 months actual receipts
01-120-3341	LICENSES - LIQUOR	55,730	51,581	44,800	36,475	Current businesses w/ reduction for closings due to COVID
01-120-3342	LICENSES - BUSINESS	16,435	14,220	10,000	0	Waived by Village Board as a concession to businesses for COVID relief
01-120-3343	LICENSES - VIDEO GAMING	0	3,225	3,625	3,500	Based on latest actual receipts
01-120-3344	LICENSES-VENDING	4,025	5,585	2,280	0	Based on latest actual receipts
01-125-3350	CABLE FRANCHISE FEES	159,900	159,459	157,600	145,000	Based on latest 24 months revenue trend
01-130-3400	BUILDING PERMITS	184,363	129,794	99,200	100,000	No new major commercial budgeted
01-130-3402	ZONING PERMITS	16,400	11,800	8,000	6,000	Conservative recovery from COVID pandemic
01-130-3403	PARK IMPACT FEES	82,000	20,000	10,000	10,000	Conservative recovery from COVID pandemic
01-130-3404	Permit Fees - Tree Removal	5,635	2,250	2,850	2,850	Same as FY21
	LICENSE, PERMITS & FEES	\$719,112	\$578,406	\$502,350	\$464,825	
01-135-3450	PROGRAM FEES	90,855	81,782	5,000	15,000	Conservative recovery (opening of events) post-COVID pandemic

01-135-3460	DONATIONS - PARKS	7,395	-	-	-	None anticipated
01-135-3461	SPONSORSHIPS	-	12,650	-	-	None anticipated
01-135-3470	PACE FEES	2,916	2,881	0	2,000	Revenues are down as most riders are senior / disabled = \$1.00 per ride. Conservative est.
	PARK & RECREATION FEES	\$101,166	\$97,313	\$5,000	\$17,000	
01-130-3405	ORDINANCE FINE - BUILDING	-	4,011	4,000	4,000	Based on latest actual receipts
01-140-3500	COURT FINES - LAKE CNTY	312,723	153,963	127,300	125,000	Consistent with FY21 as revenues declined during COVID pandemic. Also fines separated after FY19.
01-140-3501	COURT FINES-DUI	10,603	7,466	7,067	5,500	Based on latest 24 months revenue trend
01-140-3502	FINES - REDLIGHT	54,584	214,195	130,000	135,000	Red-light cameras were not functioning during Feb-June 2020 and people not driving during COVID peak. Conservative estimate for FY22.
01-140-3503	FINES - ADMINISTRATIVE SEIZURE	-	58,000	59,500	50,000	Conservative estimate - \$500 fee for abandoned autos.
01-140-3505	ORDINANCE & PARKING FINES	109,653	51,156	50,000	25,000	Based on latest 12 months actual receipts
	COURT AND ORDINANCE FINES	\$487,563	\$488,791	\$377,866	\$344,500	
01-145-3511	FORFEITURES - SEIZED ASSETS	4,577	12,190	9,650	4,000	Conservative estimate for unpredictable source.
01-145-3512	POLICE REV - ABANDONED PROP	590.29	0	0	0	None anticipated
01-145-3515	POLICE REVENUE - SRO	31,695	64,613	32,307	96,613	1 FTE for current high school contract plus .5 FTE potential other district
01-145-3520	POLICE REVENUE - GAMING TAX	1,716	930	893	900	Based on latest 12 months actual receipts
01-145-3525	POLICE REVENUE - REPORTS	2,121	1,725	1,200	1,200	Based on latest 12 months actual receipts
	PUBLIC SAFETY, FINES, PENALTIES & FEES	\$40,699	\$79,459	\$44,050	\$102,713	
01-155-3600	ENGINEERING REIMBURSABLE	7,374	8,897	10,000	10,000	Consistent with expense acct 01-354-5111

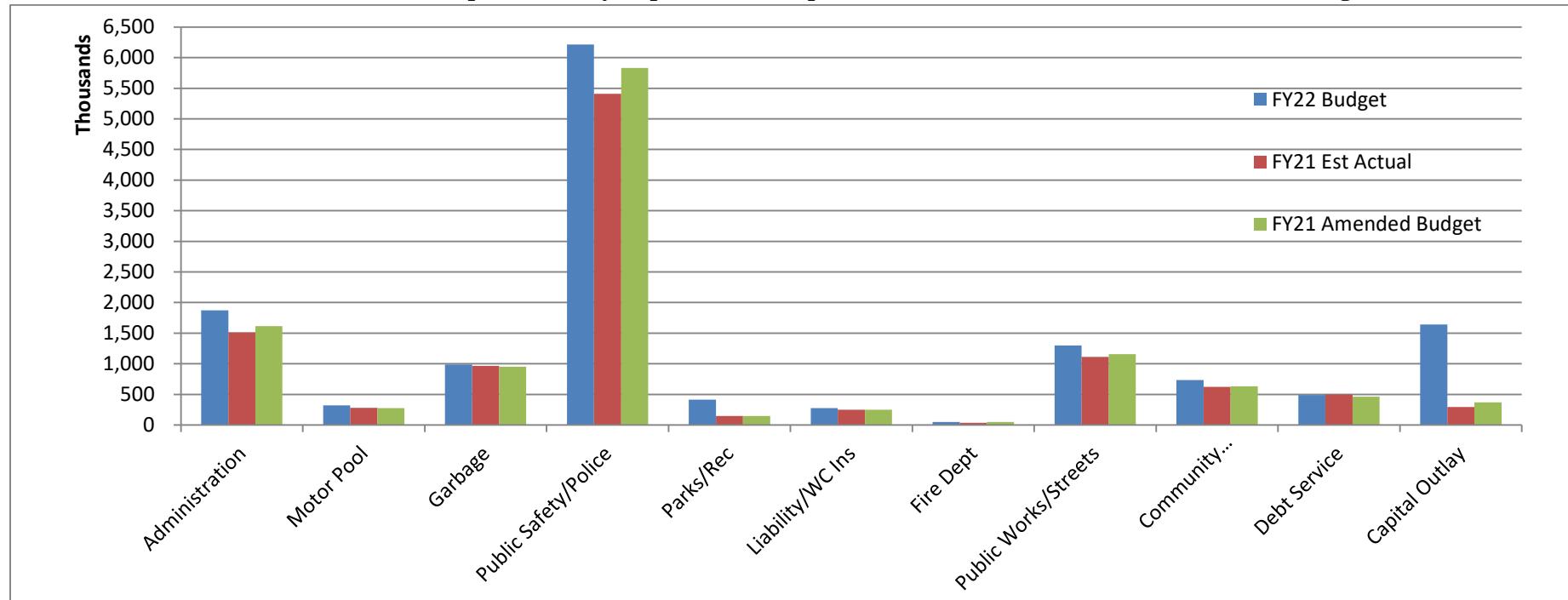
FEES						
01-155-3605	ATTORNEY REIMBURSABLE FEES	3,640	3,660	500	500	Consistent with previous year - downturn due to COVID.
01-155-3610	MOTOR POOL REIMBURSABLE EXP	32,470	34,215	22,500	20,000	Based on latest 12 months actual receipts
01-155-3615	FIRE DEPT REIMBURSABLE EXP	120,817	54,661	55,000	50,000	Utility/fuel/ motor pool services reimbursements
01-155-3621	Credit Card Incentives	9,836	7,551	7500	7,500	Based on latest 12 months actual receipts
01-155-3625	INSURANCE REIMBURSABLES	5,239	26,981	5275	5,000	Non anticipated
01-155-3630	PUBLIC SAFETY REIMBURSABLE EXP	70,764	27,685	5,000	3,000	Police detail at Grant HS Officer for prom, games, etc. & other organization special events; fingerprinting fee & Lake Villa hearing officer fee. No usage during end of FY20 & FY21 due to COVID
01-155-3640	STREETS REIMBURSABLE	569	0	0	0	None anticipated
01-155-3650	EMPL/ELECTED OFFICAL REIMBURSA	8	0	0	0	None anticipated
01-155-3654	BUILDING/ZONING REIMBURSABLE	2,881	1,856	751	1,200	Consistent with expense acct #01-354-5114
01-155-3661	WORKERS COMP REIMBURSABLE	338	4,052	0	0	None anticipated
REIMBURSIBLES		\$253,936	\$169,559	\$106,526	\$97,200	
01-165-3815	GARBAGE FEES	974,362	991,928	1,013,780	1,000,000	Customer count and rate pursuant to the Waste Management contract
01-165-3816	GARBAGES PENALTIES	20,182	18,190	0	19,000	Based on FY19 & FY20 average. No penalties charged in FY21 for customer COVID relief.
WASTE SERVICES		\$994,544	\$1,010,118	\$1,013,780	\$1,019,000	
01-165-3817	RECYCLING REBATE	1,369	292	399	400	Based on latest 12 months actual receipts
01-170-3700	INTEREST INCOME	202,370	151,637	23,250	25,000	Based on latest quarter earnings S/T interest rates at near zero
01-170-3715	DONATIONS	0	165	0	0	None anticipated
01-170-3716	SHOP WITH A COP	-	1,000	-	1,000	Walmart donation
01-170-3717	DONATIONS - COMMUNITY GARDEN	17,649	-	-	0	None anticipated
01-170-3720	SALE-FIXED ASSETS	19,232	0	5,000	5,000	Replaced vehicles to auction

01-170-3750	MISCELLANEOUS INCOME	2,543	1,071	2,000	2,000	None anticipated
01-180-3800	RENTAL INCOME	103,823	151,531	125,807	155,000	Per cell tower agreements
01-180-3802	RENTAL INCOME - 911 CENTER	15,000	0	37,000	18,480	Posting error. No revenue to be posted in this account after FY19.
01-180-3803	EXTERNALITY FEE	251,025	250,790	215,001	250,000	NWRWR Fund fee to General Fund
	MISCELLANEOUS REVENUE	\$613,011	\$556,486	\$408,457	\$456,880	
01-195-3850	SERVICE CHARGES - COMMUTER	36,960	27,764	30,000	5,000	Internal Service Fee is partly based on Fund revenue. Declined due to revenue reduction from COVID
01-195-3851	SERVICE CHARGES - WATER	342,526	345,000	340,000	375,000	Estimated based on Fund revenues
01-195-3852	SERVICE CHARGES - NW REGION	451,068	470,211	470,210	476,793	Per IGA with Lake County PW based on CPI factor
01-195-3853	SERVICE CHARGES - 911	115,819	126,530	117,740	120,000	Estimated based on Fund revenues
01-195-3854	SERVICE CHARGES - BDD SOUTH	23,669	26,883	25,375	26,500	Estimated based on Fund revenues
01-195-3855	SERVICE CHARGES - BDD CENTRAL	19,709	26,625	20,300	21,000	Estimated based on Fund revenues
	INTERFUND SERVICE CHARGES	\$989,752	\$1,023,013	\$1,003,625	\$1,024,293	
01-200-3900	PROCEEDS FROM DEBT ISSUED	0	0	0	0	None anticipated
	DEBT PROCEEDS	\$0	\$0	\$0	\$0	
	TOTAL GENERAL FUND REVENUES	\$12,829,709	\$12,516,317	\$12,233,371	\$12,268,711	

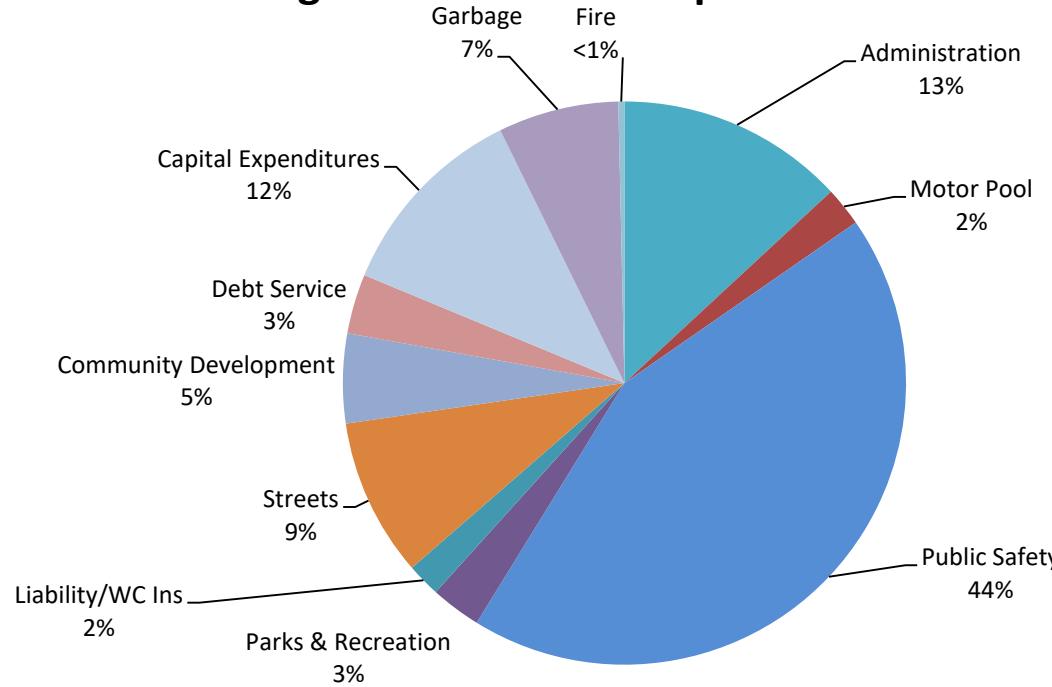
General Fund Expenditures

The total General Fund expenditures for FY2021-22 are \$14,302,963 compared to the FY2020-21 total of \$12,063,248 which represents an 18.6% increase. The increase is reflective of an optimistic budget with regards to the return to “normal” after the COVID-19 pandemic. Expenses have been budgeted aggressively across all Funds, including the General Fund, in relation to a very conservative, prior year, budget due to COVID-19. Personnel wages and related costs increased significantly as positions were evaluated and made competitive with surrounding communities, COLA increases and market adjustments were made across every position, open positions that were previously frozen were filled, the police department went through a reorganization that added positions, administration added a position, parks and recreation reinstated special events and programs and capital equipment and projects were budgeted. 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 expenses.

General Fund Expenditures by Department Compared to FY21 Estimated Actual & Amended Budget



FY22 Budget General Fund Expenditures



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;

Assistant Village Administrator / Director of Human Resources

The Assistant Village Administrator / Director of Human Resources is responsible for a number of functions including:

- General services;
- 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;
- Parks & Recreation Department supervision and management; and
- Supervision of the Deputy Clerk/Administrative Assistant.

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.

Director of Economic Development

The Director of Economic Development is responsible for recruitment and retention of Village Businesses.

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, Freedom of Information Act (FOIA) requests, 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's FY2021-22 budget is \$260,030 higher than the prior year; personnel and the corresponding payroll taxes and fringe benefits are almost entirely responsible for the increase. Salaries and positions were evaluated and increased significantly after remaining flat during the prior year due to the uncertainty of the COVID-19 pandemic, an Economic Development Director position was created in the Administration department and the equivalent of one and one half (1.5) Village Administrator salaries were budgeted as a result of position turnover. Other Administrative expenses were relatively flat compared to last year with the exception of professional services, which decreased by about \$90,000 from the PY amended budget.

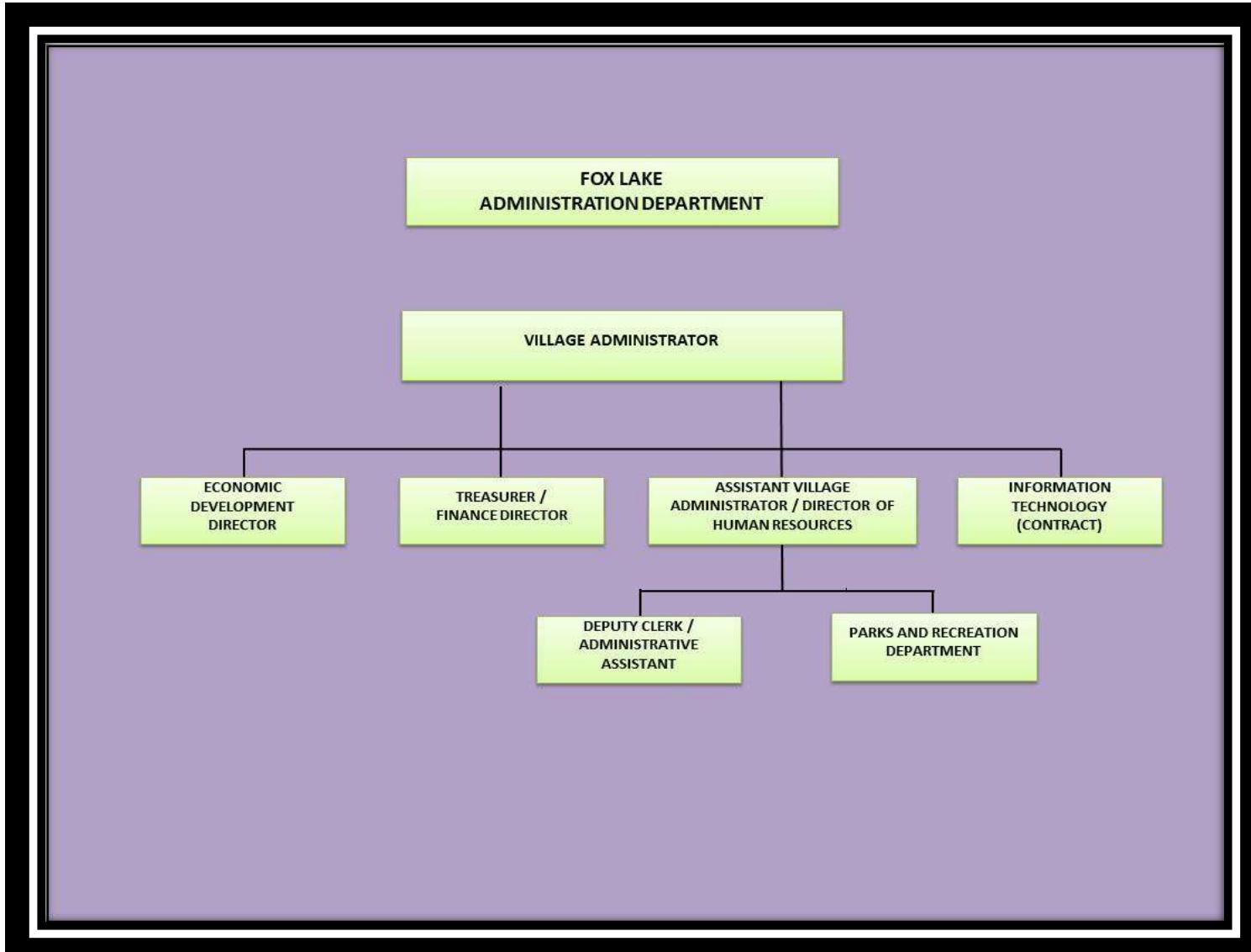
Administration Expenditures

General Ledger Number	General Ledger Account Description	Actuals 2018-19	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
01-311-4000	WAGES	\$526,208	\$523,364	\$555,891	\$796,800	7.62 FTE's - Administration & Finance (not including contractual employees)
01-311-4001	WAGES - ELECTED OFFICIALS	47,376	47,717	47,300	47,300	Village President & Trustees
01-311-4002	WAGES - PART-TIME	0	0	0	0	None anticipated
01-311-4010	OVERTIME	873	166	0	1,000	Minimal OT for non-exempt employees
01-311-4100	HEALTH INSURANCE	107,229	106,710	132,300	129,105	Medical, dental, vision employer share - 10% increase + NSEBC reserve
01-311-4110	LIFE INSURANCE	546.68	590.51	700	765	Group term life insurance - Madison National Life
01-311-4200	SOCIAL SECURITY & MEDICARE	39,453	39,696	40,300	67,925	OASDI Rate 6.2% Medicare 1.45% no max
01-311-4220	IMRF	47,480	36,553	43,500	63,485	2020 Rate 8.30%; 2021 Rate @ 8.54%; FY22 rate estimated @ 9.00%
01-311-5000	BUILDING MAINTENANCE	21,581	12,924	20,000	25,000	Cleaning service \$15,000, Alarm repairs \$1,500, Sprinkler inspections \$1,200, Bedco HVAC \$1,000; other general \$1,300; VA Office \$5,000
01-311-5100	PROFESSIONAL SERVICES	24,862	141,704	145,000	56,650	Civic systems \$9,200; HR \$2000; CivicPlus website \$4,000; Contractual Finance \$12,000; Administrator Recruitment \$23,000; NIU Organization Study \$4,950; Shredding \$1,500
01-311-5101	AUDIT SERVICES	20,620	23,720	25,300	25,000	Per Sikich proposal
01-311-5102	ACCOUNTING SERVICES	0	850	7,200	10,000	Sikich - Single Audit \$5,000 & OBEB Actuarial Study - \$5,000 Lauterbach & Amen proposal
01-311-5103	PAYROLL SERVICE FEES	1,670	1,587	1,800	1,800	Asure Payroll processing, W2's; Quarterly 941's
01-311-5110	ENGINEERING SERVICES	276	0	1,000	500	General inquiries
01-311-5113	FIRE DISTRICT BILLABLE	3,327	2,329	0	0	See #01-330-5113
01-311-5120	LEGAL SERVICES	49,333	75,341	55,000	65,000	General Counsel \$50,000; Continue Code Review \$15,000
01-311-5121	LABOR ATTORNEY	1,973	23,344	20,000	20,000	Labor attorney consultations

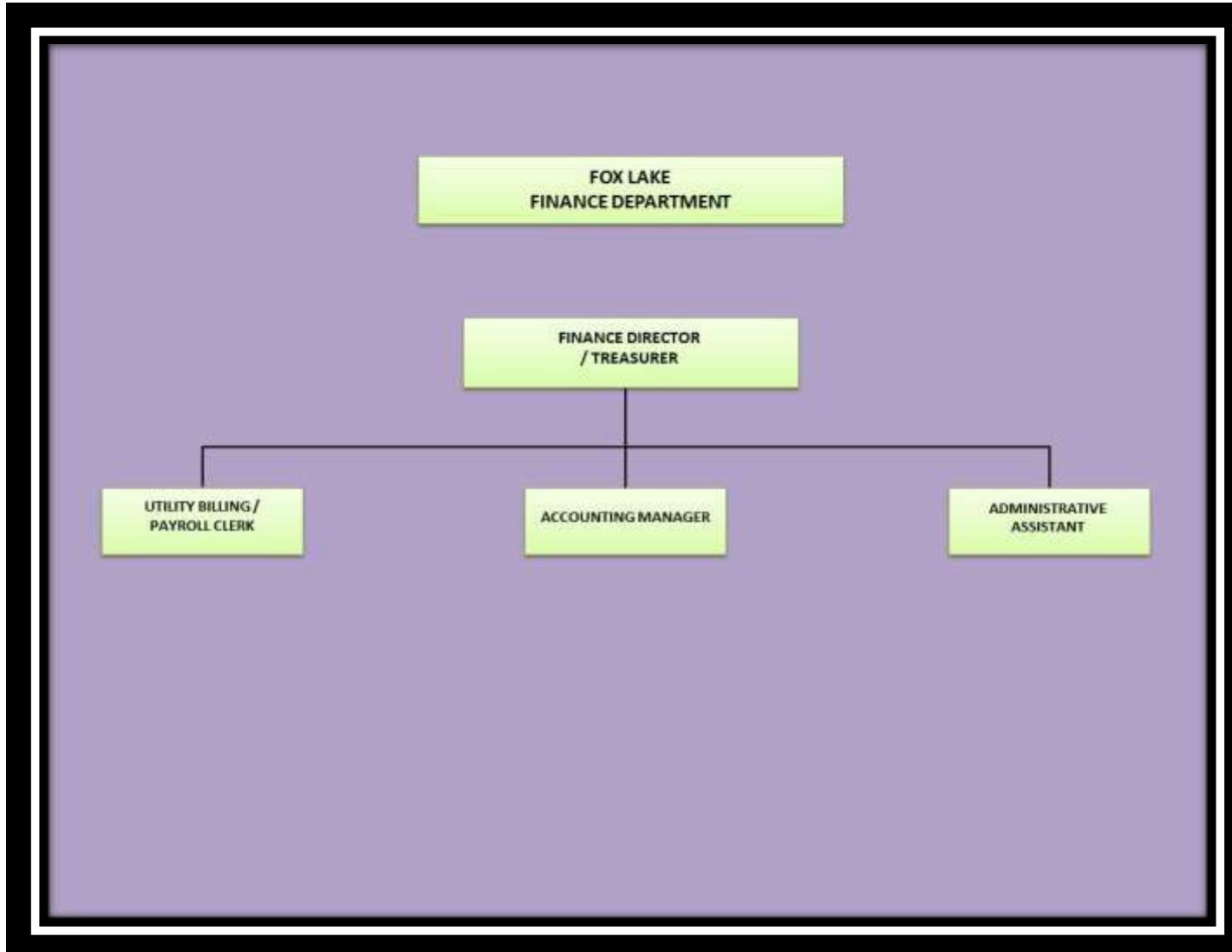
General Ledger Number	General Ledger Account Description	Actuals 2018-19	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
01-311-5160	TECHNOLOGY	105,565	116,266	115,000	123,500	(MSP) Innovative Solutions Consulting \$115,000; State Technology Management Revolving Fund internet \$1,300, other technology repairs \$5,200, Barracuda email backup/firewall \$1,000, miscellaneous \$1,000.
01-311-5200	POSTAGE	8,198	10,053	11,500	15,000	Various postage-average from prior years; newsletter postage
01-311-5220	PHOTOCOPY	9,038	10,859	9,200	9,200	Lease and per copy fee - Wells Fargo lease
01-311-5221	PRINTING	9,918	8,661	11,250	13,600	4 newsletters per year (\$13,000), Vehicle Sticker (\$150.00), Video Gaming Stickers (\$200.00), Business cards (\$250.00)
01-311-5224	PUBLISHING	5,967	8,030	4,000	10,000	Levy hearing, Annual Treasurer's Report, Codification & other legal notices with add'l for code review
01-311-5310	MEMBERSHIPS	19,667	19,488	21,100	19,850	IL Municipal League (\$1,250), SWALCO (\$6,000), LC Transportation Alliance (\$600), IPELRA (\$300), LC Partners (\$750), Metropolitan Mayors Caucus (\$500), GFOA (\$400), NW Municipal Conference (\$6,000), ILCMA/IAMMA (\$1,000), Municipal Clerks of LC (\$100), Costco (\$100), IGFOA (\$450), LC Municipal League (\$2,000) City Tech (\$400);
01-311-5320	TRAVEL	448	892	0	1,000	ICMA , ILCMA Conference, GFOA Conference
01-311-5330	TRAINING	3,282	3,935	590	11,150	Trustees (\$3,150) Administration Department Trainings (\$5,000) Sexual Harassment Training (\$3,000)
01-311-5340	TUITION REIMBURSEMENT	0	0	0	1,000	Tuition reimbursement requests that may arise
01-311-5350	Meeting Expense	2,352	2,451	500	1,000	Meetings with various vendors, agency representatives, project partners
01-311-5410	UTILITIES	9,030	11,442	11,000	11,500	Water/sewer \$900, Verizon \$3,400 Access One \$7,200.00

General Ledger Number	General Ledger Account Description	Actuals 2018-19	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
01-311-5430	CREDIT CARD & BANK CHARGES	23,030	23,428	32,400	32,500	BMO Harris, PSN fees
01-311-5450	PROPERTY TAXES	19,048	736	75,782	75,782	Property taxes for donated and purchased property until exempt (\$75k carried forward from FY21 for potential payment)
01-311-5525	BUSINESS INCENTIVES	168,953	170,868	185,000	185,000	Potential and existing business incentives
01-311-5600	BUILDING MAINTENANCE SUPPLIES	1,214	3,006	2,000	3,000	Same as pre-COVID
01-311-5700	OFFICE SUPPLIES	5,459	8,695	7,000	7,000	Office furniture including chairs
01-311-5710	OPERATING SUPPLIES	993	2,442	1,500	2,500	Batteries; cleaning supplies, paper towels; etc.
01-311-5751	FUEL	0	0	0	500	Gasoline used for work-related meetings/travel if necessary
01-311-5780	SOFTWARE	0	2662.37	2,819	4,000	Archive Social, \$4,000; Mobile App, \$600; Creative Cloud; Extra software, \$400.00
01-311-5785	COMPUTER EQUIPMENT	0	167	4,000	3,000	Desktop replacements based on computer replacement
01-311-5950	SPECIAL EVENTS	200	376	1,000	1,000	5k race donation to Grant Township
01-311-5951	RECOGNITION	1,828	1,792	250	3,000	Recognition of Admin & Finance staff & Board members
01-311-5952	DONATIONS	0	0	0	5,000	Promote Fox Lake
01-311-5970	REFUNDS	0	0	0	0	Book to the revenue account instead
01-311-5971	EXTERNALITY FEE REFUND - RLB	22,491	22,464	23,000	25,000	Based on Round Lake Beach billings (as provided by Lake County)
01-311-5972	EXTERNALITY FEE REFUND - LAKE	0	0	0	0	None until \$846,161 liability is repaid to NWR Fund (FY2022)
01-311-5999	MISCELLANEOUS EXPENSE	451.63	1485.52	200	0	Otherwise not classified
TOTAL ADMINISTRATION		\$1,309,941	\$1,466,791	\$1,614,382	\$1,874,412	

VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Administration Department
April 30, 2022



VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Finance Department
April 30, 2022



Motor Pool Expenses

The Motor Pool Department is an integral internal service department in the Village organization. With a staff of two (2) 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

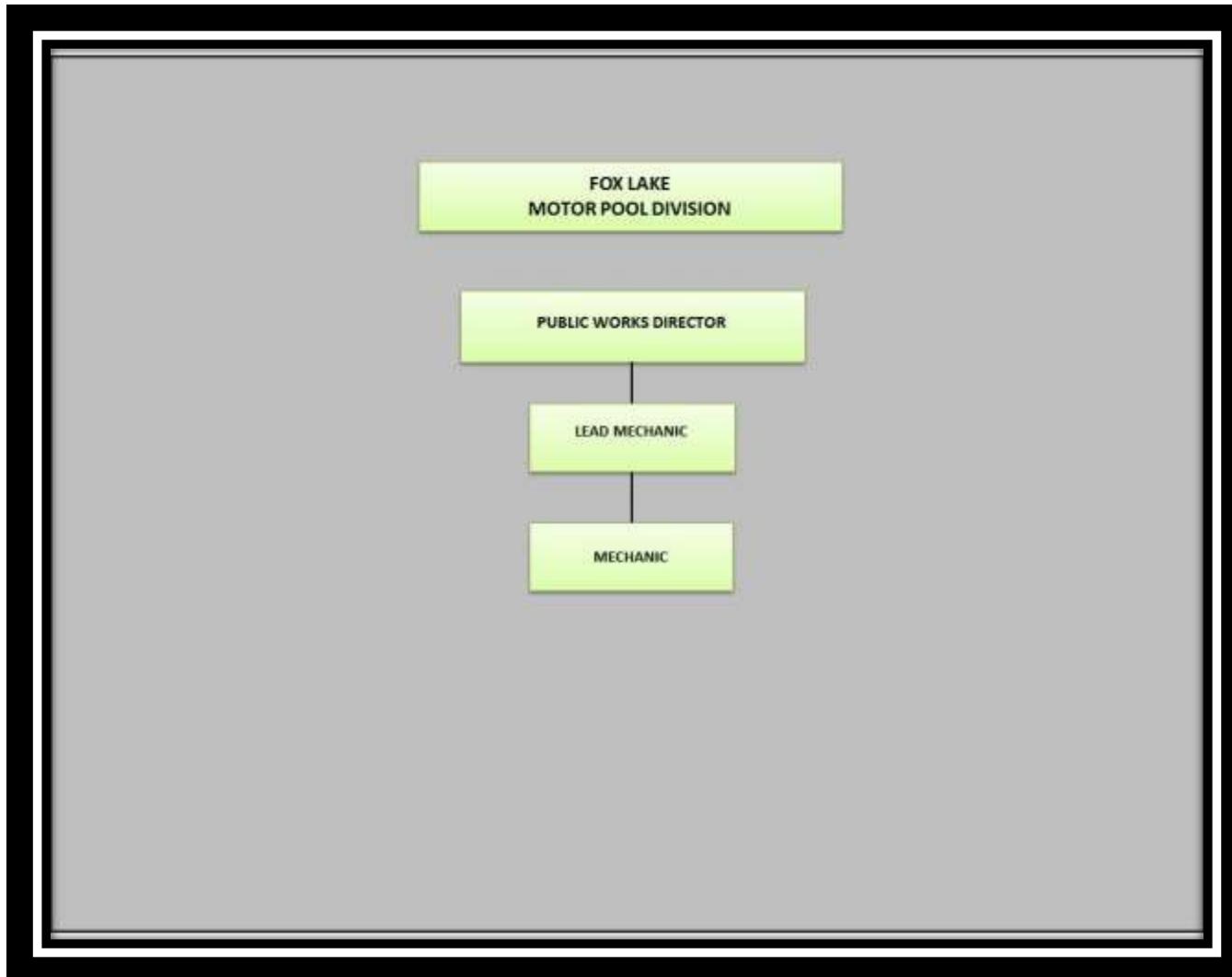
The Motor Pool Department's FY2021-22 budget is \$45,655 higher than the prior year budget. The increase is due to increased wages and the corresponding taxes and pension expenses, building maintenance costs that include garage door repairs and the replacement of the oil burning furnace and increases for operating supplies and small tools.

Motor Pool Expenditures

General Ledger Number	General Ledger Account Description	Actual 2018-19	Actual 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
01-314-4000	WAGES	\$134,980	\$122,918	\$122,500	\$133,500	2 FTE's Mechanics maintain Village fleet
01-314-4010	OVERTIME	1,587	970	0	1,500	OT as required
01-314-4100	HEALTH INSURANCE	18,613	3,284	3,000	3,000	Medical, dental, vision insurance premiums
01-314-4110	LIFE INSURANCE	216	185	200	190	Group term life insurance
01-314-4200	SOCIAL SECURITY & MEDICARE	10,236	9,704	9,600	10,330	OASDI Rate 6.2% 1.45% no max
01-314-4220	IMRF	13,518	9,090	10,800	11,740	2020 Rate 8.30%; 2021 Rate 8.54% & 2022 Estimated Rate 9.00%
01-314-5000	BUILDING MAINTENANCE	2,406	5,965	5,000	15,500	Replace furnace \$10,000, Overhead Door repairs \$3,500, Fuel station inspection \$2,000
01-314-5009	EQUIPMENT MAINTENANCE	0	0	1000	800	Fire extinguisher inspection \$500, Misc \$300
01-314-5100	PROFESSIONAL SERVICES	223	4,176	3,500	3,500	Safety Clean and Lift Inspections \$3,500

General Ledger Number	General Ledger Account Description	Actual 2018-19	Actual 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
01-314-5102	ACCOUNTING SERVICES	0	60	250	250	Sikich independent audit fee
01-314-5112	MOTOR POOL REIMBURSABLE EXP	10,176	2,216	3,200	5,000	Expenses billed to outside entities
01-314-5160	TECHNOLOGY SERVICES	6,239	3,609	3,500	3,500	MSP contractual costs
01-314-5310	MEMBERSHIPS	27	0	100	105	Municipal Fleet Managers Assn
01-314-5320	TRAVEL EXPENSES	0	18	0	0	
01-314-5330	TRAINING	80	49	700	2,000	CFA software training , ASE, EVT, and Ford training
01-314-5410	UTILITIES	1,198	915	960	850	Allocation of Access One (telephone) cost
01-314-5600	JANITORIAL & BLD. SUPPLIES	78	395	500	500	cleaning & paper products
01-314-5700	OFFICE SUPPLIES	377	0	350	350	toner, paper, pens, file folders
01-314-5710	OPERATING SUPPLIES	95,703	116,715	90,000	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 & NONCAP EQUIP	2,793	5,655	10,500	14,000	AC Recycle machines 134 \$6,000, New AC 1234Y \$8,000
01-314-5740	UNIFORMS	994	751	1,000	1,000	\$300x2 (uniform) \$175x2 (Safety Boots) \$50 misc.
01-314-5751	FUEL	1,277	728	1,000	1,200	525 gallons @ \$2.25
01-314-5780	SOFTWARE LICENSE/SUPPORT	0	0	4,315	4,215	CFA license \$1,800, Helm \$700, ProDemand online manual service \$1,640, Barracuda firewall \$75
01-314-5785	COMPUTER EQUIPMENT	0	0	2,400	2,000	Replace shop laptop to diagnose vehicles issues
01-314-5951	EMPLOYEE RECOGNITION	0	0	200	200	Employee recognition
TOTAL MOTOR POOL		\$300,721	\$287,402	\$274,575	\$320,230	

VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Motor Pool Department
April 30, 2022



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 2018-19	Actuals 2019-20	Amended Budget 2020-21	Budget 2021-22	Description
01-318-5200	POSTAGE	\$770	\$854	\$1,000	\$1,000	Sanitation notices
01-318-5420	GARBAGE DISPOSAL	946,205	940,996	950,000	988,640	Pursuant to Waste Management contract
01-318-5710	YARD WASTE STICKERS	303	0	0	0	Landscape bag sticker program
01-318-5970	REFUNDS	0	0	0	0	None Anticipated
TOTAL GARBAGE		\$947,278	\$941,850	\$951,000	\$989,640	

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 of service with fairness, honesty, integrity and pride. Always striving to improve services through education, problem solving and diligence, in partnership with the community, to ensure a safe and secure 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 Police Department maintains headcount for twenty-nine (29) sworn officers, three (3) 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 FY2120-22 budget is forecasted to increase by \$383,479 compared to the prior year amended budget. This increase is due to the increased village contribution and tax levy required to fund the police pension. Additionally, a department reorganization plan has been budgeted that creates a Deputy Chief position and two Commander positions under police administration and sworn officers and community service officer positions are budgeted at full staff.

Public Safety Expenditures

General Ledger Number	General Ledger Account Description	Actuals 2018-2019	Actuals 2019-20	Amended Budget 2020-21	Budget 2020-22	Description
01-321-4000	WAGES - ADMINISTRATION	\$634,600	\$575,690	\$451,000	\$773,690	Pub Safety Director contract expired in Sept 2019; Chief 85% Police/15% Dispatch Fund
01-321-4002	WAGES - PART-TIME	26,581	5,864	20,600	25,390	Records Clerk PT .40 FTE
01-321-4003	WAGES - SWORN OFFICERS	1,911,243	1,931,288	2,220,640	2,273,760	29 FTE's
01-321-4004	WAGES - POLICE COMMISSION	0	0	5,100	5,100	17 meetings in FY20/Chair \$150 pm, 2 Members \$75 pm each
01-321-4011	OVERTIME	330,793	280,648	285,600	225,000	Based on CY2020 OT hours at increased wages
01-321-4100	HEALTH INSURANCE	400,571	398,612	589,500	420,595	Police Sworn \$483,930 + \$13,442 + Police Admin \$140,638
01-321-4110	LIFE INSURANCE	2,695	2,703	3,000	3,150	Group term life insurance
01-321-4200	SOCIAL SECURITY & MEDICARE	72,800	66,218	62,750	79,120	Salaries less employee health insur prem & dependent care contributions at 7.65%
01-321-4220	IMRF	23,055	20,368	18,900	25,000	2020 Rate 8.30%; 2021 Rate 8.54% & 2022 Estimated Rate 9.00% (for non-Sworn employees)
01-321-4230	POLICE PENSION - TAXES	519,143	632,544	682,532	776,121	Based on 2020 Property Tax Levy
01-321-4231	POLICE PENSION - VILLAGE PORTI	123,102	94,184	145,520	248,520	Actuarial valuation required contribution less 2020 property tax levy - Total required contribution \$1,024,641
01-321-5000	BUILDING MAINTENANCE	31,634	40,961	35,050	33,550	Misc. \$2,000, Bedco HVAC Maintenance \$1,000, 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 \$700, Jail Cell Main \$2,500, Furnace Filters & light Bulbs \$550, Digest Aid \$300, Pest Control \$500, Interior Building Paint \$3,500, HVAV Condenser replacements (3) \$10,000, Replace analog cameras with digital \$5.500.
01-321-5010	EQUIPMENT MAINTENANCE	27,923	19,110	26,950	26,950	LEADS Comm \$9,000, Radars \$500, Dry gas \$400, squad computers \$3,000, Bike repair \$500, Replace analog cameras \$4,000, Misc. Repairs \$5,650, weapon repair \$800, Taser annual agreement \$1,900

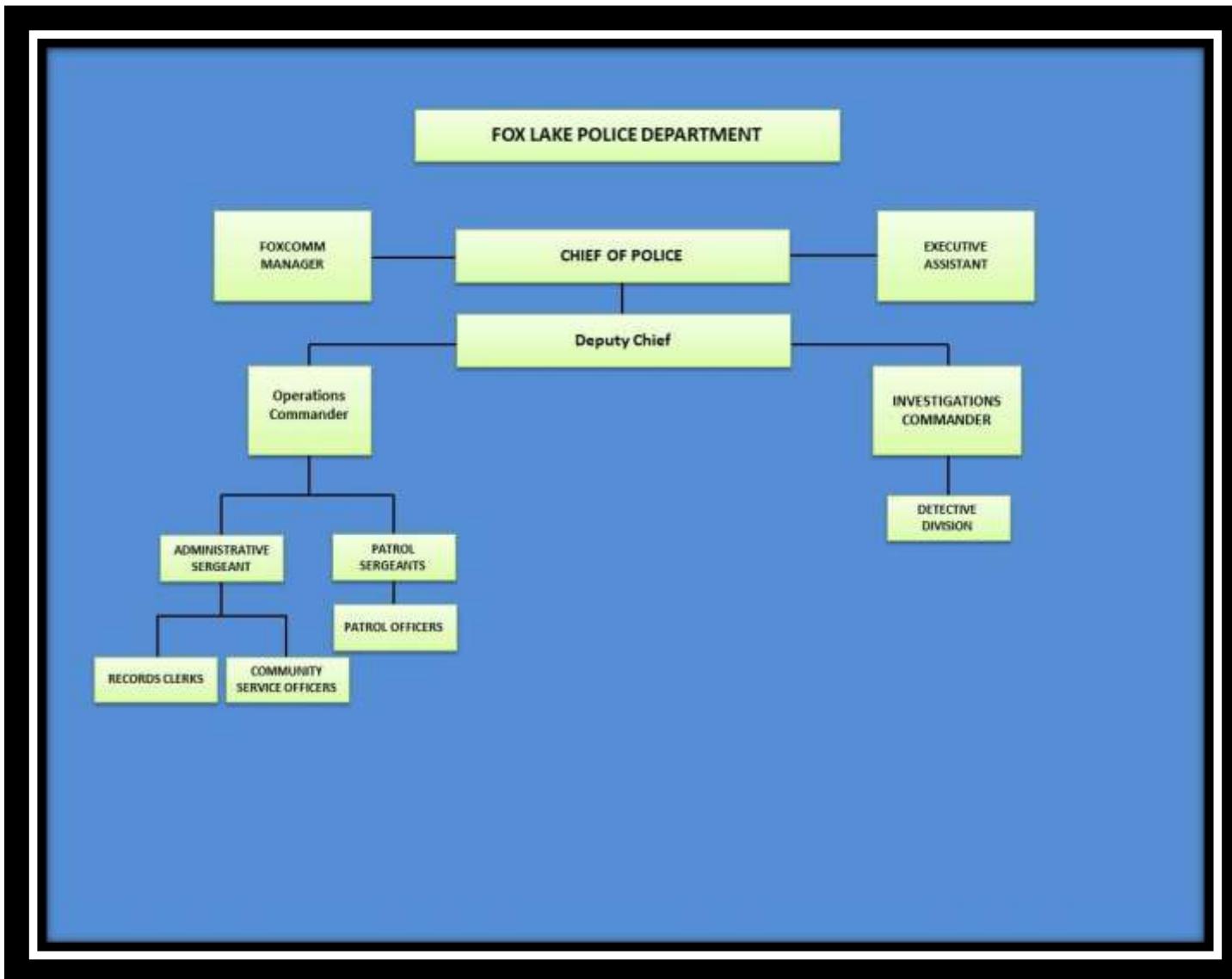
General Ledger Number	General Ledger Account Description	Actuals 2018-2019	Actuals 2019-20	Amended Budget 2020-21	Budget 2020-22	Description
01-321-5020	VEHICLE MAINTENANCE	1,849	3,432	1,000	7,000	Squad Car Wash \$1,300, Decal Replacement, Equipment repair: Batteries, Lights, Sirens, Misc. Parts \$2,850, Body Repairs \$2,850
01-321-5021	VEHICLE MAINTENANCE - MP	0	605	6,000	0	Costs included in account #01-321-5020
01-321-5100	PROFESSIONAL SERVICES	61,093	43,080	55,300	55,300	Range Rental \$2,200, Crime Lab \$17,500, Crime Stoppers \$700, Lexis Nexis \$1,800, Stericycle \$1,000 (Hazmat Destruction) Medical Record Copies \$1,000, Critical Reach Support \$1,500, Occ. Health \$2,000 Misc. Services \$ 2,500, Missing Children \$200, SAO Forensic Laboratory Annual Fee \$1,500, Administrative Consultants - grants \$19,500, Investigative Polygraph Services \$500, LEADS fee \$2,900, \$500 Annual Gas Fit Testing.
01-321-5102	ACCOUNTING SERVICES	0	984	3,000	3,000	Asure payroll processing; W-2's
01-321-5108	HR RECRUITING/TESTING	0	13,160	16,500	16,500	Police Testing: Job Posting \$500, Polygraph Services \$1,000, Medical/ Psychological Clearance \$2,500, Promotional (Sergeant) Assessment \$7,500 & (Commander) \$5,000.
01-321-5120	LEGAL SERVICES	206,181	36,842	114,900	114,900	Pension Litigation \$60,000, Adjudication Hearing Officer \$6,900 ; Prosecution \$48,000
01-321-5121	LABOR ATTORNEY	0	67,156	45,000	45,000	Collective bargaining agreement negotiation
01-321-5135	DISPATCHING	613,026	598,253	625,000	625,000	Interfund charges to 911 Fund for dispatching services
01-321-5140	PRISONER MEALS	0	0	300	1,500	Meals for detainees
01-321-5141	ANIMAL CARE & CONTROL	17	110	500	500	Lake County animal control \$500
01-321-5160	TECHNOLOGY SERVICES	66,542	94,875	128,812	112,332	MSP & other \$3,176; BEAST Evidence Service fee (Porter Lee) \$900; Tritech Central Records Management Support \$3,200; Verizon cards \$9,100; Comcast \$2,400; Computer upgrades \$2,000; Data Storage Cloud Services WatchGuard/Getac \$5,200; Livescan system maint. \$2,600; add'l Livescan license for line-ups \$500; Starcom & Radio maintenance fees \$17,600; Quicket Phase 1 electronic ticketing system \$27,756; Quicket Phase 2 RMS to replace Central Square \$17,100; Entroute ETSB (CAD) \$8,000; evidence storage alarm \$600; evidence storage hard drives \$1,00; Watchguard Cloud \$3,000; Quicket RMS Dta Transfer Prorated \$4,200 & IL Dept. of IT \$4,000

General Ledger Number	General Ledger Account Description	Actuals 2018-2019	Actuals 2019-20	Amended Budget 2020-21	Budget 2020-22	Description
01-321-5170	JANITORIAL SERVICES	0	7,413	7,500	10,000	Contractual janitorial services for Police portion of building
01-321-5200	POSTAGE	2,126	3,974	4,000	4,000	USPS, FedEx, & UPS
01-321-5220	PHOTOCOPY	0	2,961	3,000	3,300	Copier Lease \$3,300 - see Wells Fargo Bank invoices
01-321-5221	PRINTING	2,605	3,032	3,000	3,000	Form Printing Classic Printery \$2,500, Hearing Supplies \$500
01-321-5224	PUBLISHING	0	51	0	0	
01-321-5310	MEMBERSHIPS	24,568	20,942	25,500	26,680	Int'l Chief of Police \$250, IL Police Chiefs \$250, Lake County Chiefs \$200, LSRO Officer \$40, ILEAS \$120, MCAT \$750, Metropolitan Drug Enforcement Group (MEG) \$15,600, LCMCTF \$3,500, NIPAS Membership and Emergency Services Enhanced 5,200, NWPA \$ 570, FBINA \$150, LERMI \$ 50
01-321-5315	POLICE COMMISSION	0	52	2,000	2,975	Illinois Fire and Police Commissioners Association Dues \$375, Association Fall Conference and Mileage: \$2,600
01-321-5320	TRAVEL	340.68	713.81	1,000	1,000	Officer training expense - fuel for personal car
01-321-5321	TRAVEL - POLICE COMMISSION	0	0	0	0	Combined with 5331 into 01-321-5315
01-321-5330	TRAINING	18,782	14,272	40,000	40,000	NEMRT training \$2,400, SLEA \$2000, Police Academy Basic Recruit \$9,339, Taser Certification, Lead, Homicide INC \$ 800, Evidence, Custodian, Staff and Command \$7,200 OIC Training \$2,000, MISC \$2700, IACP Conf. \$2,000, FBINA \$2,000, ILEAS Conf. \$750, IL Chiefs Conf. (4) \$1,600, Blue Line Hazmat \$900, Mandatory State Training, SRO & School Emergency Preparedness \$3,311, Police Law Institute \$ 3,000.
01-321-5331	TRAINING - POLICE COMMISSION	2524.44	0	0	0	Combined with 5321 into 01-321-5315
01-321-5350	Meeting Expense	0	382	50	50	Various meetings

General Ledger Number	General Ledger Account Description	Actuals 2018-19	Actuals 2019-20	Amended Budget 2020-21	Budget 2021-22	Description
01-321-5410	UTILITIES	31,109	33,645	30,000	30,000	Access One (VOiP), cell phones
01-321-5700	OFFICE SUPPLIES	8,746	7,583	8,000	8,000	Admin Adjudication \$200, Misc. Supplies & Toner \$7,000, Paper \$800.
01-321-5710	OPERATING SUPPLIES	15,722	21,180	32,425	32,425	Ammunition \$10,000, Flares \$200, Spotlights - Building \$350, Fingerprinting Supplies \$1,000, Taser Cartridges \$1,500, Misc. Supplies \$6,000, Evidence supplies/test kits/packaging, \$2,400; Fire extinguishers and mounts, \$100; Command vehicle supplies, \$450; Breath OP mouth pieces, \$150; Investigation supplies \$500; Prisoner head protection and spit guard, \$1,000; Individual rescue medical kits, \$1,000; water softener maintenance \$1,200; village wide AED supplies; \$2,500; BEAST supplies; \$1,000; portable digital storage for evidence, \$1,000.
01-321-5720	COMMUNITY RELATIONS	4,999	3,799	0	5,000	NNO, Halloween Event, Senior Fair, Bike Rodeo, Give A Ways.
01-321-5730	SMALL TOOLS & NONCAP EQUIP	0	3,129	18,600	29,400	Video Cameras (Go Pros) \$1,500; ballistic shields, \$1,200; gas masks, mis repairs, \$1,600; portable scene lighting, \$1,600; ballistic helmets (2), \$1,200; Motorola radio, \$2,000; locking supply \$1,000; Weapons replacement \$4,000; Network printer for sergeants/commands office, \$3,000; Network IP Camera, \$5,800; Video surveillance cameras \$5,000.
01-321-5721	SHOP WITH A COP	76	1,922	1,500	2,000	Gifts for community adolescents provided by donations
01-321-5740	UNIFORMS	35,930	29,968	40,000	40,000	Replacements \$16,000, 2 New Issues \$10,090, Armor Replacement \$7,910, Investigations Clothing \$1,000, 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	48,540	50,026	50,000	50,000	Squad Fuel/ PD Vehicles

General Ledger Number	General Ledger Account Description	Actuals 2018-19	Actuals 2019-20	Amended Budget 2020-21	Budget 2021-22	Description
01-321-5780	SOFTWARE LICENSES	0	232	2,780	2,780	Barracuda spam/firewall protection
01-321-5785	COMPUTER EQUIPMENT	0	2,409	14,500	19,500	YR 2 & YR 3 replacements (year 2 delivery issues) 7 desktops @\$1,000; & 4 MDT's @\$1,500 Pursuant to replacement schedule
01-321-5951	EMPLOYEE RECOGNITION	406	209	500	500	Employee Recognition
01-321-5980	DUI EXPENSE	0	0	2,000	2,000	Blood and urine testing for drugs
01-321-5981	INVESTIGATION EXPENSE	0	0	1,500	1,500	Undercover Operations
01-321-5983	NARCOTICS EXPENSE	0	0	0	3,200	Naloxone (Narcan) for opioid overdose reversal \$3,000 & \$200 for other related expenses
01-321-5984	SEIZED ASSET EXPENSE	0	0	0	500	Dependent upon asset seizures
	TOTAL PUBLIC SAFETY	\$5,249,322	\$5,134,579	\$5,831,309	\$6,214,788	

VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Public Safety Department
April 30, 2022



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 Parks and Recreation Manager, Recreation Coordinator, 1 part-time shuttle bus driver, and 1 seasonal staff member. The Parks Department is overseen by the Assistant Village Administrator / Director of Human Resources. 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
- Grace Avenue Park
- Community Garden and Community Garden Green

The Parks and Recreation Budget is \$268,160 higher than the prior year due to budgeting for the return of special events and senior and community programs that were canceled during the prior year due to the COVID-19 pandemic. Additional increases were budgeted for increased salaries, filling of full and part-time positions that were previously left vacant as a result of COVID-19 and fireworks.

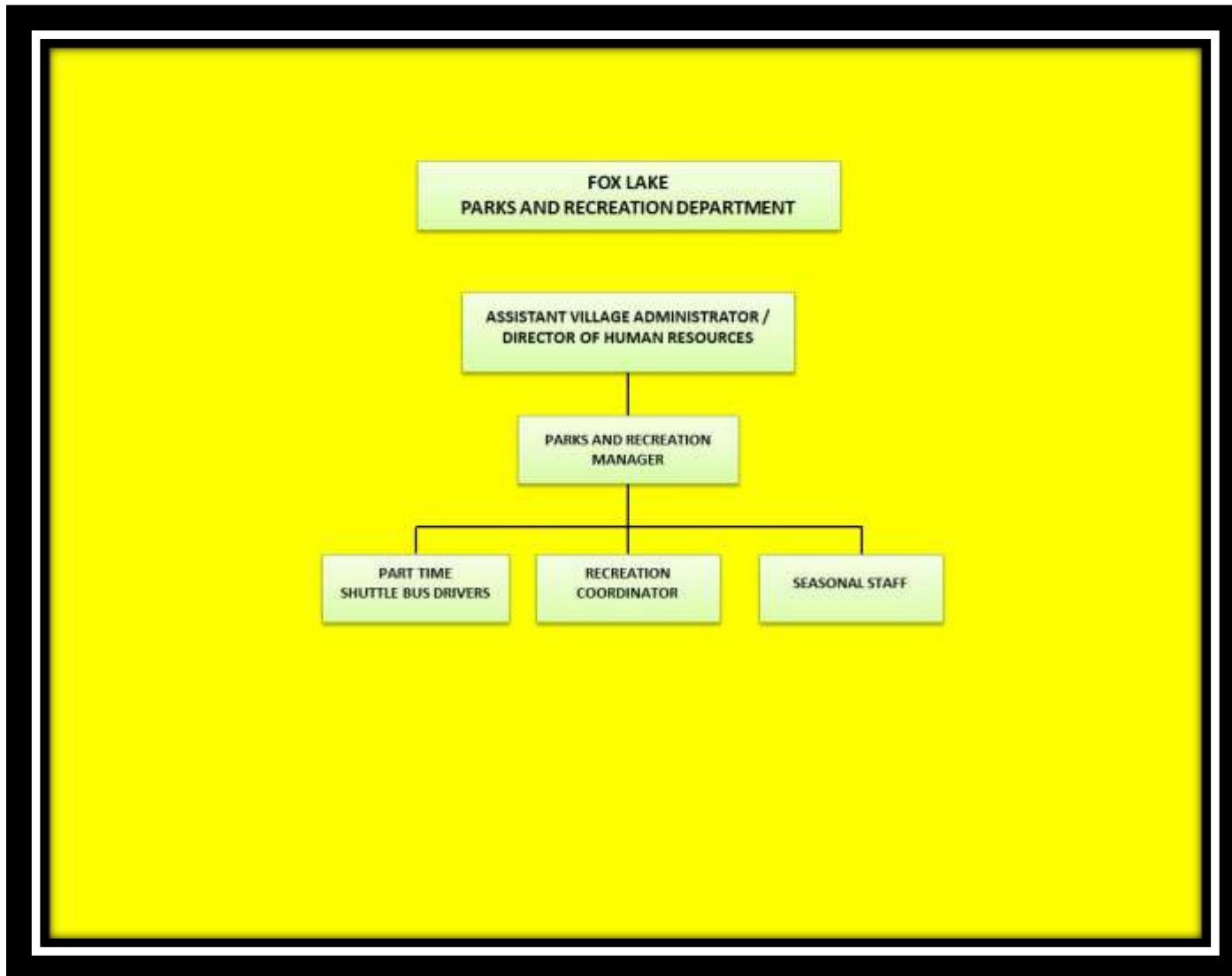
Parks & Recreation Expenditures

General Ledger Number	General Ledger	Actuals 2018-19	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
01-327-4000	WAGES	83,218	88,423	64,950	94,900	2 FTE's - replacing a position left vacant due to impact of COVID on programs and events
01-327-4002	WAGES - PART-TIME	18,310	12,061	97	19,490	2 PACE van drivers - 1 Seasonal Laborer
01-327-4010	OVERTIME	6,209	5,840	750	10,000	As needed for program coverage
01-327-4100	HEALTH INSURANCE	10,671	9,873	11,313	16,985	Medical, dental, vision 10% increase + NSEBC reserve
01-327-4110	LIFE INSURANCE	177	185	145	190	Group term life insurance
01-327-4200	SOCIAL SECURITY & MEDICARE	7,989	7,986	5,500	8,825	Taxable Salaries = wages less employee health insur prem & dependent care contributions at 7.65% (FICA 6.2% & Medicare 1.45%)
01-327-4220	IMRF	8,631	7,651	5,934	9,765	2020 Rate 8.30%; 2021 Rate 8.54%; & 2022 Estimated Rate 9.00%
01-327-5000	BUILDING REPAIR & MAINT	25,105	10,984	5,000	10,500	\$5,000 - for various HVAC services, \$500 - paint interior Lakefront park, and \$2,000 - splash pad repairs , \$2,000 - Mis. Repairs & gym area column repair \$1,000
01-327-5010	EQUIPMENT REPAIR & MAINT	8,551	7,429	1,000	8,500	\$2,000 Various ice rink repairs, \$6,500 copier contract
01-327-5100	PROFESSIONAL SERVICES	83,761	850	3,000	3,000	Miscellaneous appraisals and other - park land
01-327-5102	ACCOUNTING SERVICES	0	90	350	350	Asure payroll processing - W-2's
01-327-5107	PROF SERVICES - STUDY/REPORT	0	5,838	0	0	None anticipated
01-327-5160	TECHNOLOGY SERVICES	1,013	0	0	0	None anticipated
01-327-5170	JANITORIAL SERVICES	475	8,846	7,000	13,100	Bi-weekly cleaning at Lakefront Park (\$9,000)& Weekly cleaning at Community Center (\$4,100)
01-327-5200	POSTAGE	636	0	500	1,500	Mailer for summer events
01-327-5220	PHOTOCOPY	0	2,961	2,200	3,200	In-house printing for school flyers, copier lease is \$269.20 per month
01-327-5221	PRINTING	724	60	500	1,500	Mailer for summer events plus additional printing for flyers \$1,000 & Sponsorship packets \$500
01-327-5222	ADVERTISING	3,029	120	1,000	1,000	Non-specific event advertising. Event specific advertising are in program lines

General Ledger Number	General Ledger	Actuals 2018-19	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
01-327-5310	MEMBERSHIPS	2,839	4,126	4,500	7,202	\$6,038 - Visit Lake County (50% of \$12,075 shared with Comm Dev), \$279 - Coordinator IPRA Membership, \$279 - Manager IPRA Membership, \$80 - Chamber Membership, \$476 - Lake County Health Department and Permit: \$50 ILFMA membership
01-327-5320	TRAVEL	19	36	0	900	Travel cost to attend conferences & training
01-327-5330	TRAINING	933	1,473	1,000	2,855	\$325-IPRAConference for Manager; \$230-IPRA Conference for Coordinator & \$2,300 - Midwest Leadership Conference for Manager
01-327-5350	MEETING EXPENSE	17	0	100	100	Various meetings with community groups & volunteers
01-327-5410	UTILITIES	14,310	10,239	10,000	16,000	Water for splash pads & buildings \$6,350; Verizon cell phone usage \$3,000; Access One office phones \$3,600 & Internet service provider \$3,050
01-327-5516	PACE PROGRAM - RENTAL FEE	1,200	1,200	0	1,500	Pace Bus Rental Fee
01-327-5545	COMMUNITY PROGRAMS	91,114	13,951	6,392	16,320	Adult fitness programs \$5,000; Pickleball \$100; Family game night \$200; Go Fox Lake \$485; Sports R Us \$4,320; Cardboard Boat regatta \$700; Mystery Dinner & Show \$3,315; Teen Programs \$1,000; and Craft Kits w/Library \$1,200.
01-327-5546	SENIOR PROGRAMMING	0	16,299	4,500	23,902	Senior Fitness Programs \$3,000; Senior cardio drumming \$5,720; Florence Fischer Turkey Dinner \$4,450; Senior luncheons \$5,532; Senior Fair \$700 & Antioch Area Health Care Accessibility Alliance "AAHAA" \$4,500.
01-327-5547	SPECIAL EVENTS	0	61,972	6,000	83,086	\$350 - Polar Plunge, \$850 - Egg-citing Easter Egg Hunt, \$686 - Children's Holiday Party, \$100 - Father's Day Fishing, \$900 - MS/FD Dance, \$1,000 - Fox Lake Triathlon, \$26,000 - Bloody Mary Fest, \$8,300 - Summer Art Series, \$13,600 - Celebrate Fox Lake, \$9,600 - Farmers Market, \$4,000 - Fox Lake Fish Fest, \$4,400 - Fall Fest, \$5,100 - Pumpkin Jubilee, \$5,000 - Festival of Lights, \$700 - Noon Year's Eve, \$2,500 - Pelican Palooza
01-327-5600	JANITORIAL & BUILDING SUPPLIES	7,722	4,258	500	7,000	Paper hand towels, cleaning supplies

General Ledger Number	General Ledger	Actuals 2018-19	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
01-327-5700	OFFICE SUPPLIES	1,116	618	1,500	2,000	Toner, paper, pens etc
01-327-5710	OPERATING SUPPLIES	10,994	2,682	500	1,050	\$700 - Volunteer T-shirts & \$350 - tent and weight replacement,
01-327-5751	FUEL	1,210	1,399	100	1,400	Fuel for programs - more programs this year
01-327-5730	SMALL TOOLS AND NONCAP EQUIP	0	2,685	500	3,500	\$2,500- Commercial grade misting fans; \$500 - black belt stanchions; \$500- other event-driven expenses
01-327-5780	SOFTWARE LICENSES	0	0	667	2,038	Adobe Creative Cloud Publishing Software \$1,318; Canva software \$120; & "Manage my Market" Farmer's Market app annual fee \$600
01-327-5950	SPECIAL EVENTS-OTHER	40,000	40,000	0	42,000	Mad Bomber Fireworks Contract for Celebrate Fox Lake 7/3/21
01-327-5951	EMPLOYEE RECOGNITION	137	35	200	200	Employee recognition
01-327-5970	REFUNDS	590	0	0	0	Record these as revenue reductions.
	TOTAL PARKS & RECREATION	430,700	330,170	145,698	413,858	

VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Park & Recreation Department
April 30, 2022



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 2018-2019	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
01-328-5500	LIABILITY & WORKERS COMP INS	\$273,936	\$243,040	\$237,176	\$265,000	Work comp & liability insurance premium
01-328-5501	INSURANCE DEDUCTIBLE EXPENSE	27,292	4,872	10,000	10,000	Deductible and small claims expense
	TOTAL INSURANCE DEPT	\$301,228	\$247,912	\$247,176	\$275,000	

Fire Department

The Village of Fox Lake does not have a Fire Department within the Village organization; rather, it is serviced by the Fox Lake Fire Protection District. The Village 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 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. The budget represents the reimbursable expenses that are anticipated to be incurred for the fuel and motor pool services.

General Ledger Number	General Ledger Account Description	Actuals 2018-2019	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
01-330-5113	FIRE DEPT BILLABLE EXPENSES	56,488	48,523	50,000	50,000	Fuel, motor pool repairs
	TOTAL FIRE DEPARTMENT	\$56,488	\$48,523	\$50,000	\$50,000	

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 12 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 commissions 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 operators 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 deicer. 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 nine (9) parks in the Village, including mowing and repairs to playground equipment. Several tasks are performed to ensure 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 overall Public Works/Streets department budget in FY2021-22 is higher than the prior year by \$143,985 primarily due to increased wages and the corresponding taxes and fringe benefits, a part-time seasonal position, sign replacement program and the community beautification program. Expenses that are budgeted lower include healthcare costs, electric utility costs and street maintenance costs but these reductions did not entirely offset the expenses that increased.

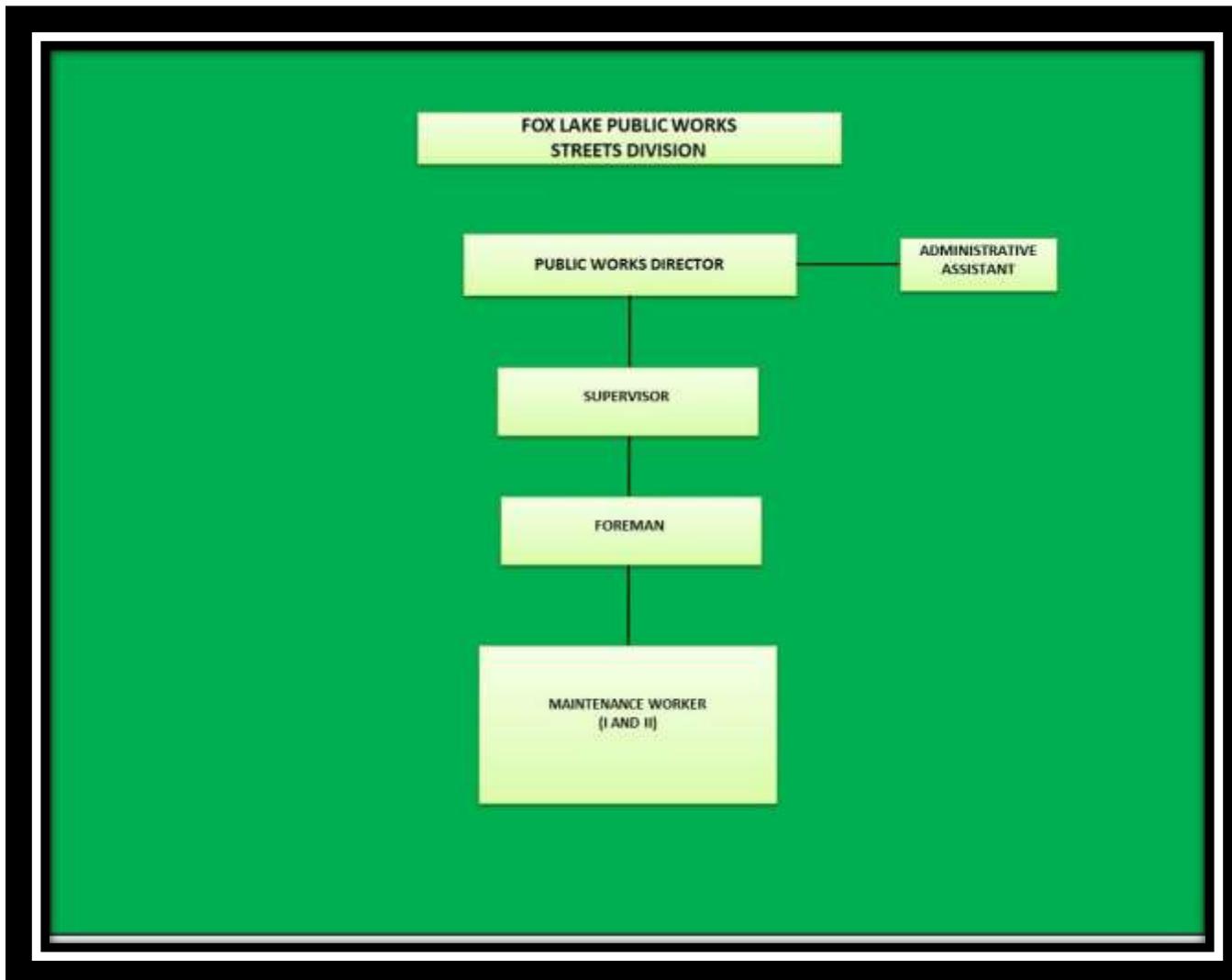
Public Works Street Expenditures

General Ledger Number	General Ledger Account Description	Actuals 2018-2019	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
01-341-4000	WAGES	530,243	592,016	560,500	669,240	12 FTE's
01-341-4002	WAGES - PART-TIME	0	5,258	0	9,600	Seasonal employees
01-341-4010	OVERTIME	26,940	15,984	15,000	20,000	Based on trend and anticipated winter weather
01-341-4100	HEALTH INSURANCE	128,653	142,562	110,850	90,965	Medical, dental & vision insurance - 10% increase + NSEBC Reserve
01-341-4110	LIFE INSURANCE	970	1,018	1,000	1,080	Group term life insurance
01-341-4200	SOCIAL SECURITY & MEDICARE	40,184	44,308	43,500	52,870	Salaries less employee health insur prem & dependent care contributions at 7.65%
01-341-4220	IMRF	51,394	43,954	48,600	59,980	2020 IMRF Rate 8.30%; 2021 Rate 8.54% & 2022 Estimate @ 9.00%
01-341-5000	BUILDING MAINTENANCE	17,519	21,631	13,500	13,000	Garage Door \$5000, Paint north wall station 1 \$600, Cleaning contract \$4,400, Office Roof repairs \$3000
01-341-5010	EQUIPMENT MAINTENANCE	148	669	300	1,200	Street sweeper, bucket truck, tractors, mowers, chainsaws, stihl saw, maintenance.
01-341-5030	STREET MAINTENANCE	21,035	27,408	40,000	20,000	Local striping \$5,000, Street light maintenance \$3,000, Street sweeping debris \$3,000, \$1,500 equipment rental, Other as requested \$3,000, Culver repairs/manhole rims \$4,500
01-341-5040	PARKS MAINTENANCE	9,350	18,931	25,000	25,000	Community Garden, Ice Rink, Veterans Park bridge, Lake Front Park maintenance, Install electric for lighting, Build bridges at Millennium Park, rehab grand ave lights for install in parks
01-341-5041	COMMUNITY BEAUTIFICATION	0	0	0	34,000	Holiday decorations, flower baskets, light pole banners (moved from Code #01-341-5040)

General Ledger Number	General Ledger Account Description	Actuals 2018-2019	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
01-341-5100	PROFESSIONAL SERVICES	33,287	16,501	10,000	17,600	Fire alarm inspection \$1200, extinguisher inspection \$900, electrical street light work \$6,000,mosquito testing \$3,500, MS4 review \$6,000
01-341-5102	ACCOUNTING SERVICES	0	314	750	750	Asure payroll processing
01-341-5103	PROF SERVICES - FORESTRY	9,533	7,550	15,000	12,750	Professional tree removal for large trees
01-341-5110	ENGINEERING SERVICES	13,796	4,106	5,000	8,000	GIS continuation of tree input, street, outfalls, engineering review, and studies
01-341-5120	LEGAL SERVICES	3,608	5,433	5,000	4,000	General legal consultations related to Public Works
01-341-5160	TECHNOLOGY SERVICES	1,457	5,076	3,500	2,800	MSP Tech consulting contract allocation \$2,800
01-341-5200	POSTAGE	50	6	100	100	mailings for projects
01-341-5310	MEMBERSHIPS	500	783	850	850	\$150 APWA, \$500 IPWMAN, \$200 Illinois Arborist Association
01-341-5330	TRAINING	1,897	575	1,000	2,000	APWA \$450, IDOT \$500, Arborist training \$350, pesticide/herbicide \$700
01-341-5410	UTILITIES	7,315	8,257	7,500	7,500	Water/Sewer, Nicor, Electric
01-341-5413	ELECTRICITY CHARGES	88,042	41,793	150,000	100,000	Streets lighting, buildings, shared intersections with IDOT and Lake Co. ComEd auditing meter records - FY20 billing delayed until FY21.
01-341-5600	BUILDING MAINTENANCE SUPPLIES	375	109	800	800	Paint products/paint \$800
01-341-5610	EQUIPMENT MAINTENANCE SUPPLIES	958	3,891	1,600	2,800	Bristles for Deere and Kubota Broom, \$900, Bristles for Street sweeper \$1,000, snow blower maintenance \$300, Mower blades/weed eater string \$600
01-341-5700	OFFICE SUPPLIES	1,071	974	800	900	pens, copy paper, file folders, toner cart(fax,copier,printers), laminating supplies, note pads, labels, post-it

General Ledger Number	General Ledger Account Description	Actuals 2018-2019	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
01-341-5710	OPERATING SUPPLIES	51,560	42,152	41,000	50,000	mosquito chemical for the year \$5,000, Culvert replacement \$2,000, Paint Sprayer \$5,000, Bobcat broom attachment \$7,500 Dirt, sand, gravel, nuts, bolts, bits, landscaping, striping, paint, storm sewer supplies, manhole rings, grass seed/fertilizer, herbicides/pesticides, mulch, paint
01-341-5712	SIGN PROGRAM	2,951	5,048	5,000	33,000	Replace faded/damage signs, post, brackets
01-341-5713	STONE & CONCRETE	10,236	2,624	5,000	8,000	Sidewalk repairs, curb and gutter, sport repairs
01-341-5714	TREE REPLACEMENT	0	0	5,000	7,250	Trees \$5,000/\$2,250 equipment rental
01-341-5730	SMALL TOOLS & NONCAP EQUIP	3,940	6,494	6,400	6,500	walksaw \$3,000 generator for utility truck \$500, electrical tools, handtools, misc tools \$1,500, \$5,500 paint sprayer for street markings
01-341-5740	UNIFORMS	4,163	6,362	5,000	5,500	\$150x12 boots, 250x12 uniforms, 160x12 vests, hard hats, rain equipment, chain saw chaps helmet etc. - New employees FY21
01-341-5751	FUEL	26,058	29,592	25,000	28,500	Regular/Diesel fuel for mowers, snow removal, pickups
01-341-5780	SOFTWARE LICENSE/SUPPORT	0	0	1,500	1,500	Adobe; Barracuda other software licenses
01-341-5785	COMPUTER EQUIPMENT	0	0	1,000	1,000	Computer replacement schedule
01-341-5951	EMPLOYEE RECOGNITION	329	226	350	350	Employee recognition
	TOTAL STREET EXPENDITURES	\$1,087,561	\$1,101,603	\$1,155,400	\$1,299,385	

VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Public Works/Streets Department
April 30, 2022



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 an Administrative Assistant. 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.

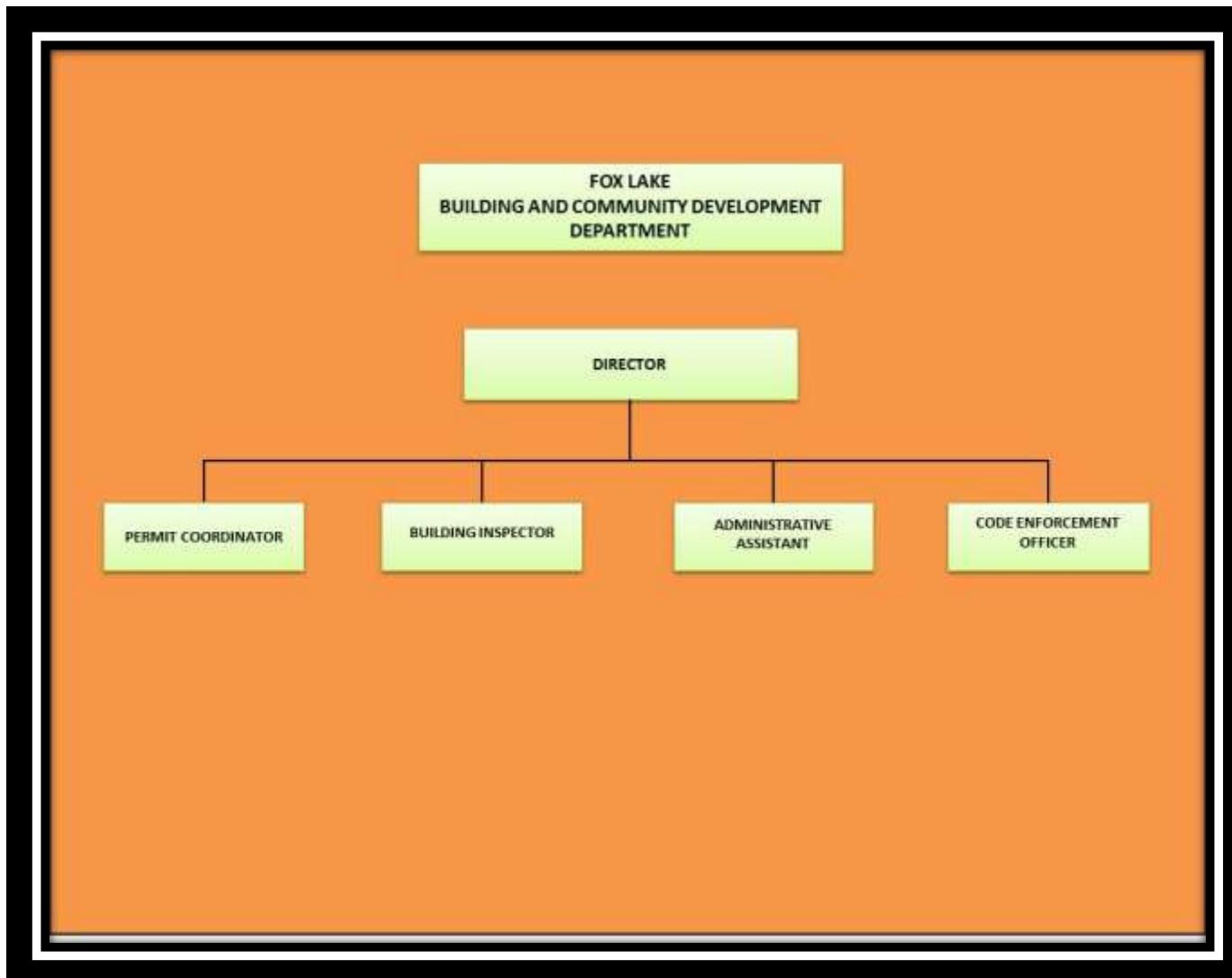
The current year budget for the Community Development department is up \$104,832 or 16.6% primarily due to an increase in employee wages, building demolition, professional studies/reports and community programs such as the façade improvement program moved from the BDD Central Fund.

Community Development Expenditures

General Ledger Number	General Ledger Account Description	Actuals 2018-19	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
01-354-4000	WAGES	245,580	307,308	306,000	326,710	5 FTE's
01-354-4010	OVERTIME	344	1,501	750	2,000	Planning & Zoning Members paid per meeting
01-354-4002	WAGES - PART-TIME	2,775	4,500	4,000	0	Overtime as needed and approved by Director
01-354-4100	HEALTH INSURANCE	75,046	90,473	113,500	78,760	Medical, dental, vision insurance - 10% increase + NSEBC
01-354-4110	LIFE INSURANCE	370	420	500	470	Group term life insurance
01-354-4200	SOCIAL SECURITY & MEDICARE	17,433	21,160	24,000	24,990	Salaries less employee health insur prem & 7.65%
01-354-4220	IMRF	24,587	20,034	26,000	28,585	2020 IMRF Rate 8.30%; 2021 Rate 8.54% & 2022 Estimate @ 9.00%
01-354-5010	EQUIPMENT LEASES	5,341	5,295	5,500	5,500	Lanier copier and wide format scanner/printer
01-354-5100	PROFESSIONAL SERVICES	16,014	16,494	10,000	39,950	Plumbing inspections (Lake County) \$12,500 & Plan Reviews \$1,000; GOV HR services ; NIU Organizational analysis, \$9,250
01-354-5102	ACCOUNTING SERVICES	0	150	3,600	500	Asure Payroll processing, W2's
01-354-5107	PROF SERV. STUDIES/REPORTS	0	3,594	0	15,000	Form based code project CMAP grant in FY23-24
01-354-5110	ENGINEERING SERVICES	5,940	1,369	5,000	5,000	Misc. Engineering services. WDO services
01-354-5111	BILLABLE ENGINEERING FEES	8,677	15,611	15,000	15,000	Field inspections, Floodplain violations

General Ledger Number	General Ledger Account Description	Actuals 2018-19	Actuals 2019-20	Amended Budget 2020-21	Budget 2021-22	Description
01-354-5114	BILLABLE BUILD. & ZONING EXP	3,715	9,198	4,000	4,000	Reimbursable legal notices and Nuisance abatement
01-354-5105	PROF SERV BLDG DEMO	0	0	0	40,000	New line item for court-approved demolitions
01-354-5120	LEGAL SERVICES	13,636	69,513	75,000	75,000	Increased Code enforcement/non-reimbursable costs; code updates; zoning amendments
01-354-5125	BILLABLE ATTORNEY FEES	5,991	6,745	3,000	5,000	Attorney costs reimbursed by developers, petitioners
01-354-5160	TECHNOLOGY SERVICES	4,908	4,767	5,000	5,000	Contractual technology services
01-354-5200	POSTAGE	341	128	400	400	FedEx, UPS, certified mailings
01-354-5221	PRINTING	540	1,215	1,500	1,500	Vending stickers, NOV's, Inspection reports, business cards
01-354-5224	PUBLISHING	1,500	452	800	1,200	Legal notices published in newspapers
01-354-5310	MEMBERSHIPS	1,726	6,204	7,700	9,507	ICSC, \$175 ICC, \$540 LC Recorder of Deeds, \$85 ABCI, \$50 NW BOCA, \$420 IEDC, LC Partners \$2,200, CVB membership shared w/ Parks & Rec \$6,037 (Total \$12,075)
01-354-5320	TRAVEL	57	0	0	0	Mileage reimbursement
01-354-5330	TRAINING	990	1,985	300	1,000	Seminars, ICC Permit Tech Course
01-354-5350	Meeting Expense	36	0	0	200	Off-site meetings with potential developers/businesses
01-354-5410	UTILITIES	5,511	5,542	5,590	5,590	Cell phones \$70 pm x 3 phones, Access One desk phones
01-354-5700	OFFICE SUPPLIES	1,693	1,912	2,000	2,000	Folders, Public Notice signs, forms, printer ink
01-354-5710	OPERATING SUPPLIES	0	8	0	500	Miscellaneous field (non-office) supplies
01-354-5712	SIGNS	0	0	0	0	None anticipated
01-354-5720	COMMUNITY PROGRAMS	26,836	6,228	4,000	30,000	\$25,000 Façade Improvement Program (moved from BDD-C),
01-354-5740	UNIFORMS	256	242	0	300	Shirts for Inspectors
01-354-5751	FUEL	1,285	2,132	2,500	2,500	Fuel for 2 vehicles
01-354-5780	SOFTWARE LICENSE AND MAINT	0	2,257	3,000	5,000	BS&A Bldg Permit Software Annual Fee, Adobe Subscriptions, Barracuda spam/firewall
01-354-5785	COMPUTER EQUIPMENT	0	155	1,000	3,000	Computer replacement program
01-354-5951	EMPLOYEE RECOGNITION	97	0	100	500	Employee recognition costs - meal, certificates
01-354-5970	REFUNDS	750	204	90	0	Moved Booking to the revenue account
TOTAL COMMUNITY DEVELOPMENT EXPENDITURES		\$471,973	\$606,794	\$629,830	\$734,662	

VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Community Development
April 30, 2022



Grant Expenditures

The budget represents the cost of the annual Tobacco Enforcement Program, which will be funded through the Illinois Department of Human Services' grant.

General Ledger Number	General Ledger Account Description	Actuals 2018-19	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
01-365-5980	SEIZED ASSET - EXPENSE	0	0	0	0	None anticipated
01-370-5811	GRANT - POLICE TOBACCO EXPENSE	0	0	500	0	Tobacco compliance checks
01-370-5813	Grant - CDBG	7,500	26,292	0	0	None anticipated
	TOTAL GRANT EXPENDITURES	\$7,500	\$26,292	\$500	\$0	

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 2007, Series 2011B and Series 2014B Debt Certificates. The remaining principle balance due is \$2,881,960, which was used to fund various capital projects.

General Ledger Number	General Ledger Account Description	Actuals 2018-19	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
01-400-6000	PRINCIPAL PAYMENT	477,102	484,337	329,888	366,053	GO #2011B \$132,953; GO #2014B \$233,100;
01-400-6010	INTEREST EXPENSE	90,075	76,442	66,452	56,449	GO #2011B \$16,129; GO #2014B \$40,320;
01-427-6000	PRINCIPAL PAYMENT	55,182	55,936	58,443	60,950	GO #2007 \$18,000; GO #2011B \$42,950
01-427-6010	INTEREST EXPENSE	12,280	10,340	9,037	6,838	GO #2007 \$1,628; GO #2011B \$5,210.
	TOTAL BOND PAYMENTS	\$634,639	\$627,054	\$463,820	\$490,290	

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 consists of purchases 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 2018-19	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
01-511-7010	LAND - ADMINISTRATION	205,477	14,309	0	0	FY20 demolition costs; FY21 potential land acquisition
01-511-7020	BUILDING	0	0	0	0	None budgeted
01-511-7021	BUILDING IMPROVEMENTS - ADMIN	87,196	28,745	0	0	None budgeted
01-511-7030	EQUIPMENT - ADMINISTRATION	0	0	0	0	None budgeted
01-514-7011	LAND IMPROVEMENTS - MOTOR POOL	0	0	0	0	None budgeted
01-514-7040	VEHICLES - MOTOR POOL	0	0	0	32,000	Truck replacement postponed from FY21
01-521-7020	BUILDING - POLICE	49,309	141	0	0	None budgeted
01-521-7030	EQUIPMENT - POLICE	101,668	20,742	0	50,600	Speed Alert/Message Board trailer \$20,000; Mobile video recording - squads \$14,500; Video surveillance cameras \$10,800; & (2) GETEC laptops for new squads \$5,300
01-521-7040	VEHICLES - POLICE	73,767	143,860	105,516	68,900	Squad replacement costs pursuant to Enterprise lease arrangement
01-527-7011	PARKS - LAND IMPROVEMENTS	0	8,424	82,600	282,600	Lakefront park land acquisitions \$200,000 & Parks Master Plan design engineering (from FY21) \$82,600
01-527-7021	BUILDING IMPROVEMENTS - PARKS	0	0	0	0	None budgeted
01-527-7030	CAPITAL EQUIP - PARKS	7,524	0	0	0	None budgeted
01-541-7021	BUILDING IMPROVEMENTS - STREET	337,854	0	0	0	None budgeted
01-541-7030	EQUIPMENT - STREETS	10,297	97,834	0	33,000	Asphalt roller

General Ledger Number	General Ledger Account Description	Actuals 2018-19	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
01-541-7040	VEHICLES - STREETS	132,975	151,083	47,000	167,000	Replace Vehicles #16 & 19 Ford Rangers + an additional Ford Ranger \$144,000; & Kubota Tractor \$23,000
01-541-7080	ROAD CONSTRUCTION	53,554	375,421	78,000	1,006,598	Holly Ave roadway improve (40% General/60% BDD-C) \$240,000; Hickory Cove \$410,000; Knollwood Rd \$100,000; Washington/Rt 59 Design Engineering (in conjunction with Lake County project) \$80,000; Grand Ave \$78,548; Rt 12 Sidewalk project (7% of cost-see TIF & BDD-C funds) \$43,050 & Fossil Bridge/Shoreline Stabilization \$55,000
01-541-7081	ROAD IMPROVEMENT - EXTERNALITY	422,235	854,326	55,110	0	None budgeted in FY22
TOTAL CAPITAL EXPENDITURES		\$1,481,856	\$1,694,886	\$368,226	\$1,640,698	

Total General Fund Revenues, Expenditures and Net Income

The Village of Fox Lake General Fund for FY2020-21 is projected to reflect an increase in the fund balance of \$1,118,111 *based on estimated actual revenues and expenditures*. The FY2021-22 balance is projected to decline by \$2,034,252 to \$9,309,240 due to increases in personnel and capital outlay costs that were postponed due to the COVID-19 pandemic.

	Actual 2018-2019	Actual 2019-20	Amended Budget 2020-21	Approved Budget 2021-22
Total General Fund Revenues	\$12,829,709	\$12,516,317	\$12,233,371	\$12,268,711
Total Operating Expenditures	10,162,712	10,191,917	10,899,870	12,171,975
Total Debt Expenditures	634,639	627,054	463,820	490,290
Total Capital Expenditures	1,481,856	1,694,886	368,226	1,640,698
Total General Fund Expenditures	\$12,279,207	\$12,513,857	\$11,731,916	\$14,302,963
Net Revenue/(Expenditures)	\$550,502	\$2,460	\$501,455	(\$2,034,252)

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

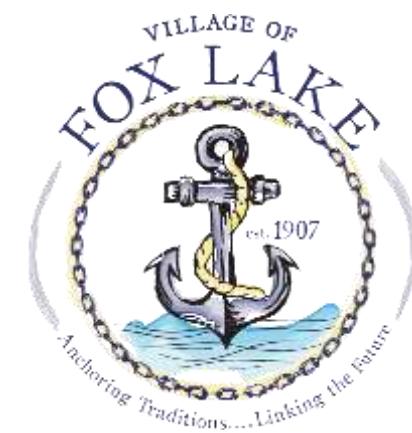
Water & Sewer Fund

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 2018-19	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
12-100-3000	REAL ESTATE TAXES	\$50,289	\$77,350	\$59,723	\$60,000	Pursuant to property tax extension provided by County
12-100-3700	INTEREST INCOME	9,145	7,869	1,000	500	Available cash reduced & near zero short-term interest rates
	TOTAL REVENUE	\$59,434	\$85,219	\$60,723	\$60,500	

12-300-5100	PROFESSIONAL SERVICES	\$16,242	\$2,460	\$6,000	\$7,800	TIF feasibility study shared cost with Streets \$6k & Dredging study \$1.8k
12-300-5101	AUDIT SERVICES	0	0	1,750	1,800	Sikich proposal
12-300-5120	LEGAL SERVICES	2,872	2,865	2,867	5,000	TIF Attorney, other related legal services
12-500-7080	ROAD CONSTRUCTION	40,507	0	310,914	246,000	Rt 12 TIF sidewalk 40% (\$246,000) of Construction & Const Eng (\$43,050) Balance of project costs in Gen'l Road Construction - 7%; & BDD-C 53% (\$325,950 + \$30k from FY21). Total Project \$645k
	TOTAL EXPENDITURES	\$59,621	\$5,325	\$321,531	\$260,600	
	NET SURPLUS/(DEFICIT)	(\$187)	\$79,894	(\$260,808)	(\$200,100)	

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

<u>Fiscal Year</u>	<u>Revenues</u>	<u>Rate Per Capita</u>
FY2011-2012	\$316,313	28.80
FY2012-2013	\$306,581	27.68
FY2013-2014	\$318,035	27.66
FY2014-2015	\$269,666	25.49
FY2015-2016	\$281,019	26.56
FY2016-2017	\$278,576	26.33
FY2017-2018	\$280,394	26.50
FY2018-2019	\$279,718	26.44
FY2019-2020	\$400,515	37.86
FY2020-2021 (B)	\$402,000	38.00
FY2021-2022 (B)	\$336,000	31.76

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 FY2021-2022 was conservatively developed assuming an increase in the per capita rate from \$26.37 to \$26.40 pursuant to the Illinois Municipal League's early projections coupled with projections of \$15.00 and \$16.30 per capita from the MFT Transportation Renewal Fund Allotment. The \$2.6M Grant for Nippersink Blvd. was carried over to FY22.

General Ledger Number	General Ledger Account Description	Actuals 2018-19	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
15-100-3130	MOTOR FUEL TAX	\$278,718	\$400,515	\$402,000	\$336,000	\$31.76 per capita (10,579) per IML projections
15-100-3200	GRANT REVENUE	0	0	2,055,200	2,055,200	Nippersink Construction Federal Grant - \$1,933,600 & Construction Engineering Federal Grant \$121,600
15-100-3220	STATE GRANTS	0	0	1,014,800	550,000	Nippersink Project State Grant
15-100-3700	INTEREST INCOME	29,695	26,541	3,500	500	Available cash reduced & near zero short term interest rates
TOTAL REVENUE		\$308,412	\$427,055	\$3,475,500	\$2,941,700	

15-300-5100	PROFESSIONAL SERVICES	8,603	43,246	15,000	21,000	Thermoplastic striping \$10,000, Lake County contract Road Striping \$6,000. & crackfilling \$5,000
15-300-5110	ENGINEERING SERVICES	69	0	0	0	Budgeted with the capital project. No General engineering services
15-300-5413	ELECTRICITY CHARGES	14,684	0	15,000	0	Street lights - Cost in General Fund Streets department
15-300-5710	OPERATING SUPPLIES	109,121	105,375	110,000	175,000	Salt \$69/Ton x1,800Tons=\$124,200, 7,000gal @ \$1.25=\$8,750, \$42,050 asphalt resurfacing
15-500-7080	ROAD CONSTRUCTION	323,104	165,627	3,224,972	2,735,000	Nippersink Roadway improvements 19% \$620,631 Balance Fed/State grants \$2.604 million in the General Fund - Moved to FY 2021-22 (7% in General & 53% in BDD-C)
TOTAL EXPENDITURES		\$455,580	\$314,248	\$3,364,972	\$2,931,000	
NET SURPLUS/(DEFICIT)		(\$147,168)	\$112,807	\$110,528	\$10,700	

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 and street improvements
- Branding (Banners, wayfinding signage) and area marketing efforts
- Parking, streetscape, and façade improvements

Business Development District – South

General Ledger Number	General Ledger Account Description	Actuals 2018-19	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2020-22	Description
20-100-3110	SALES TAX	628,076	634,823	635,001	650,000	Slight increase from prior year budget
20-155-3640	REIMBURSEMENTS	1,882	0	0	0	None anticipated
20-170-3700	INTREST INCOME	0	0	750	500	Short term interest rates at near zero
TOTAL REVENUE		\$629,958	\$634,823	\$635,751	\$650,500	
20-300-5100	PROFESSIONAL SERVICES	3,189	330	0	0	None budgeted
20-300-5107	PROF SERVICES-STUDIES/REPORTS	0	3,594	5,000	0	As need arises
20-300-5120	LEGAL SERVICES	0	0	0	0	General legal consultations regarding BDD-S projects
20-300-5401	SERVICE CHARGES - GENERAL FUND	23,669	26,883	25,000	26,500	Allocation of General Fund Admin & Street costs
20-300-5525	BUSINESS INCENTIVES	0	0	50,000	50,000	Potential business incentives
20-300-5712	SIGNAGE PROGRAM	0	21,949	3,500	70,000	Proposed signage program
20-300-5720	COMMUNITY PROGRAM	0	0	0	0	Façade Program moved to General Fund Community Development Dept.
20-500-7080	CAPITAL IMPROVEMENTS	94,247	738,898	634,000	0	None anticipated
TOTAL EXPENDITURES		\$121,105	\$791,653	\$717,500	\$146,500	
	NET SURPLUS/(DEFICIT)	\$508,854	(\$156,830)	(\$81,750)	\$504,000	

Business Development District – Central

General Ledger Number	General Ledger Account Description	Actual 2018-19	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2020-22	Description
21-100-3110	SALES TAX	519,668	583,400	575,000	525,000	Slight decrease from prior year budget
21-100-3200	GRANT	0	0	0	0	None anticipated
21-170-3700	INTEREST INCOME	0	0	750	500	Reduced available cash and near zero short term interest rates
TOTAL REVENUE		\$519,668	\$583,400	\$575,750	\$525,500	
21-300-5100	PROFESSIONAL SERVICES	77,080	7,335	0	0	None budgeted
21-300-5107	PROF SERVICES-STUDIES/REPORTS	0	3,594	2,879	0	None budgeted
21-300-5120	LEGAL SERVICES	4,257	1,950	0	0	General legal consultations regarding BDD-C projects
21-300-5401	SERVICE CHARGES - GENERAL FUND	19,709	26,625	22,000	21,000	Allocation of General Fund Admin & Street costs
21-300-5525	BUSINESS INCENTIVES	23,208	27,662	30,000	30,000	Current & potential incentive agreements
21-300-5712	SIGNAGE PROGRAM	0	21,949	3,500	25,000	Proposed signage program
21-300-5720	COMMUNITY PROGRAM	0	6,392	10,000	0	Façade improvements - moved to General Fund Community Development Dept
21-300-7011	LAND IMPROVEMENTS	0	8,054	75,000	0	FY22: None budgeted
21-500-7080	ROAD CONSTRUCTION	18,554	299,766	1,030,100	685,950	Rt 12 TIF Sidewalk (53% of cost) See General & TIF for balance of project cost FY21 expected cost \$30,000 & FY22 budget \$325,950. Holly Ave roadway \$360,000 (General Fund share \$240,000 - Total project \$600,000)
21-600-8091	CONTRIBUTION TO WATER FUND	0	0	107,045	0	Holly Avenue water main project - capital outlay recorded in Water Fund
TOTAL EXPENDITURES		\$142,808	\$403,327	\$1,280,524	\$761,950	
	NET SURPLUS/(DEFICIT)	\$376,860	\$180,073	(\$704,774)	(\$236,450)	

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 \$75,601. 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. Parking revenues continue to experience downward pressure, as commuters continue working from home, and may never return to pre-COVID-19 levels. Revenues from parking fees have been budgeted at \$15,050, 20.8% of FY20 actual and double FY21 projections as we anticipate some of the commuter workforce to return to the office.

General Ledger Number	General Ledger Account Description	Actuals 2018-2019	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
50-100-3820	PARKING FEES	94,610	71,831	10,000	15,000	Conservative projection based on post-COVID use of regional train system
50-100-3700	INTEREST INCOME	6,094	649	30	50	Reduction in available cash & near zero short term interest rates
	TOTAL REVENUES	\$100,704	\$72,479	\$10,030	\$15,050	

50-300-4000	WAGES	36,436	18,589	21,550	22,700	50% of CSO wages
50-300-4100	HEALTH INSURANCE	15,285	17,443	5,410	6,000	Medical, dental, vision, HRA - 50% of CSO
50-300-4110	LIFE INSURANCE	0	0	50	50	Group term life insurance - 50% of CSO
50-300-4200	SOCIAL SECURITY & MEDICARE	2,671	1,359	1,560	1,740	Salaries less employee health insur prem & dependent care contributions at 7.65%

General Ledger Number	General Ledger Account Description	Actuals 2018-2019	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
50-300-4220	IMRF	3,642	1,418	1,710	1,975	2020 IMRF Rate = 8.30%; 2021 Rate = 8.54% & 2022 Estimate at 9.00%
50-300-4225	NET PENSION EXPENSE	(1,129)	2,087	2,000	2,200	Pursuant to OPEB Report - GASB requirement
50-300-5010	EQUIPMENT MAINTENANCE	39	0	0	0	None budgeted
50-300-5100	PROFESSIONAL SERVICES	452	547	500	6,000	Parking study
50-300-5102	ACCOUNTING SERVICES	477	1,275	1,665	1,700	Asure payroll and W-2 processing
50-300-5104	PROF SERVICES - SNOW REMOVAL	6,843	4,261	8,000	10,000	Contractual snow removal
50-300-5221	PRINTING	0	717	0	0	Parking placards and forms - FY22 using current stock of hanging tags
50-300-5401	SERVICE CHARGE - GENERAL FUND	36,960	27,764	30,000	5,000	Allocation of General Fund Admin & Streets costs
50-300-5410	UTILITIES	6,866	5,538	5,500	6,000	ComEd electricity & Nicor natural gas utilities
50-300-5430	CREDIT CARD & BANK CHARGES	0	0	500	250	Bank & CC fees to accept debit & credit cards
50-300-5500	LIABILITY & WORKERS COMP INS	3,513	2,288	2,500	2,800	Estimated increase upon renewal closer to COVID pre-pandemic costs
50-300-5710	OPERATING SUPPLIES	23,252	742	10,000	19,200	Salt for parking lots, mowing metra areas. Salt: 250 Tons @ \$69/ton = \$17,250; Mulch, seed \$1,750
50-300-5780	SOFTWARE LICENSE/SUPPORT	0	0	0	0	Civic Systems/Caselle license & support
50-300-5970	REFUNDS	60	30	0	0	None anticipated.
50-300-8000	DEPRECIATION	5,036	5,036	5,036	5,036	No Capital Expenditures budgeted. Depreciation estimated at same as previous years.
TOTAL PARKING EXPENSES		\$140,403	\$89,093	\$95,981	\$90,651	
NET SURPLUS/(DEFICIT)		(\$39,699)	(\$16,613)	(\$85,952)	(\$75,601)	

Water/Sewer Fund

The Water/Sewer Fund accounts for the provision of potable water and sanitary sewer 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 approximately \$100,000 greater than prior year, mostly due to a rise in water sales attributed to a rate increase, reinstatement of non-payment penalties and administrative shut-off fees that had previously been waived due to COVID-19 coupled with a reduction in operating expenses, including a reduction in interest expense as higher rate bonds near maturity and a greater portion of payments are applied to principal.

OPERATING REVENUES

General Ledger Number	General Ledger Account Description	Actuals 2018-19	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-2022	Description
51-100-3830	WATER SALES	4,273,996	4,445,249	4,400,000	4,500,000	2.3% CPI plus 2% Rate increase pursuant to Ordinance
51-100-3200	GRANT REVENUE	0	0	0	0	None Anticipated
51-100-3700	INTEREST INCOME	96,615	138,340	13,000	15,000	Near zero short term interest rates
51-100-3701	REALIZED GAINS & LOSS	0	3,522	3,000	0	IMET Investment Pool Liquidating Trust recoveries - in future in Interest Income
51-100-3720	SALE-FIXED ASSETS	0	0	0	0	None anticipated
51-100-3750	MISCELLANEOUS INCOME	30,290	23,291	3,000	3,000	Prior Year

51-100-3831	WATER METER SALES	20,207	13,980	3,300	5,000	Slowed construction due to completion of major development
51-100-3840	TAP-ON-FEES	260,263	52,143	20,000	25,000	Lower than prior year budget, slowing construction
51-100-3841	REMEDIAL WASTE	17,150	1,131	0	0	Discontinued accepting remedial waste from outside sources
51-100-3845	PENALTIES	81,363	76,294	(500)	50,000	Penalties waived in FY21 for customer COVID relief. Reinstated in FY22.
	TOTAL OPERATING REVENUE	\$4,779,883	\$4,753,949	\$4,441,800	\$4,598,000	

NON-OPERATING REVENUES

General Ledger Number	General Ledger Account Description	Actuals 2018-2019	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
51-200-3900	PROCEEDS FROM IEPA LOAN	0	0	12,288,805	0	1) Clean Water State Revolving Funds - IEPA Loan L17-3974 \$8.121M & 2) Drinking Water State Revolving Funds - IEPA Loan L17-5581 \$5.706M - for Interconnect Phase 1 & Interconnect Phase 2 & 3) IEPA Loan L17-3975; + \$680,000 Phase I add'l costs & IEPA Loan L17-5582
51-200-3902	PROCEEDS IEPA LOAN - N TOWER	0	4,642,838	0	3,892,756	1) Clean Water State Revolving Funds - IEPA Loan L17-3974 \$8.121M & 2) Drinking Water State Revolving Funds - IEPA Loan L17-5581 \$5.706M - for Interconnect Phase 1 & Interconnect Phase 2 & 3) IEPA Loan L17-3975; + \$680,000 Phase I add'l costs & IEPA Loan L17-5582
51-200-3906	CONTRIBUTION FROM CENTRAL BDD	0	0	107,045	0	Holly Avenue Improvements - water portion funded by BDD-C
51-200-3910	LOAN PRINCIPAL OFFSET	0	(4,642,838)	(12,288,805)	(3,892,756)	Offset to move Loan Principal to Liability
51-200-3903	Loan Forgiveness	0	2,264,406	0	0	Portion of IEPA Loan forgiven - booked as revenue
	TOTAL REVENUE	\$4,779,883	\$7,018,355	\$4,548,845	\$4,598,000	

General Ledger Number	General Ledger Account Description	Actuals 2018-19	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
51-300-4000	WAGES	440,114	518,038	525,250	563,530	8.525 FTE's 2.5% COLA
51-300-4010	OVERTIME	19,000	13,467	20,000	26,000	CY2019 OT hours at new wage rates w/10% contingency for main breaks
51-300-4100	HEALTH INSURANCE	(85,529)	123,259	122,460	100,780	Medical, dental, vision insurance 10% increase + NSEBC reserve
51-300-4110	LIFE INSURANCE	613	773	800	755	Group term life insurance
51-300-4200	SOCIAL SECURITY & MEDICARE	32,641	37,684	38,500	45,690	Salaries less employee health insur prem & dependent care contributions at 7.65%
51-300-4220	IMRF	38,280	36,535	42,100	51,250	2020 IMRF Rate 8.30%; 2021 Rate 8.54%; 2022 Estimate at 9.00%
51-300-4225	NET PENSION EXPENSE	(16,111)	29,790	25,000	32,000	Booked at the end of the fy based on OPEB report
51-300-5000	BUILDING MAINTENANCE	23,255	22,618	22,250	20,100	HVAC inspection and repair-\$5,000, Backflow inspections and repair-\$1,000, Sealcoating Wells 1,2,4 &5 King's, Menards Life \$2,500, Replace dehumidifier-\$3,200, Leisure Village elevator inspection-\$1,200, New Water Heater Well 4 \$1,000, Replace North Well Electric Heater \$1,200 Sidewalk Replace at Well 4 \$2,500, Misc. \$2,500
51-300-5010	EQUIPMENT MAINTENANCE	18,575	13,554	54,950	54,950	Repair pumps and controls \$35,000, Chemical scale calibration \$1,000, Chlorine alarm calibration and repair \$1,500, Hach meter calibration \$800, Tall Oaks meter calibratio \$750, Safety equipment inspection \$1,000, Cathodic protect inspection Tower (Holiday Park & Tall Oaks) \$1,500, SCADA system \$5,000, Load Bank Testing for generators \$8,400
51-300-5021	VEHICLE MAINTENANCE - MP	15,897	18,425	12,100	12,500	Repairs as needed on: Vac truck, Box truck, Van, F-450 Truck, (4) F-350 Trucks

General Ledger Number	General Ledger Account Description	Actuals 2018-19	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
51-300-5050	UTILITY SYSTEM MAINTENANCE	115,403	53,235	225,000	205,750	Water meter testing and calibration \$7,000, Water leak survey \$10,500, Restoration materials \$5,000, Paving \$10,000, Bulk materials \$4,000, Equipment rental \$1,000, Emergency repairs \$125,000, Iron filter inspections \$10,000, Replace aging fluoride and poly pumps \$2,750, Well 5 Iron pit removal of iron \$7,500; Connect new generators to SCADA \$8,000; fire hydrant sandblasting & painting \$15,000
51-300-5100	PROFESSIONAL SERVICES	21,002	26,622	44,200	38,200	Tall Oaks IEPA permit \$8,000, Fire Extinguishers \$600, GIS ELA program \$7,000, Sensus meter reading contract \$2,500, Contract operator Tall Oaks \$19,000, BSI \$600, Misc \$500
51-300-5102	ACCOUNTING SERVICES	5,537	7,259	7,259	7,259	Asure payroll and W-2 processing
51-300-5105	JULIE	0	0	0	4,250	Required underground infrastructure location fees
51-300-5110	ENGINEERING SERVICES	59,583	25,977	50,000	75,000	General engineering \$60,000, GIS service \$15,000
51-300-5115	OUTSIDE LAB TESTING	22,606	24,353	25,000	30,600	NWRWRF \$10,000, Sludge handling \$5,000, Sludge testing \$5,000, IEPA state and federal water testing \$8,000, Lab Contract Admin \$600, Sample contingency \$2,000
51-300-5120	LEGAL SERVICES	24,740	22,726	85,000	100,000	Legal services as needed for review or project documents and agreements
51-300-5150	PHYSICAL EXAMS	0	0	0	100	Includes required Hepatitis vaccines
51-300-5160	TECHNOLOGY SERVICES	3,685	5,950	2,500	6,000	Equipment Repairs \$1,500, Misc. \$1,500, Technology Operating Expense \$3,000
51-300-5200	POSTAGE	7,575	7,093	8,000	7,250	Sewer and Water billing \$6,000, Shipping \$1,000, Certified Mail \$250.00

General Ledger Number	General Ledger Account Description	Actuals 2018-19	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
51-300-5221	PRINTING	1,166	825	2,000	2,250	Postcards \$1,000, Regular Envelopes \$200, Hang Tags \$500, Shipping labels \$50, Business cards \$100, Misc. \$400
51-300-5224	PUBLISHING	638	810	1,500	1500	Bids, System maintenance
51-300-5310	MEMBERSHIPS	1,028	918	1,100	1200	AWWA, CSWEA,FVO, WEF, North Suburban, APWA
51-300-5320	TRAVEL	0	3	0	0	None anticipated
51-300-5330	TRAINING	1,703	1,246	1,250	1,500	Seminars, Safety Manuals, Onsite Training
51-300-5350	MEETING EXPENSE	0	0	61	0	None anticipated
51-300-5401	SERVICE CHARGE – GENERAL FUND	342,526	345,000	350,000	375,000	Per model
51-300-5402	SERVICE CHARGE - 911	8,220	9,953	9,500	10,000	Per model
51-300-5410	UTILITIES	171,359	163,553	174,190	176,600	Verizon phones/Ipads \$5,500, Tall Oaks internet \$2,600, Electric \$150,000, ComEd \$500, Nicor \$13,000, Water bill \$2,000. Technology Management Revolving internet \$1,500, Access One \$1,500
51-300-5430	CREDIT CARD & BANK CHARGES	21,693	25,605	26,000	28,000	BMO Harris & PSN processing fees
51-300-5500	LIABILITY & WORKERS COMP INS	52,820	53,163	90,000	45,000	Workers comp & general liability insurance

General Ledger Number	General Ledger Account Description	Actuals 2018-19	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
51-300-5600	BUILDING MAINTENANCE SUPPLIES	8,094	6,298	19,250	16,800	Cleaning supplies \$800, Electrical Supplies \$3,000 Lubricants \$500, Locks \$500, Paint/supplies \$1,000, Paper products \$1,000, Locate Supplies \$1,500, Construction materials \$1,500, Landscape supplies \$500, Plumbing \$750, Soaps \$250, Signage \$500, Weed Killer \$250, Fasteners \$1,000, Misc \$1,500, Cylinder rental \$100, Batteries \$400, Light bulbs \$250, Barricades and Cones \$1,500
51-300-5610	EQUIPMENT MAINTENANCE SUPPLIES	5,053	1,912	4,000	5,000	Pumps, saws, mowers, air compressor, emergency generator repair
51-300-5620	VEHICLE PARTS	3,398	3,695	8,000	8,200	Vehicles \$500, Vactor \$2,500, Sewer Camera Inspection & parts \$5,200
51-300-5630	UTILITY SYSTEM MAIN SUPPLIES	4,712	2,884	6,000	7,500	IEPA field testing supplies
51-300-5640	WATER METERS	39,770	35,913	40,600	38,000	Water Meter and Supplies \$20,000, MXU's and supplies \$18,000
51-300-5700	OFFICE SUPPLIES	474	641	2,700	2,500	Printer cartridges, paper, Utility billing office, Misc.
51-300-5710	OPERATING SUPPLIES	19,581	9,692	31,500	31,500	System supplies, clamps, sleeves, couplings, b-boxes, manhole supplies
51-300-5730	SMALL TOOLS	1,519	1,978	5,000	5,000	Tyvek suits, rubber gloves, system tools, small tools, safety equipment, first aid supplies
51-300-5740	UNIFORMS	1,990	2,589	4,000	5,675	Uniforms 350 x 7 employees \$2,450, Boots x 7 employees \$1,225, Hats, gloves, coats, hard hats, safety equipment \$2,000
51-300-5750	CHEMICALS	42,954	32,568	40,300	39,500	Water and Wastewater treatment Chemicals \$32,500, Lift Station Chemicals \$5,000 Contingency \$2,000

General Ledger Number	General Ledger Account Description	Actuals 2018-19	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
51-300-5751	FUEL	13,758	17,628	18,000	23,375	Gas: 100 gallons small equipment \$250, 6000 gallons vehicles \$15,000, Diesel 2500 gallons vehicles \$6,250, 750 gallons (diesel) Generators \$1,875
51-300-5780	SOFTWARE LICENSES/SUPPORT	0	1,260	4,500	4,500	Caselle support charges, Barracuda spam/firewall protection
51-300-5785	COMPUTER EQUIPMENT	0	0	14,000	30,000	SCADA software upgrade (monitors the entire system) \$20,000 & Remote SCADA equipment replacement \$10,000
51-300-5951	EMPLOYEE RECOGNITION	266	160	250	500	Expected expenses
51-300-5970	REFUNDS	61	430	0	0	Refunds should be recorded against the revenue unless for multi-year matter
51-300-5971	LOSS ON DISPOSAL/SALE	20,471	0	0	0	None budgeted
51-300-8000	DEPRECIATION	787,717	790,786	820,000	850,000	Based on depreciation schedule
51-300-8020	AMORTIZATION EXPENSE	12,555	12,554	12,552	12,555	Based on GO bond premium schedule
51-300-8021	ARO AMORTIZATION EXPENSE	0	158,835	0	9,132	GASB Asset Retirement Obligation for wells
	TOTAL OPERATING EXPENSES	\$2,310,393	\$2,668,304	\$2,996,622	\$3,112,751	

General Ledger Number	General Ledger Account Description	Actuals 2018-19	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
51-400-6000	PRINCIPAL PAYMENT	378,976	392,448	703,574	711,046	GO #2011B \$105,023; GO #2014B \$136,900; IEPA Loan 17-4802 \$117,442; & Loan 17-5377 \$69,457; New Loans #L17-3974 \$192,168 & Loan L17-5581 \$90,057
51-400-6001	Principal Payment Offset	(378,976)	(392,448)	(703,574)	(711,046)	Debt Principal payments reduce liability; are not expenses

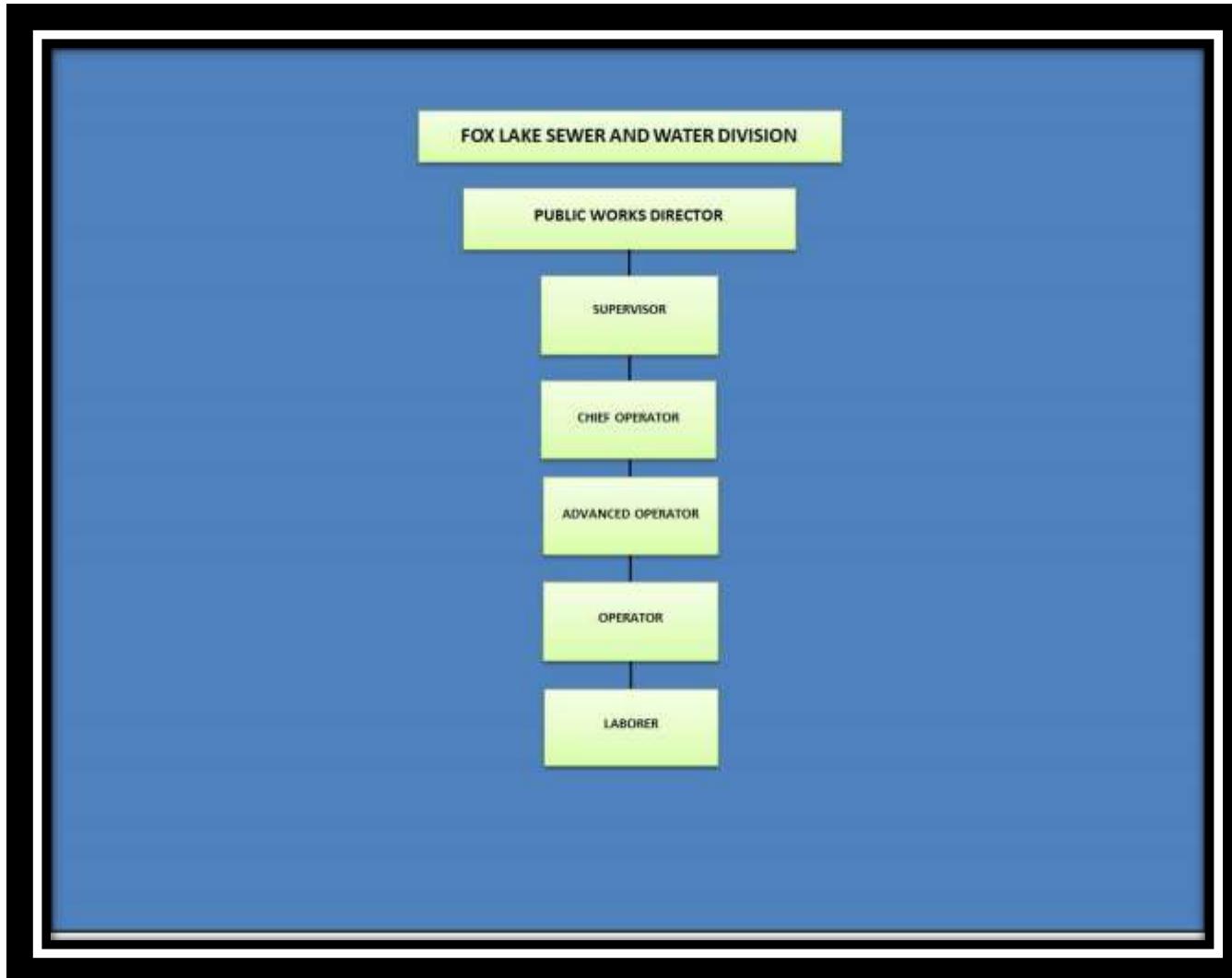
General Ledger Number	General Ledger Account Description	Actuals 2018-19	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
51-400-6010	INTEREST EXPENSE	120,010	136,935	353,093	182,197	GO #2011B \$16,129; GO #2014B \$23,680; IEPA Loan 17-4802 \$38,395; & Loan 17-5377 \$21,855; New Loans #L17-3974 \$58,243 & Loan L17-5581 \$27,283. <i>This is budgeted on a cash basis.</i> (Accr Int L17-3975 \$94,728 & \$L17-5582 \$57,738.)
	TOTAL DEBT	\$120,010	\$136,934	\$353,093	\$182,197	

General Ledger Number	General Ledger Account Description	Actuals 2018-2019	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
51-500-7020	BUILDING	74,392	106,011	90,000	160,000	Backup generators at High school lift, Deer Run Lift, Well #5
51-500-7030	EQUIPMENT	1,901	0	0	41,500	Well 5 air compressor \$8,000, Well 5 Air Solenoid Panel, \$7,500, Well 5 Actuating Values, \$6,000. Leisure Village Electric transfer switch \$20,000
51-500-7040	VEHICLES	0	128,863	0	148,000	Replace Ford F150 supervisor truck into fleet \$23,000, Utility truck crane \$125,000
51-500-7050	WATER & SEWER SYSTEM	692,320	6,707,577	1,377,045	3,820,040	Replace: Valves & by-pass at Menards \$70,000; broken water system valves \$50,000; rehab Lippincott Lift station \$240,000; High school Lift station replace \$700,000; Lincoln Ave watermain replace \$1.4M; Well #5 rehab \$110,000; Holly Ave watermain \$250,000; Lead Line Replacement Program (done if EPA loan to be forgiven) \$1,000,040.
51-500-7090	OTHER	0	0	0	425,000	Lake County Tap-on fees & Private Services
51-500-7106	SO WELL SCADA IMPROVEMENTS	0	4,237	0	0	Expenses combined in Infrastructure Object Line

General Ledger Number	General Ledger Account Description	Actuals 2018-2019	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
51-500-7110	INTERCONNECT PH1	0	1,486,976	7,244,723	538,650	Phase 1 project costs funded by eligible IEPA loan proceeds (including Village share)
51-500-7111	INTERCONNECT PH2	0	24,513	14,042,000	10,307,200	Phase 2 project costs funded by eligible IEPA loan proceeds (including Village share)
51-600-8000	CAPITAL EXP CLASSIFIED ASSET	(756,732)	(8,391,917)	(22,893,768)	(15,580,390)	
	TOTAL CAPITAL OFFSET	\$11,882	\$68,342	\$0	\$0	
	NET INCOME/(LOSS)	\$2,337,598	\$4,144,775	\$1,199,130	\$1,303,052	

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

April 30, 2022



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, Volo, and private utility Harbor Ridge.

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 compliance with State and Federal regulations while providing a safe work environment. The facility utilizes a combination of physical, chemical and biological processes to remove impurities from the wastewater and achieve a required degree of treatment before discharge to protect the water quality in the Fox River Water Shed. The NWRWRF was previously designed to treat an average of 9.0 million gallons per day (mgd), with a maximum design 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 \$599,802 more operating expenditures in the FY22 Budget than the amended FY21 Budget, primarily due to carryover expenses from the previous Budget caused by equipment manufacturing/production delays resulting from the pandemic. Other factors include system-wide equipment maintenance and rebuilds, increased chemical and utility costs, and increased personnel and related fringe benefit costs. Expenses related to the federally mandated Pretreatment Program are separated for regulatory purposes.

General Ledger Number	General Ledger Account Description	Actuals 2018-2019	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
52-100-3200	GRANT REVENUE	0	0	0	0	None anticipated
52-100-3505	FINES	0	0	0	0	None anticipated
52-100-3700	INTEREST INCOME	330,059	311,760	41,250	50,000	Based on available cash & short-term interest rates
52-100-3701	REALIZED GAINS & LOSS	0	11,897	0	0	
52-100-3720	SALE-FIXED ASSETS	0	14,235	8,000	8,000	
52-100-3750	MISCELLANEOUS INCOME	1,490	1,268	2,500	2,500	Recycling & Occasional Vendor credits
52-100-3835	SEWER CHARGES	780,947	799,390	786,860	750,000	Estimated based on prior receipts
52-100-3836	SEWER SURCHARGES	5,498	10,806	5,500	0	
52-100-3837	COUNTY SEWER CHARGES	4,139,048	4,110,989	4,020,000	4,100,000	Lake County Sewer Charges Based on latest 12 months actual receipts

General Ledger Number	General Ledger Account Description	Actuals 2018-2019	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
52-100-3839	LRSD TAP-ON FEES	0	384,000	0	0	FY15 Revenue: Baxter Corp pursuant to agreement. DO NOT USE ACCT
52-100-3840	TAP-ON-FEES	252,420	279,540	125,000	622,000	Permitted + \$140,000 Estimated based on prior
52-100-3841	REMEDIAL WASTE	51,454	3,392	0	0	Discontinued accepting remedial waste from outside sources
52-100-3845	PENALTIES	17,423	17,060	(164)	15,000	Collect based on invoices provided
52-100-3800	RENTAL INCOME	0	13,600	20,400	20,400	Ray auto dealership rental agreement (in NWR lot) \$1,700 per month
	OPERATING REVENUES	\$5,578,339	\$5,957,936	\$5,009,346	\$5,567,900	

General Ledger Number	General Ledger Account Description	Actuals 2018-2019	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
52-200-3990	Externality Agreement Credit	\$0	\$0	\$0	\$0	Per Lake County IGA - No expense until balance in receivable is zero
	TOTAL REVENUE	\$5,578,339	\$5,957,936	\$5,009,346	\$5,567,900	

NWRWRF EXPENSES:

General Ledger Number	General Ledger Account Description	Actuals 2018-2019	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
52-300-4000	WAGES	942,663	1,191,714	1,146,000	1,174,955	16 FTE market and COL adjustments
52-300-4002	WAGES - PART-TIME	35,227	17,702	15,000	30,655	\$21,000 - JK __\$10,000 Part Time Laborer (Summer Helper)
52-300-4010	OVERTIME	44,031	41,354	58,000	45,000	Overtime Pay Rates x 75th Percentile of Annual Overtime Hours Worked over last 4 years (2017-2020)
52-300-4100	HEALTH INSURANCE	279,485	542,971	316,500	219,115	Medical, dental, vision insurance & NSEBC reserve
52-300-4110	LIFE INSURANCE	1,189	1,389	1,600	1,450	Group term life insurance
52-300-4200	SOCIAL SECURITY & MEDICARE	74,273	89,283	86,200	95,095	Salaries less employee health insur prem & dependent care contributions at 7.65%
52-300-4220	IMRF	89,283	84,682	94,500	105,415	2020 IMRF Rate = 8.30%; 2021 Rate 8.54% & 2022 Estimate at 9.00%
52-300-4225	NET PENSION EXPENSE	(33,845)	62,582	50,000	50,000	Based on OPEB report - GASB requirement
52-300-5000	BUILDING MAINTENANCE	81,121	46,083	207,000	229,100	Brick/Concrete Repairs \$80,000; SCADA System Ser. \$80,000 Security Gate \$5,000; Door/Window Service \$1,500; Boiler Service \$2,000; HVAC Repairs \$8,000; Fire Alarm Repair \$5,000; Overhead door service \$4,000; Back Flow Service \$1,000; Water Softener Repair \$800; Weed Control \$2,000; Bio Process Diag. \$1,800; Asphalt Repairs \$24,000; Landscaping \$14,000.
52-300-5010	EQUIPMENT MAINTENANCE	42,768	27,480	126,475	60,450	Co-Generator Service \$11,000; Seal Rebuild/Replace \$10,000; Prep Skid Service \$7,500; PLC Repair/Replace \$6,000; VFD Repair/Replace \$6,000; Elec motor Repair 5,500; Generator Cooling system \$5,000; Parts Washer \$2,600; Generator Batteries \$2,600; Engine Blower Maintenance \$2,400; Bunker Pump \$1,000; Hoist Inspection \$850.

General Ledger Number	General Ledger Account Description	Actuals 2018-2019	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
52-300-5021	VEHICLE MAINTENANCE - MP	1,791	5,462	9,000	9,000	Money allocated to motor pool to perform preventative maintenance to and repair NWRWRF Vehicles
52-300-5100	PROFESSIONAL SERVICES	200,381	147,603	235,925	242,000	NPDES \$52,500,Corrosion/Odor Control Service Contract \$188,000, Air emissions \$200, boiler permit \$500, background checks \$800
52-300-5102	ACCOUNTING SERVICES	2,837	3,657	3,500	3,750	Asure payroll & W-2 processing
52-300-5110	ENGINEERING SERVICES	60,733	16,542	50,000	55,000	General engineering, Building Structure, Analysis, SCADA,Regulations
52-300-5115	OUTSIDE LAB TESTING	11,433	17,657	16,400	17,700	ERA testing \$2,200, Sludge/npdes \$11,000, Industrial Analysis \$4,500
52-300-5120	LEGAL SERVICES	13,993	21,746	30,000	35,000	Regulatory, Contract Negotiations, General
52-300-5130	SLUDGE REMOVAL	98,800	116,358	132,000	140,000	Sludge hauling - 8,000 cubic yards @\$17.50 /Cubic yd
52-300-5150	PHYSICAL EXAMS	0	0	2,500	2,500	Vaccines, Physicals
52-300-5160	TECHNOLOGY SERVICES	10,527	11,137	4,000	3,000	Equipment Repairs
52-300-5200	POSTAGE	4,095	3,717	4,500	6,850	General \$1,000, Utility billing \$3,250, lab shipping \$800, pre-treatment postage \$300, instrument shipping \$500, equipment ship/freight \$1,000
52-300-5220	PHOTOCOPY	0	2,961	3,240	3,230	Wells Fargo copier lease \$270/month
52-300-5221	PRINTING	705	825	1,680	3,680	Utility billing \$1,180, job ads \$500, public notices \$200, bids \$800, po's letterhead, business cards, envelopes \$1000
52-300-5224	PUBLISHING	0	0	1,000	1,100	Manuals and references
52-300-5310	MEMBERSHIPS	4,763	6,892	7,000	7,500	WEF \$600, FVOA \$250, CHMM \$500, ILWA \$5,500, AWWA \$350, FET \$100, MWAA \$100, IAWPCO \$100
52-300-5320	TRAVEL	0	0	300	5,000	Director WEF Conference

General Ledger Number	General Ledger Account Description	Actuals 2018-2019	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
52-300-5330	TRAINING	1,277	2,324	3,800	7,700	Operator Training \$4,000, Director Training \$1,500, Electricians Training \$500, Mechanics Training \$1,200, Lab Training \$500
52-300-5350	MEETING EXPENSE	154	0	100	1,500	Host Fox Valley Operator Association Meeting
52-300-5401	SERVICE CHARGE - GENERAL FUND	451,068	470,211	470,000	476,793	Calculated per 2017 Settlement Agreement
52-300-5410	UTILITIES	575,519	567,018	600,000	583,350	Electricity 6.9 million @ \$.0735 per kWh (.048 AEP for Electricity + .0255 for ComEd Distribution=) \$507,150, NICOR \$3,500/mth \$42,000, Village of Fox Lake water \$4,000/bi mthly \$24,000, Mobile \$850/month \$10,200, Phone \$750/month \$9,000, SCADA/Win 911 wireless \$1450/mth \$17,400
52-300-5420	GARBAGE DISPOSAL	0	0	1,500	2,000	Hazardous Lab and Waste Chemical Disposal
52-300-5430	CREDIT CARD & BANK CHARGES	0	0	14,700	14,700	BMO Harris & PSN processing fees
52-300-5500	LIABILITY & WORKERS COMP INS	157,696	149,097	140,000	150,000	Workers comp & general liability insurance
52-300-5510	RENTALS	0	1,851	2,000	3,000	Crane and Lift Rental
52-300-5540	EXTERNALITY FEE	251,025	250,790	251,001	250,000	Pursuant to Lake County PW Agreement (revenue in General Fund)

General Ledger Number	General Ledger Account Description	Actuals 2018-2019	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
52-300-5600	BUILDING MAINTENANCE SUPPLIES	139,438	209,221	252,800	216,650	10 Heating/Air system \$1,000, 10 RTU2 Compressor \$4,500, 10 Panel A/C Unit \$2,500, 10 Stairs to Roof \$10,000, 10 three" inlet W2 Valve \$800, 10 Generator Service \$2,500, 15 screw pump parts \$1,800, 20 Generator Service \$2,500, 20 Gen Water pump replacement \$1,500, 20 Aquascreen Brushes \$2,000, 20 Boiler Parts \$500, 20 Block Heater \$1,000, 20 Heater replacement \$19,000, 20 Surge Suppressor \$1,500, 22 Heater Parts \$500, 25 Screw pump parts \$1,000, 30 Heyward Gordon Bearings, \$300, 30 Impellers & Wear plates \$16,000, 30 Surge Suppressor \$3,000, 30 Fluidization Pump \$1,800, 31 Flow Controller \$2,500, 31 Heater Parts \$500, 35/36 Compressor Parts \$1,000, 35/36 Scum pit seals & sprocket clamps \$2,300, 35 Grinder Rebuild \$7,500, 35 Boerger Pump Install \$28,000, 36 Grinder (partial) Rebuild \$4,100, 36 Boerger Pump Install \$28,000, 38 Screw pump parts, \$1,000, 40 Mixer/Recycle Rebuild \$9,000, 45 Heater Parts \$500, 45 Generator Service \$1,500, 45 Aerzen Oil Filters \$1,500, 45 Aerzen drive belts \$1,600, 48 Heater Parts \$500, 48 Ferric Exhaust Fan \$1,800, 48 Surge Suppressor \$1,500, 50 W3 Pump parts \$1,500, 50"RAS VFD \$4,500, 60 Heater Parts \$2,000, 60 filter housing \$600, 65 UV Parts \$3,000, 65 Hydraulic Hoses \$8,000, 65 UV Sensor Assembly \$3,500, 66 Boiler Parts \$500, 69 Heater Parts \$1,000, 69 Overhead Fans \$300, 70 Belt for GBT

							\$1,200, 70 TAS Mixer Rebuild \$2,800, 70 GBT Drive \$5,000, 70 Heater Parts \$1,500, 72 Heater Parts \$500, 75 Heater Parts \$500, 75 Boiler Parts \$1,000, 75 Andritz Fuge Reflector Ring \$3,000, 75 Water Heater Parts \$250, 77 Boiler Parts \$2,000, 79 Boiler Parts \$1,000, 79 Cogen Parts \$3,500, 79 Waste Burner Parts \$1,000, 79 Cooling fan Motor \$1,000, 92 Generator Parts \$1,500
52-300-5610	EQUIPMENT MAINTENANCE SUPPLIES	23,607	29,566	50,000	56,550		Mac Valve Parts \$300, Pressure Switches \$500, Air Filters \$3,500, Analyzers/Accessories \$10,000, Belts \$4,000, Camera Parts \$400, Chlorine Pump Part \$1,800, Electrical Supplies \$2,000, Gauges \$1,500, Grease \$5,200, Hardware \$2,300, Insect Lights \$500, Bulbs \$1,200, Oil \$4,500, Paint \$5,000, Paint Supplies \$2,000, Plastic Stock \$1,400, Plumbing Supplies \$2,000, Replacement Cable \$350, Rubber \$600, Sampler Parts \$1,600, Screw Amp Meters \$1,300, Steel Stock \$1,500, UPS" Batteries \$2,100, Water Softener Parts \$1,000
52-300-5620	VEHICLE PARTS	1,072	1,119	3,500	6,100		Pumps, Tires, Mowers, Misc. Vehicles

General Ledger Number	General Ledger Account Description	Actuals 2018-2019	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
52-300-5700	OFFICE SUPPLIES	1,898	2,268	5,000	15,550	Paper (copier/printer, notebooks, etc.), Clips, Writing Implements (pens, pencils, markers, etc.), Staples, Folders (all types), Tape, Scissors, Etc. \$2,500, Printer/Ink Cartridges \$2,950, Water Billing Office Supplies (general) \$800, Office furniture \$9,300 (conference chairs-12, filing cabinets-5, desk-3, Cabinets-3, Desk chairs-6)
52-300-5710	OPERATING SUPPLIES	10,469	15,639	22,400	23,000	Janitorial Supplies including paper products \$5,000, Mulch/Top Soil \$2,500, Hoses & Fittings \$4,000, drinking water \$1,500, Consumables (Maintenance) \$2,000, Consumables (Operations) \$2,500, General supplies \$5,500
52-300-5711	SAFETY SUPPLIES	1,592	2,096	3,800	7,200	Safety Glasses \$150, Face Shields \$200, Dust Masks \$300, Work Gloves \$400, Arc Flash Glove Service \$200, Safety Videos/Books \$250, First Aid Supplies \$300, Nitrile Gloves \$2,000, LEL Gas Detection Meter \$3,400
52-300-5730	SMALL TOOLS	2,522	8,872	21,500	9,800	LEL Meter w/ Accessories, Operator Tools, NEW Weed Whips, Mechanics Tools, MEGohmometer, 1/2' Impact Wrench, Electrician Tools
52-300-5740	UNIFORMS	4,989	2,345	6,100	4,000	\$4,000 for replacement coats, pants, boots, t-shirts, rain gear, winter gear, sweat shirts, coveralls

General Ledger Number	General Ledger Account Description	Actuals 2018-2019	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
52-300-5750	CHEMICALS	282,156	293,406	349,000	474,000	Ferric Chloride \$168,000, Polymer \$165,000, Sodium-Hypochlorite \$79,500, Micro-Nutrients \$25,000, CL2 Tablets \$13,000, CCH Granular Bleach \$9,000, Water Softener Salt \$4,500, Sulfuric Acid \$4,000, Heavy-Cleaner \$2,000, Filter Cleaner \$1,800, Ice Melt-Sidewalk \$1,200, Fertilizer/ Weed Kill \$1,000
52-300-5751	FUEL	20,700	13,507	16,200	17,000	Diesel Fuel (Power Generators, Engine Blower, Vehicles, Equipment) \$10,000, Gas (Torch, Welding, N2O for Holiday Party) \$1,200, Gasoline (Equipment, Vehicles includes Pretreatment Van)\$5,000, Propane (Fork Lift) \$800.
52-300-5752	LAB SUPPLIES	16,442	22,121	24,500	32,000	Meters, probes, glass, plastic bottles, balance \$4,500, Consumables/Equipment Supplies: \$6,000, Lab Reagents kits \$21,500
52-300-5780	SOFTWARE LICENSE/SUPPORT	0	5,663	17,700	18,000	Allmax \$7,200, Antivirus (trend micro, app river) \$450, Offline Data Storage (%50) \$1,650, Barracuda email archive/firewall \$700, Win911 \$2,500, Malware \$1,500, Annual Security software fee, \$400, Miscellaneous Software \$1,000, WinPak \$1,400, Adobe DC \$1,200
52-300-5785	COMPUTER EQUIPMENT	0	1,423	73,000	116,000	SCADA Equipment \$110,500, Misc Tech Upgrades \$1,500, Monitor Replacement (6) \$1,000, Computer Replacement (3) \$3,000
52-300-5951	EMPLOYEE RECOGNITION	369	80	300	800	Holiday Party, Misc (lunches, cards, etc.)

General Ledger Number	General Ledger Account Description	Actuals 2018-2019	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
52-300-7020	EQUIPMENT	9,193	360	25,000	508,000	LED Lighting \$30,000; 20 Screen Control Upgrade \$30,000; 22/72 Heater Replacement \$36,000; 35/36 Primary Sludge pumps \$60,000; 75 Anditz Fuge rebuild/upgrade \$110,000; 10 HVAC Overhaul \$120,000; & 60 Discfilter rebuilds \$122,000.
52-300-8000	DEPRECIATION	1,799,770	1,762,319	1,800,000	1,800,000	Based on Capital depreciation schedule
	SUB-TOTAL EXPENSES	\$5,717,213	\$6,271,094	\$6,756,221	\$7,340,238	

PRE-TREATMENT EXPENSES:

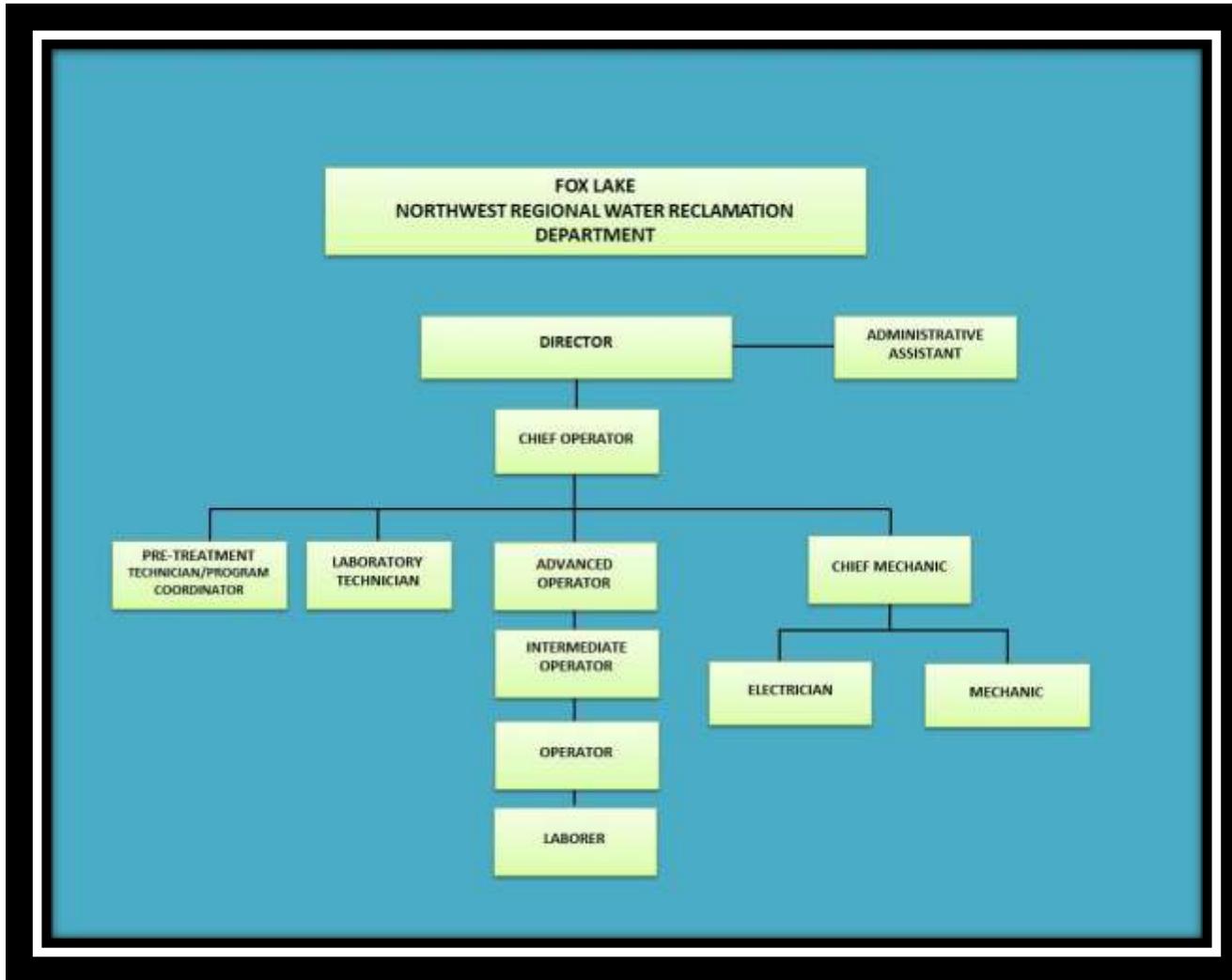
General Ledger Number	General Ledger Account Description	Actuals 2018-2019	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
52-310-4000	WAGES	73,609	81,043	78,750	83,025	(FTE of 1) Market and COL adjustments
52-310-4010	OVERTIME	2,363	0	1,500	1,500	Overtime and Double Time Pay for Scheduled Holiday/Overtime Hours As needed
52-310-4100	HEALTH INSURANCE	14,980	13,800	17,750	20,000	Medical, dental, vision, HRA & NSEBC reserve
52-310-4110	LIFE INSURANCE	92	85	85	85	Group term life insurance
52-310-4200	SOCIAL SECURITY & MEDICARE	5,534	5,822	5,800	6,355	Salaries less employee health insur prem & dependent care contributions at 7.65%
52-310-4220	IMRF	5,784	5,675	6,500	7,220	2020 IMRF Rate = 8.30%; 2021 Rate 8.54% & 2022 Estimate at 9.00%
52-310-5021	VEHICLE MAINTENANCE - MP	0	0	0	0	Pretreatment Vehicle maintenance
52-310-5100	PROFESSIONAL SERVICES	16,930	2,136	1,000	1,200	Sampler Repairs, Gas Meter Repairs/Calibrations
52-310-5110	ENGINEERING SERVICES	0	7,358	11,000	20,000	General Pretreatment Assistance

General Ledger Number	General Ledger Account Description	Actuals 2018-2019	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
52-310-5115	OUTSIDE LAB TESTING	19,872	14,940	18,300	19,200	Industrial Sampling \$6,500 (reimbursed), FOG monitoring \$3,200, INF & EFF \$7,000, Eff LL \$1,500, Semi Annual VOC \$1,000
52-310-5120	LEGAL SERVICES	155	0	500	500	General legal consultations as needed
52-310-5150	PHYSICALS/SHOTS	0	0	500	500	Hepatitis titer & potential vaccination
52-310-5160	TECHNOLOGY	0	0	400	500	Spam protection/Anti Virus, Equipment repairs
52-310-5330	TRAINING	0	120	500	500	Pretreatment Technician Training
52-310-5410	UTILITIES	493	384	540	540	Cell Phones (1)
52-310-5700	OFFICE SUPPLIES	234	249	520	535	Toner \$235, Office Supplies \$300
52-310-5710	OPERATING SUPPLIES	995	2,337	5,730	5,900	Glassware \$100: Supplies/Test Kits/ \$400; H25 Mini Meter replacement (1 of 8 total) \$1,600; Sensors \$2,000, Misc tools \$400, Batteries \$800, Sampler Supplies \$600.
52-310-5711	SAFETY SUPPLIES	249	0	250	250	Miscellaneous Safety Supplies
52-310-5740	UNIFORMS	0	0	0	0	N/A
52-310-5785	COMPUTER EQUIPMENT	0	0	4,500	2,100	Small copier (replacement)
	SUBTOTAL PRE-TREATMENT EXPENSES	\$141,291	\$133,949	\$154,125	\$169,910	

52-500-7011	LAND IMPROVEMENTS	0	0	30,000	80,000	Fencing (Land improvements postponed from FY20)
52-500-7021	BUILDING IMPROVEMENTS	158,859	0	1,200,000	1,100,000	Majority of Roofing and Screw pump projects to be paid in 21-22
52-500-7030	EQUIPMENT	43,997	339,530	728,796	730,000	\$85,000 RAS Pump Replacement design (carryover from 20-21, \$75,000 Master Flow Meters (carryover from 20-21) \$50,000, \$520,000 #55 Drive Replacement (carryover from 20-21)

General Ledger Number	General Ledger Account Description	Actuals 2018-2019	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
52-500-7040	VEHICLES	0	128,863	136,000	136,000	Vehicles (2-3 pending availability) to replace (2) sold in prior budget years and (1) at end of useful life (all carryover items due to production delays)
52-500-7050	INFRASTRUCTURE IMPROVEMENTS	11,843	213,056	34,809	0	None budgeted
52-500-7101	ROOF REPLACEMENTS	0	193,635	0	0	Capital expenses included in Account #52-500-7030
52-500-7107	MIXER REBUILD	0	33,012	0	0	Capital expenses included in Account #52-500-7030
52-500-7108	MASTER FLOW METERS	13,958	34,846	0	0	Capital expenses included in Account #52-500-7030
52-500-7111	AERATION TRUNK LINE	7,226	488,339	0	0	Capital expenses included in Account #52-500-7050
TOTAL CAPITAL EXPENSES		\$235,882	\$1,431,281	\$2,129,605	\$2,046,000	
52-600-8000	CAPITAL EXP CLASSIFIED ASSET	(231,255)	(1,390,902)	(2,129,605)	(2,046,000)	These expenses are capitalized.
TOTAL FUND EXPENSES		\$5,863,131	\$6,445,421	\$6,910,346	\$7,510,148	
NW REGION INCOME/(LOSS)		(\$284,792)	(\$487,484)	(\$1,901,000)	(\$1,942,248)	

VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Northwest Regional Water Reclamation District
April 30, 2022



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 who is responsible for overseeing all communication services and ensuring that the department's operations, systems, recordings and records are held in accordance with the Federal Communications Commission's (FCC) procedures and requirements. FoxComm 911 operates on a 24-hour, 12-hour shift schedule. Two (2) Lead Telecommunicators assist management with supervising eight (8) additional full-time Telecommunicators and two (2) part-time Telecommunicators. The 911 Fund shows a budgeted net loss of \$49,473 compared to an amended FY21 Budgeted loss of \$15,099.

General Ledger Number	General Ledger Account Description	Actuals 2018-19	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
91-115-3200	GRANTS	0	155,348	0	0	None anticipated
91-100-3700	INTEREST INCOME	7,594	9,619	1,800	500	Fund is in deficit position - minimal interest will be earned
91-100-3750	MISCELLANEOUS INCOME	224	0	0	0	None anticipated
91-100-3810	VOIP SURCHARGE	32,568	32,568	34,318	30,000	Based on latest 12 months actual receipts
91-100-3811	WIRELESS SURCHARGE	154,340	160,291	157,700	160,000	Based on latest 12 months actual receipts
91-100-3812	CONTRACTUAL 911 SERVICES	525,157	548,267	564,000	564,000	Per IGAs with Fox Lake Fire Protect Dist; RL Police; Lake Villa; Park City Police
91-100-3813	INTERNAL 911 FEES	613,026	598,253	679,250	650,000	8.5% increase over FY20 actual
91-100-3851	SERVICE CHARGES - WATER	8,220	9,953	8,000	8,000	Internal service charge for alarm dispatching
TOTAL 911 REVENUES		\$1,341,129	\$1,514,299	\$1,445,068	\$1,412,500	

91-200-3901	BOND PREMIUM	186	186	186	186	Amortized premium over GO Bond #2011B debt repayment term Maturity 11/1/2023
	TOTAL REVENUE	\$1,341,315	\$1,514,485	\$1,445,254	\$1,412,686	

General Ledger Number	General Ledger Account Description	Actuals 2018-19	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
91-300-4000	WAGES	589,329	642,375	612,500	651,080	11 FTE's + 15% of Police Chief Lee's salary
91-300-4002	WAGES - PART-TIME	52,531	44,841	42,250	45,115	2 PT positions
91-300-4010	OVERTIME	80,919	82,001	58,500	76,000	93% of FY20 actual
91-300-4100	HEALTH INSURANCE	237,972	295,284	138,500	120,525	Medical, dental, vision, HRA & NSEBC reserve
91-300-4110	LIFE INSURANCE	986	986	1,000	1,225	Group term life insurance
91-300-4200	SOCIAL SECURITY & MEDICARE	52,579	55,559	49,500	59,075	Salaries less employee health insur prem & dependent care contributions at 7.65%
91-300-4220	IMRF	63,832	50,498	55,500	62,010	2020 IMRF Rate 8.30%; 2021 Rate 8.54% & 2022 Estimate at 9.00%
91-300-4225	NET PENSION EXPENSE	(22,376)	41,376	40,000	0	Based on prior year budget
91-300-5000	BUILDING MAINTENANCE	5,280	9,882	3,400	3,400	Filters \$600, other \$500, Fire extinguisher inspection \$500, plumbing \$400, lighting \$300; Bedco HVAC \$1,100
91-300-5011	RADIO LEASE/MAINTENANCE	3,264	3,264	3,264	6,904	Motorola user fee \$3,264 (\$34 per mo. * 8 units); StarCom 21 Modification \$3,000; & FCC License Renewal (UHF/VHF radios \$640
91-300-5012	VOICE DATA LOGGING LEASE	0	2,700	2,700	2,800	Radicom Eventide recorder maintenance
91-300-5013	UPS POWER MAINTENANCE	1,663	9,113	9,000	2,426	Nationwide Power 1 yr maint \$2,426
91-300-5014	CAD LEASE/MAINTENANCE	20,702	24,355	24,034	29,180	CAD data charges \$5,580 (\$465/mo. To LCETS), Yrly EnRoute ProQA Maint. \$4,300 (LCETS), Solocom ETSB Connection \$10,000, Enroute 911 interface maintenance \$1,500 (LCETS), Yrly EnRoute CAD License \$7,800 (LCETS)
91-300-5015	MICROWAVE/BROADBAND CONNECTION	0	4,784	4,784	3,500	Comcast charges \$2,200; Technology Mgt revolving internet \$1,300

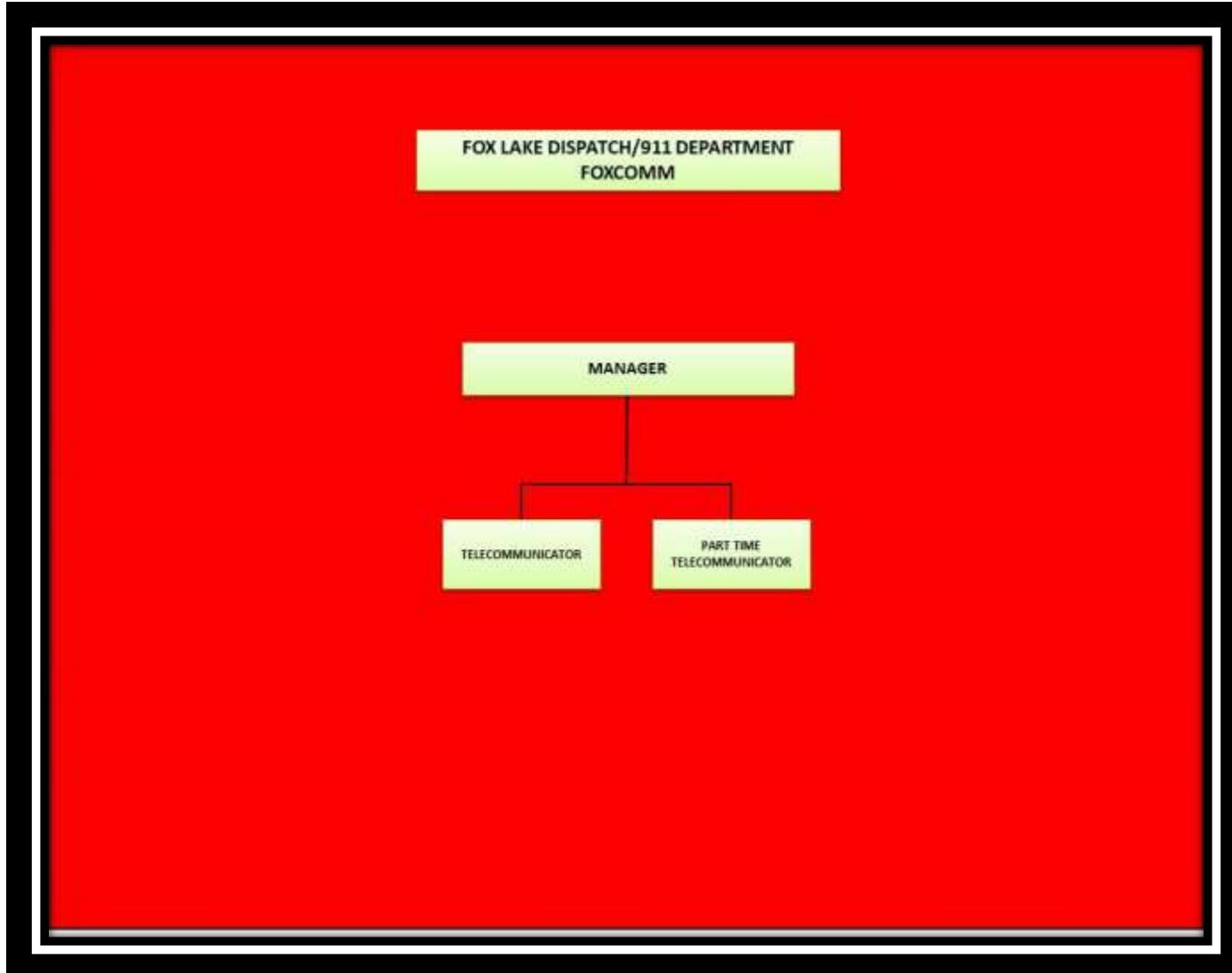
General Ledger Number	General Ledger Account Description	Actuals 2018-19	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
91-300-5016	SOLACOM/GUARDIAN MAINT	9,080	18,823	19,555	19,555	Radicom Maintenance contract - prepaid. Expires 11/2021
91-300-5017	RADIO SOFTWARE MAINT	0	31,058	24,800	30,000	Zetron maintenance & Support - Radicom contract
91-300-5100	PROFESSIONAL SERVICES	4,409	1,242	0	300	Records Disposal
91-300-5102	ACCOUNTING SERVICES	0	2,736	4,000	4,650	Audit Services \$500, Civic Systems \$1250 and Asure Software \$2900
91-300-5106	REPAIRS	433	1,130	7,000	3,000	Radicom repairs
91-300-5108	HR RECRUITING/TESTING	0	633	750	750	Testing for employees (new & existing); recruitment
91-300-5109	LANGUAGE LINE	11	128	320	320	Language Line
91-300-5120	LEGAL SERVICES	4,491	1,733	35,000	35,000	Misc legal review of contracts/other (CBA ends 4/30/21) \$35k
91-300-5122	LEGAL SERVICES – ETSB	0	1,600	3,200	3,200	Emergency Telephone System Board (ETSB) Legal
91-300-5160	TECHNOLOGY SERVICES	12,134	989	5,500	5,500	Misc computer repairs \$2,500; Innovative MSP online backup \$3000
91-300-5200	POSTAGE	0	0	150	150	Shipping mailing costs
91-300-5310	MEMBERSHIPS	17,546	457	1,075	1,950	APCO (2 members) \$300, NENA (2 members) \$250, IAED center \$600, EMD recertification \$800
91-300-5311	911 CONSOLIDATION	0	15,000	0	15,000	Additional regional consolidation feasibility fee \$30,000 - FY22 & FY23
91-300-5320	TRAVEL	2,605	664	850	4,350	APCO Conference Hotel \$800, IAED Conference Hotel \$1300, Meal Reimb \$750, Misc. Travel Air, Car Etc. \$1,500

General Ledger Number	General Ledger Account Description	Actuals 2018-19	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
91-300-5330	TRAINING	7,998	5,028	6,850	9,370	APCO Continuing Ed \$1000, EMD Continuing Ed \$300, Public Safety Consultants/PSTC Edu \$1000, APCO 33 \$500, APCO Conference \$1000, EMD Conference \$1200, IDPH Licenses \$200, NENA \$600, Police Sciences \$1200, AED Trainer Replacement/Accessories \$1000, AHA CPR \$170, NENA ENP Cert (2) \$1200
91-300-5350	MEETING EXPENSE	122	28	0	150	Staff meetings
91-300-5401	SERVICE CHARGES - GENERAL FUND	115,819	126,530	130,000	120,000	Charge for share of General Admin costs
91-300-5410	UTILITIES	292	281	300	850	Water & sewer services
91-300-5412	ADMINISTRATIVE PHONE LINES	5,762	3,683	3,700	3,700	Access One office phone charges
91-300-5414	ADMIN WIRELESS PHONES	1,669	1,673	1,200	3,400	2 smart phones
91-300-5430	CREDIT CARD & BANK FEES	0	0	675	675	Bank fees
91-300-5500	LIABILITY & WORKERS COMP INS	18,462	19,776	25,000	25,000	Allocation of work comp and liability insurance - more employees in FY22
91-300-5510	RENTALS	15,000	0	37,000	18,480	2310 sf @ \$8 per sf
91-300-5700	OFFICE SUPPLIES	5,384	6,817	6,000	8,650	Cleaning Supplies \$800, Warehouse Direct \$4000, Misc. \$300, CD/DVD \$300, Data Storage Hard Drive \$500, Medical Supplies \$150, Headset Replacement \$1,000, 4 Chair Replacement \$1,600
91-300-5720	COMMUNITY RELATIONS	0	156	0	300	Promotional materials for community events
91-300-5740	UNIFORMS	0	1,129	1,120	1,120	16 Fleece Pullovers and 16 Polos
91-300-5780	SOFTWARE LICENSES/SUPPORT	0	3,194	3,200	8,655	Appriver spam filter, \$1,400, Barracuda email filter/firewall \$510, Anti-virus \$150, Frontline QA Tracker \$1500; Weather Tap Real Time Weather \$90; Smart Horizon License \$145; WavePad Sound Editor (audio redaction software) \$60; ProQA License (moved from CAD maint line) \$4,800

General Ledger Number	General Ledger Account Description	Actuals 2018-19	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
91-300-5781	EMERGENCY COMMUNICATION	0	5,150	5,150	5,150	Everbridge Nixel 360
91-300-5785	COMPUTER EQUIPMENT	0	2,172	3,000	2,900	Computer 2 Positions \$1500, 4 monitors 32" LED \$1400
91-300-5951	EMPLOYEE RECOGNITION	528	160	687	1,300	Telecommunicators Week \$500, Employee Appreciation Board \$800
91-300-8000	DEPRECIATION	52,546	64,267	65,000	65,000	Depreciation based on schedule
91-400-6000	PRINCIPAL PAYMENT	3,718	3,790	3,933	4,076	GO Debt series 2011B. Maturity 11/1/2023
91-400-6001	PRINCIPAL PAYMENT OFFSET	(3,718)	(3,790)	(3,933)	(4,076)	GO Debt series 2011B offset to liability
91-400-6010	INTEREST EXPENSE	927	568	632	494	GO Debt series 2011B. Maturity 11/1/2023
TOTAL 911 FUND EXPENSES		\$1,361,897	\$1,583,825	\$1,436,646	\$1,462,159	

91-500-7030	EQUIPMENT	77,774	0	0	75,000	Zetron radio system hardware 5-year required refresh
91-600-8000	CAPITAL EXP CLASSIFIED ASSET	(77,774)	0	0	(75,000)	Offset for capitalized assets
	911 CENTER NET INCOME/(LOSS)	(\$20,582)	(\$69,339)	\$8,608	(\$49,473)	

VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Dispatch - 911 Department
April 30, 2022



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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 \$1,024,641 based upon actuarial assumptions. Approximately 76% or \$776,121 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 67.2% funded as of April 30, 2020. This contribution is 23.8% higher than the previous year.
- Police officers contribute 9.91% of their base wage.
- Interest earnings/investment returns were budgeted more aggressively compared to the prior year's conservative and uncertain COVID-19 estimates as the overall market seemly defies pandemic pressures.

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 13 retirees from the police department, two surviving spouse and three officers on disability.

General Ledger Number	General Ledger Account Description	Actuals 2018-19	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
72-100-3007	PROPERTY TAXES	519,143	632,544	682,532	776,121	Based on Tax Levy Ordinance (FY22 revenue = CY2020 tax levy/extension)
72-100-3700	INTEREST & DIVIDENDS	443,988	464,172	400,000	400,000	Conservative estimate based on last 2 years of returns
72-100-3701	REALIZED GAINS & LOSS	420,551	(649,683)	450,000	150,000	Based on anticipated future performance (sales of investments)
72-100-3706	UNREALIZED GAINS/LOSS	0	0	0	800,000	Anticipated change in market value as of April 30th. In FY22 separated from realized gains/losses.
72-100-3750	MISCELLANEOUS INCOME	0	129	0	0	Miscellaneous receipts
72-100-3825	MEMBER CONTRIBUTIONS	191,762	196,028	200,930	250,000	Based on estimated pensionable salaries
72-100-3826	VILLAGE CONTRIBUTION	123,102	94,184	145,520	248,520	Total annual required contribution per actuarial study less property taxes
TOTAL ADDITIONS		\$1,698,545	\$737,374	\$1,878,982	\$2,624,641	

General Ledger Number	General Ledger Account Description	Actuals 2018-19	Actuals 2019-20	Amended Budget 2020-21	Approved Budget 2021-22	Description
72-300-4020	WAGES - RETIRED	758,065	849,809	841,805	871,932	13 recipients (1 deceased in Dec 2019) 3% increase effective 1/1/2022 & 1 add'l annuitant 1/1/2022
72-300-4024	WAGES - SURVIVING SPOUSE	33,993	62,031	104,127	101,285	2 Surviving Spouse Recipients (1 effective Dec 2019) no CPI increases
72-300-4025	WAGES - DISABILITY	101,531	102,839	104,147	111,875	3 recipients
72-300-5100	PROFESSIONAL SERVICES	19,127	14,485	24,000	25,000	Accounting - Lauterbach & Amen; Carol McMullen (Temporarily Yours, secretarial services) & Fiduciary Insurance
72-300-5120	LEGAL SERVICES	15,730	3,913	15,000	15,000	Laura Goodloe Attorney
72-300-5310	MEMBERSHIPS	795	795	795	795	IPPFA
72-300-5320	TRAVEL	2,159	1,137	0	500	IPPFA Conference (FY20 conference postponed due to COVID)
72-300-5330	TRAINING	2,625	1,925	2,000	2,000	Training requirements reduced by State.
72-300-5535	INVESTMENT EXPENSE	32,695	32,772	34,000	40,000	Thomas McShane/Graystone Consulting - see Morgan Stanley Acct Statements
72-300-5700	OFFICE SUPPLIES	118	0	50	100	Minute books, paper
72-300-5971	REFUND/TRANSFER CONTRIBUTION	33,861	0	0	0	None anticipated
72-300-5800	IDOI ANNUAL FILING FEE	0	3,301	3,440	3,600	State of IL Dept of Insurance fee based on % of plan assets
72-300-5999	MISCELLANEOUS EXPENSE	5,715	1,698	0	3,500	IDOI and fiduciary Insur expenses in separate object codes effective FY20
TOTAL DEDUCTIONS		\$1,006,413		\$1,129,364	\$1,175,587	
POLICE PENSION INCOME/(LOSS)		\$692,132	\$737,374	\$749,618	\$1,449,054	

Section 6

Capital Improvement Plan

Introduction

Administration

Public Works/Streets/Motor Pool

Community Development

Public Safety

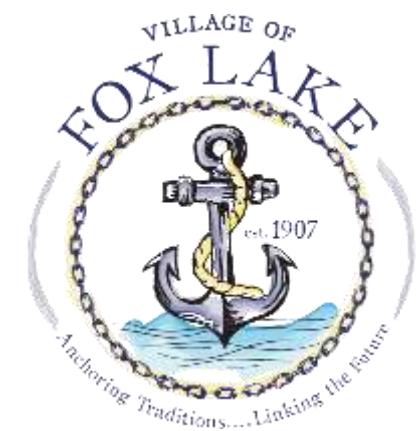
Parks & Recreation

General Fund CIP Summary

Water & Sewer

Northwest Regional Reclamation Facility

Dispatch - 911



Capital Improvement Plan 2020-2021 through 2024-2025

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.

The presentation of the capital plan within this section is aggressive compared to last year's conservative COVID-19 driven budget. Last year's capital spending was downsized significantly due to the uncertainties of the pandemic and the anticipation of negative economic conditions resulting in reduced resources. FY2021-22's budget reflects an optimistic view for a strong recovery for the economy as stay-at-home mandates are lifted and vaccines are developed and administered. As a result, vehicles and equipment that had been foregone and roadway construction that had been postponed in FY2020-21 were added back into this year's budget.

Capital Improvement Plan 2020-2021 Through 2024-2025 (Continued)

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

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 become part of the annual operating budget).
5. They usually provide a governmental facility for public service.
6. They add substantially to the value of the Village's fixed assets.

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

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

Capital Improvement Plan 2021-2022 Through 2024-2025 (Continued)

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.

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 2021-2022 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, programming 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.

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 FY2020-21, the unprecedented COVID-19 pandemic forced the Village to defer several capital projects and acquisitions as well as cut costs across all departments by at least 3.5%. In the absence of grants, the Village will have to pay for capital projects, outside of the IEPA funded interconnect project, and acquisitions with reserves. Grant opportunities and additional Federal stimulus opportunities have been identified and may possibly be recognized in FY2022-23 and beyond. Until then, the Village will face challenges in revenue and limited ability to address any substantial capital needs.

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 the Federal Reserve has suggested rate increases are coming. 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 FY 2021-2022 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).

The Village of Fox Lake's Capital Improvement Plan by department is detailed below, as updated for actual and anticipated expenditures for FY2020-21 and FY2021-22 budget. The effect of these expenditures is an increase in depreciation expense, except for the land, which has unlimited useful life and is a part of the asset category that is not being depreciated. None of these expenditures are expected to increase operating costs.

Administration

Project Type (Original Plan)	Prior FY2020-21 Unaudited Actual Expenditures	Current FY2021-22 Budgeted Expenditures	Targeted Future Expenditures			Modified for Prior and Current	Description of Current Year Expenditures
			FY 2022-23	FY 2023-24	FY 2024-25		
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)			\$250,000	\$250,000	\$250,000	\$750,000	No planned expenditures
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)			\$60,000	\$60,000	\$60,000	\$180,000	No planned expenditures
TOTAL	\$0	\$0	\$351,000	\$351,000	\$351,000	\$1,053,000	

Community Development

Project Type (Original Plan)	Prior FY2020-21 Unaudited Actual Expenditures	Current FY2021-22 Budgeted Expenditures	Targeted Future Expenditures			Modified for Prior and Current	Description of Current Year Expenditures
			FY 2022-23	FY 2023-24	FY 2024-25		
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 2021-2022 through 2024-2025 (Continued)

Public Works/Streets/Motor Pool

Project Type	Prior	Current	Targeted Future Expenditures			Total	
	FY2020-21 Unaudited Actual Expenditures	FY2021-22 Budgeted Expenditures	FY 2022-23	FY 2023-24	FY 2024-25	Modified for Prior and Current	Description of Current Year Expenditures
Tree Replacement Program (\$50k/yr beginning FY2020-21)	\$0	\$0	\$50,000	-	-	\$50,000	None Planned
Building Improvements (Not Incl in Original CIP)	\$0	\$0				\$0	None Planned
Road Repair/Maintenance (\$2M/yr)	\$530,254	\$951,598	2,000,000	2,000,000	2,000,000	\$7,481,852	Hickory Cove 40% Holly Ave 7% Rt. 12 Sidewalk Washington / Rt. 59 Knollwood Grand Ave Completion Nippersink Design (FY2020-21)
Equipment	\$0	\$33,000				\$33,000	Asphalt Roller
Vehicle Replacement Program (Avg 10-yr life, \$130k/yr)	\$0	\$199,000	130,000	130,000	130,000	\$589,000	3 Ford Rangers and Kabota Motor Pool truck
Storm Sewer Replacement (Avg 50-yr life, \$40k/yr)	\$0	\$0	40,000	40,000	40,000	\$120,000	None Planned
Utility-Street Lighting/Repair/Replacement (\$40k/yr thru FY24-25)	\$0	\$0	40,000	\$40,00	\$40,000	\$120,000	None Planned
Bridge Improvements (\$12.5k/yr)		\$55,000	12,500	12,500	12,500	\$92,500	Fossil Bridge
Equipment Replacement (Avg 14-yr life, \$40,714/yr)	\$0	\$0	40,714	40,714	40,714	\$122,142	None Planned
TOTAL	\$530,254	\$1,238,598	\$2,313,214	\$2,223,214	\$2,223,214	\$8,608,494	

Public Safety

	Prior	Current	Targeted Future Expenditures			Total	
Project Type (Original Plan)	FY2020-21 Unaudited Actual Expenditures	FY2021-22 Budgeted Expenditures	FY 2022-23	FY 2023-24	FY 2024-25	Modified for Prior and Current	Description of Current Year Expenditures
Building Improvement (\$60k/yr)	\$0	\$ 0	\$60,000	\$60,000	\$60,000	\$180,000	None budgeted
Equipment (\$17.5k/yr)	\$17,022	\$ 50,600	\$17,500	\$17,500	\$17,500	\$120,122	Mobile recording, speed trailer, surveillance cameras and laptops
Vehicles - 2 per year replacements/with Light Bars (\$90k/yr)	\$27,899	\$68,900	\$90,000	\$90,000	\$90,000	\$366,799	Replace 3 squad cars
TOTAL PUBLIC SAFETY	\$44,921	\$119,500	\$167,500	\$167,500	\$167,500	\$666,921	

Parks & Recreation

Project Type (Original Plan)	Prior	Current	Targeted Future Expenditures			Total	
	FY2020-21 Unaudited Actual Expenditures	FY2021-22 Budgeted Expenditures	FY 2022-23	FY 2023-24	FY 2024-25	Modified for Prior and Current	Description of Current Year Expenditures
Building Improvements \$60k/yr	\$0	\$0	\$60,000	\$60,000	\$60,000	\$180,000	None Budgeted
Land Improvements –		\$282,600				\$282,600	Lakefront & Millennium Parks
Playground Equipment (\$20k/yr thru FY24-25)			\$20,000	\$20,000	\$20,00	\$60,000	None Budgeted
TOTAL PARKS & RECREATION	\$0	\$282,600	\$80,000	\$80,000	\$80,000	\$522,600	

General & Special Revenue Fund - CIP Summary

	FY2020-21 Unaudited Actual	FY2021-22 Budget	FY2022-23 Projection	FY2023-24 Projection	FY2024-25 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	(\$2,035,000)	(\$3,596,925)	(\$2,814,714)	(\$2,564,714)	(\$2,500,000)
Ending Capital Reserve	\$4,214,374	\$ 3,812,587	\$ 997,873	\$ 0.00	\$ 0.00

As demonstrated in the chart above, the capital budget projections show the capital reserves continued to be drawn down in the up-coming fiscal years. 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 \$27M 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. Additionally, the Village will continue to actively identify and pursue new funding opportunities from the Federal and State governments as they make additional funds available as a means to stimulate economic recovery and help local governments through the aftermath of the COVID-19 pandemic.

Local Water & Sewer Fund – Planned Capital Project Costs

Project Type (Original Plan)	Prior	Current	Targeted Future Costs			Total	Description of Current Year Expenditures
	FY2020-21 Unaudited Actual Expenditures	FY2021-22 Budgeted Expenditures	FY 2022-23	FY 2023-24	FY 2024-25	Project Cost	
Interconnect Project	\$16,341,315	\$10,845,850				\$27,187,165	Phase I: \$8,287,690 funded by IEPA loan & Water Fund Phase II: \$500k funded by IEPA loan & Water Fund
Interconnect Phase I Private Connections	\$0	\$425,000				\$425,000	Engineering. See Note 1.
Repaint/Raise Washington Tower (\$1.4M for FY 17-18 and 18-19)	\$0					\$0	Engineering. See Note 2.
Rebuild Lippincott Lift Station (\$238,703 for FY18-19)	\$0					\$0	Engineering/Repairs. See Note 2.
Install Standby Generator Well #5 (\$48k/yr)	\$	\$0	\$48,000	\$48,000	\$48,000	\$144,000	Backup Generator Install Well #4 & #5
Vehicles, Buildings Equipment	\$	\$349,500	\$52,000	\$52,000	\$52,000	\$505,500	Trucks, generators
Install Auxiliary Generators at All Sites (\$15.5/yr)	\$	\$0	\$15,450	\$15,450	\$15,450	\$46,350	B/U generators at High School & Green Lift Stations
Additional Equipment & Repairs (\$66k/yr)	\$0	\$0	\$66,000	\$66,000	\$66,000	\$198,000	Kings Lift station transfer switch
Upsize 4" and 6" water mains (\$560k/yr)	\$0	\$0	\$560,000	\$560,000	\$560,000	\$1,680,000	Sayton Rd Main Line (\$79k), Water Main by Fire Dept (\$200k), Valves Menards (\$40k), Replace Broken Valves in town (\$35k)
Water & Sewer System	\$775,921	\$3,820,040	\$90,000	\$90,000	\$90,000	\$4,865,961	SCADA add to Tall Oaks South Well \$25k
Sewer Main Lining (\$100k/yr)	\$0	\$140,000	\$100,000	\$100,000	\$100,000	\$440,000	Sanitary Sewer Lining
New Vehicles and Equipment (\$80k/yr with FY18-19 an exception at \$190k)	\$0	\$0	\$80,000	\$80,000	\$80,000	\$240,000	New Vac Truck (50% w/NWR) \$225k; Wireless Broadcast Equip (50% w/NWR) \$12.5k
TOTAL WATER/SEWER FUND CAPITAL	\$17,117,236	\$15,580,390	\$1,011,450	\$1,011,450	\$1,011,450	\$35,731,976	

Capital Improvement Plan 2020-2021 through 2024-2025 (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	\$ 0	\$ 0.00	\$1,011,450	\$1,011,450	\$1,011,450
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

Capital expenditures have been budgeted aggressively in FY2021-22 as foregone vehicle and equipment purchases and postponed projects have been revisited and incorporated. Forecasted revenues and reserves in conjunction with new IEPA loans are sufficient to fully fund operating expenditures and the budgeted water and sewer improvements, interconnect project completion as well as equipment and vehicle purchases.

The Village is currently focusing on the completion of Phase I and Phase II of the North and South Interconnect project for both water and sewer. The Village sought and was granted funding of two loans for the Phase I portion of the project and two additional loans for Phase II. The IEPA loans have allowed the interconnect project to be continued in the current year. The total estimated cost for the project is currently \$22M not including any potential change orders.

The Interconnect project will impose on-going annual debt payments for the IEPA loan. At this time, only one of the four loans has been finalized so annual debt payments for the loans associated with Phase I and Phase II are unknown. The two loans for Phase I carry interest rates of 1.38% and will mature in 2040 and the two loans for Phase II each carry interest rates of 1.01% and will mature in 2041. An additional \$4.6M is budgeted for equipment replacements and water and sewer system improvements including well and lift station rehabilitation and connection of private services that are part of the Phase I interconnect. No improvements are expected to increase operating costs.

Capital Improvement Plan 2020-2021 through 2024-2025 (Continued)

Northwest Regional Water Reclamation Facility – Planned Capital Project Costs

Project Type (Original Plan)	Prior	Current	Targeted Future Costs			Total	
	FY2020-21 Unaudited Actual Expenditures	FY2021-22 Budgeted Expenditures	FY 2022-23	FY 2023-24	FY 2024-25	Modified for Prior and Current	Description of Current Year Expenditures
Infrastructure (avg 28 year life, \$642,857/yr)	\$34,809	\$0	\$642,857	\$642,857	\$642,857	\$1,963,380	None Scheduled
Equipment & Vehicles (avg 12.5 yr life, \$464k/yr)	\$0	\$866,000	\$464,000	\$464,000	\$464,000	\$2,258,000	Vehicle replacements
Building Improvements - (avg 16 yrs, 625k/yr)	\$33,135	\$1,100,000	\$625,000	\$625,000	\$625,000	\$2,975,000	Roof Replacement, screw pumps
Land Improvement		\$80,000				\$ 80,000	Land
Flow Pumps	\$154,902	\$0				\$ 154,902	None Scheduled
Sludge Dewatering / Storage Barn (\$2M in FY's 17-18 and 18-19)						\$ -	None Scheduled
Infrastructure	\$0	\$0	\$2,200,000	\$2,200,000	\$2,200,000	\$6,600,000	None Scheduled
TOTAL NW REGION	\$222,846	\$2,046,000	\$3,931,857	\$3,931,857	\$3,931,857	\$15,482,665	

Northwest Regional Water Reclamation Facility – CIP Summary

	FY2020-21 Unaudited Actual	FY2021-22 Budget	FY2022-23 Projection	FY2023-24 Projection	FY2024-25 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 2020-2021 Through 2024-2025 (Continued)

The Northwest Regional Water Reclamation Facility (NWRWRF) capital plan for FY 2021-22 is shown as being primarily funded by unrestricted reserves, which will cause a reduction in reserves of approximately \$2M. Budgeted expenditures include 1.1M in roof replacements and screw pump rehabilitation and rebuilds, 730K for RAS pump replacement, flow meters and #55 drive replacement and 136k for vehicle replacements. While the reserve is still relatively robust at \$10.6M, future planned annual average spending of \$7M while showing operating surplus less than \$1M 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

Project Type (Original Plan)	Prior	Prior	Targeted Future Costs				Total	Description of Expenditures
	FY2020-21 Unaudited Actual Expenditures	FY2021-22 Budgeted Expenditures	FY 2022-23	FY 2023-24	FY 2024-25			
Equipment - (avg 12.5 life)	\$0	\$75,000	\$0	\$75,000	\$56,000	\$206,000	Equipment	
TOTAL 911 CENTER	\$0	\$75,000	\$0	\$75,000	\$56,000	\$206,000		

The 9-1-1 Fund has budgeted \$75k for capital equipment in FY2021-22. A required refresh of Zetron Radio System Hardware is due in the current year. Also, the Village is continuing to evaluate the contractual service agreements and rate increases will most certainly be necessary and ultimately planned for proposal to the Board for corrective action to ensure that the financial health of the 911 Dispatch's operation can be maintained. Temporary transfers from the General Fund may be necessary in the near term. Additionally, in alignment with the Illinois Law (50 ILCS 750/15/4a), efforts continue at the regional level within Lake County's ETSBs to consolidate regional 9-1-1 services in the County to provide the highest quality service and lasting value for the residents for participating communities at a reduced rate. The Village has been part of these efforts and plans to make transition to be out of this business once the consolidated operation is in service.

Section 7

Strategic Plan and Performance Measurement

Strategic Plan Overview

Strategic Plan 5-Year Goals and Objectives

Goals and Objective – Year 4 Progress

Goals and Objective – Year 5 Priorities

Performance Measurement Overview

Status of FY 2020-2021 Performance Metrics

FY 2021–2022 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.

In May of 2021 – the Village Board voted to decrease the Strategic Planning Teams from four (Infrastructure, Economic Development, Recreation, and Public Outreach and Technology) to three Strategic Planning Teams (Infrastructure, Economic Development, and Recreation). Many of the items within the Public Outreach and Technology Strategic Planning Team were day-to-day operations in nature, or were being discussed as part of the Recreation Strategic Planning Team. Those items have been outlined as “Internal Departmental Goals” for purposes of tracking progress on these items.

Staff will provide an update on the Strategic Plan accomplished items for the 2020-2021 budget year and will provide goals for 2021-2022 for the new four planning teams. Staff is pleased to report that 115 of 139 tactics (83%) have been completed as of the end of Fiscal Year 2020-2021 (Year 4 of the Strategic Plan).

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 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 are as followed:

- Infrastructure
- Recreation
- Economic Development

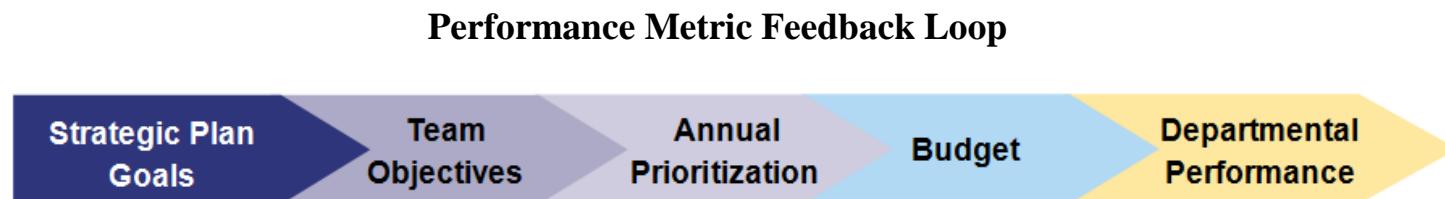
Annually, each Strategic Planning Team will review objectives and tactics for accomplishing each objective. Teams will then prioritize which objectives will be accomplished for the review year (May 1 - April 30). Each Planning Team will submit an annual prioritization report to the Mayor and Village 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.



Strategic Plan 5-Year Objectives, Tactics, and Status

Infrastructure		
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	Status
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	Complete
	Continue to apply for water related grants and low interest loans	Complete
Objective 2	Provide sustainable, safe, and properly maintained roadways	Status
TACTICS	Review and revise completed report of structural health of all Village streets and develop a comprehensive replacement program	Complete
	Analyze current street maintenance and plowing procedures to determine if efficiencies exist	Complete
	Improve local traffic by analyzing problem areas and other areas of concern for the Village to increase public safety	Complete
	Develop a Complete Streets Program	Complete
Objective 3	Establish a financially solvent capital improvement and replacement program(s)	Status
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	Complete
	Determine funding model for capital improvement and replacement program	
Objective 4	Enhance community walkability and bike ability	Status
TACTICS	Utilizing GIS, document all local sidewalks, and the organizations responsible for maintenance	
	Develop sidewalk replacement and enhancement program	Complete
	Enhance signage and roadway markings to promote bikeability and walkability	
	Work with community partners to encourage communication regarding walkability and bikeability	Complete
Objective 5	Continue providing quality services to residents, businesses, and municipal partners	Status
TACTICS	Utilize various forms of communication to receive internal and external feed about services provided, analyze, and develop a method to address feedback	Complete
	Increase joint purchasing opportunities and partnerships with area governmental agencies, and other municipalities	Complete
	Develop a tree maintenance and replacement program	Complete
	Continue to provide quality water treatment to existing municipal entities and continue a strong relationship with Lake County	Complete
	Develop stormwater management program and continue to work with Stormwater Management Commission	Complete
Objective 6	Analyze current practices and evolve best practices based on effective, efficient, and alternate service delivery models	Status
TACTICS	Analyze current methods of service delivery within all departments	Complete
	Analyze the strengths of the current workforce, and provide opportunities for growth and succession planning	Complete
	Analyze current relationships with Village contractors and vendors to increase efficiencies	Complete
	Review opportunities to increase energy efficiencies such as wind technology and green infrastructure	Complete

Recreation

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

Economic Development

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

Economic Development Continued

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	Status
TACTICS	Review market analysis to determine business, consumer, and residential trends within national, regional, and county areas	Complete
	Conduct a Business Development District analysis of targeted areas inclusive of Route 12 and Downtown Fox Lake	Complete
	Implement recommend results from BDD analysis	Complete
	Create efficiencies for businesses when utilizing village services	Complete
Objective 6	Promote multi-modal transportation to increase interconnectivity and transit orientated development	Status
TACTICS	Research funding opportunities for downtown Metra station	Complete
	Review and analyze Metra station, downtown and Village wide parking strengths and weaknesses	Complete
	Improve local traffic by analyzing problem areas and other areas of concern for the Village to increase public safety	Complete
	Analyze connectivity gaps and challenges in creating a multi-modal epicenter	

Internal Department Goals

Objective 1	Increase utilization of varying platforms to communicate with residents, businesses, and external stakeholders	Status
TACTICS	Review current social media platform use, and determine how to best utilize the various platforms	Complete
	Develop and implement a communications plan for emergency and non-emergency events that encompasses the various methods of communication throughout the Village	Complete
	Develop a Village wide e-newsletter	Complete
	Research current trends in communication and apply knowledge gathered to Village of Fox Lake efforts	Complete
Objective 2	Provide over-the-top customer service to residents, businesses, and municipal partners	Status
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	Complete
	Research the feasibility of a Customer Relationship Management software and program	
	Develop a Conversation and Coffee Program	Complete
	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"	Complete
Objective 3	Enhance internal Village communications	Status
TACTICS	Establish a bi-annual Supervisor meeting to update supervisors and mid-level management about current departmental projects	Complete
	Develop a monthly report with departmental updates and board decisions for all employees	Complete
	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	Status
TACTICS	Utilize social media platforms to increase communication	Complete
	Review structure and content of website to promote transparency and end user friendliness	Complete
	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	Complete
	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	Complete
	Develop and implement a public outreach program that is inclusive of town hall meetings, business outreach, and resident outreach programs	Complete
	Continue to grow and enhance the Community Leaders Forum	Complete
	Encourage residents, guests, and business owners to communicate any issues or illegal activity as a method to increase public safety	Complete

Internal Department Goals Continued

Objective 5	Unify, promote, and enhance the Village of Fox Lake Brand	Status
TACTICS	Develop a Brand style guide for Village publications, mailings, correspondences, and materials	Complete
	Review current signage, banners, uniforms and other items within the Villages property and update with new Anchor logo	Complete
	Incorporate the new Village Mission Statement and Core Values into the Village of Fox Lake Brand	Complete
	Review current marketing materials, social media platforms, and other forms of external communication and update with new Anchor logo	Complete
	Provide templates to all Village Departments with new Anchor logo to ensure a smooth transition of the brand	Complete
Objective 6	Promote the Village through increased partnerships	Status
TACTICS	Increase and evaluate partnerships with local Village of Fox Lake area charity and community organizations	Complete
	Increase and evaluate partnerships with Visit Lake County, and other area tourism organizations	Complete
	Increase and evaluate partnerships with other governmental agencies to promote cross-marketing and increase communication	Complete
	Increase and evaluate partnerships with area businesses through use of a business focused e-newsletter	Complete
Objective 7	Promote the Village on a regional, state, and national scale	Status
TACTICS	Develop a marketing plan that encompasses regional, state, and national promotion of the Village of Fox Lake	Complete
	Develop a Village of Fox Lake Mobile Application for Android and iPhone	Complete
	Research various regional, state, and national marketing opportunities, and analyze feasibility	Complete
	Research current trends in municipal marketing and branding, and apply knowledge gathered to Village of Fox Lake efforts	Complete
Objective 8	Review, monitor, and analyze current practices and evolve best practices based on effective, efficient, and current trends	Status
TACTICS	Analyze current infrastructure, equipment, and connectivity	Complete
	Review current technology trends and provide recommendations for improvement if applicable	Complete
	Continue to monitor current infrastructure and technology for daily and long-term effectiveness	Complete
	Increase utilization of GIS across all Village Departments	Complete
	Analyze the feasibility of increased Fiber optic technology for optimum connectivity	Complete
	Determine feasibility of financial opportunities that may stem from development of fiber optic growth	Complete
Objective 9	Establish a financially solvent multi-year replacement and upgrade program	Status
TACTICS	Analyze all Village equipment for functionality	Complete
	Create and implement a multi-year replacement and upgrade program based on current technology assets	Complete
	Incorporate replacement program into CIP budget	Complete
	Analyze needs within 911 Dispatch Center, and develop plans for further expansion	Complete
Objective 10	Incorporate, review, and analyze revolving needs of internal stakeholders	Status
TACTICS	Continue to gather internal stakeholder feedback regarding technology needs	Complete
	Continue to explore efficiencies in software, to enhance service delivery	Complete
	Review current programs, software and equipment for effectiveness	Complete
	Analyze and review security camera system for all Village wide buildings and parks to enhance public safety	Complete
	Continue to work with the Police Department regarding radio upgrade and implementation, CIP replacement program for incar cameras and computers, and new CAD technology	Complete
	Continue to evaluate and review reverse 911 and Nixel operations	Complete
	Review technology needs for 911 Dispatch Center including Starcom, Solocom, NextGen, and CAD software and updates	Complete
	Purchase a new Village wide telephone system	Complete

Goals & Objectives – Year 4 Progress

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

Outlined below are progress reports for each Strategic Planning Team's Year 4 Objectives and Tactics. Please note many projects were impacted by the COVID-19 Pandemic.

Infrastructure Planning Team				
Year 4 (2020 – 2021) Objective and Tactic Year 4 Progress Report				
Tactics	Steps to Accomplish	Target Accomplishment Date	Year of Strategic Plan	Status of Tactic
Analyze current street maintenance and plowing procedures to determine if efficiencies exist.	Analyze current processes. Determine if efficiencies can be determined. Implement.	April 2021	Year 4	✓
Establish a methodology for determining the replacement of vehicles and equipment based on key measurable indicators.	Outline current vehicles. Develop program indicators. Apply program indicators. Determine vehicle replacement schedule.	April 2021	Year 4	Moved to Year 5
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 2021	Year 4	Moved to Year 5 for final completion date

Construct North/South Sewer and Water System Interconnect.	Complete final design. Bid Project. Implement.	Phase II near completion	Year 5	Year 5 for final completion date
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	Year 5 for final completion date
Develop a tree maintenance and replacement program.	Research other area programs. Develop and write program.	April 2022	Year 5	✓

Parks and Recreation Committee

Year 4 (2020 – 2021)

Objective and Tactic Year 4 Progress Report

Tactics	Steps to Accomplish	Target Accomplishment Date	Year of Strategic Plan	Status of Tactic
Analyze and review current recreation equipment/property.	Review current equipment. Have staff trained as Certified Playground Equipment Inspectors.	April 2021	Year 4	Moved to Year 5 April 2022
Develop an equipment replacement program based on analysis.	Build Equipment Replacement Program for Equipment.	April 2021	Year 4	Moved to Year 5 April 2022
Gather feedback on various programs, buildings, events, and property through a customer satisfaction survey	Determine survey method and model Determine implementation strategy Implement	April 2021	Year 4	Moved to Year 5 April 2022
Implement items from Parks Master Plan.	Use Prioritization Matrix from Master Plan and begin implementing based on priority.	Begin in Year 3	Year 5	Moved to Year 5 April 2022
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 2022	Year 5	Enhanced volunteer program created. Internship Program moved to Year 5

Economic Development Planning Team

Year 4 (2021 – 2021)

Objective and Tactic Year 4 Progress Report

Tactics	Steps to Accomplish	Target Accomplishment Date	Year of Strategic Plan	Status of Tactic
Develop business centered e-newsletter.	Develop template. Determine frequency. Implement.	April 2021	Year 4	✓
Develop changes to zoning regulations that increase businesses that promote and attract tourism.	Complete form based code grant with CMAP. Develop plan for implementation.	April 2021	Year 4	Moved to Year 5
Work to develop TIF property and continue feasibility study on additional TIF districts.	Determine potential TIF districts. Complete feasibility study. Develop plan for implementation if feasible.	April 2021	Year 4	✓
Develop a business education program.	Research program and develop material. Develop program. Implement.	April 2022	Year 5	Moved to Year 5
Increase beautification, walkability, bikeability, and branding within downtown.	Review current status. Develop plan for enhancement. Implement.	April 2022	Year 5	✓
Review and analyze Metra station, downtown and Village wide parking strengths and weaknesses.	Complete parking study. Implement recommendations.	April 2022	Year 5	✓
Develop partnerships to enhance beautification and safety along Route 12.	Review current partnerships. Determine partnerships needed.	April 2022	Year 5	✓

Public Outreach and Technology Team

Year 4 (2020 – 2021)

Objective and Tactic Year 4 Progress Report

Tactics	Steps to Accomplish	Target Accomplishment Date	Year of Strategic Plan	Status of Tactic
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 2021	Year 4	
Analyze needs within the 911 Dispatch Center, and develop plans for further expansion.	Continue involvement with area agencies in consolidation efforts.	April 2021	Year 4	
Develop a marketing plan that encompasses regional, state, and national promotion of the Village.	Work with Visit Lake County to determine their marketing efforts of the Village. Research potential avenues for marketing. Develop plan.	April 2021	Year 4	Moved to Year 5
Increase and evaluate partnerships with other governmental agencies to promote cross-marketing and increase communication.	Develop Fox Lake Communicators Group with area communications team members. Establish relationships and working group.	April 2021	Year 4	Moved to Year 5
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 4	

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 2021	Year 4	✓
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 2022	Year 5	Moved to Year 5
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.	2022	Year 5	✓
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.	2022	Year 5	Moved to Year 5

Goals and Objectives – Year 5 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 21-22 (Year 5 of the Strategic Plan). Priorities for each team are outlined below.

Infrastructure Planning Team			
Year 5 (2021 – 2022) Objective and Tactic Accomplishment Goals for Year 5			
Tactics	Steps to Accomplish	Target Accomplishment Date	Year of Strategic Plan
Establish a methodology for determining the replacement of vehicles and equipment based on key measurable indicators.	Outline current vehicles. Develop program indicators. Apply program indicators. Determine vehicle replacement schedule.	April 2022	Year 5
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 2022	Year 5

Construct North/South Sewer and Water System Interconnect.	Complete final design. Bid Project. Implement.	April 2022	Year 5
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 2022	Year 5
Utilizing GIS, document all local sidewalks, and the organizations responsible for maintenance.	Document all local sidewalks in GIS. Determine maintenance responsibility.	April 2022	Year 5
Determine funding vehicle for a capital improvement and comprehensive replacement program.	Build model. Use model on Fox Lake vehicles to determine future expenses.	April 2022	Year 5

Parks and Recreation Planning Team

Year 5 (2021 – 2022)

Objective and Tactic Accomplishment Goals for Year 5

Tactics	Steps to Accomplish	Target Accomplishment Date	Year of Strategic Plan
Analyze and review current recreation equipment/property.	Review current equipment. Have staff trained as Certified Playground Equipment Inspectors.	April 2022	Year 5
Develop an equipment replacement program based on analysis.	Build Equipment Replacement Program for Equipment.	April 2022	Year 5
Gather feedback on various programs, buildings, events, and property through a customer satisfaction survey	Determine survey method and model Determine implementation strategy Implement	April 2022	Year 5
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 2022	Year 5

Economic Development Planning Team

Year 5 (2021 – 2022)

Objective and Tactic Accomplishment Goals for Year 5

Tactics	Steps to Accomplish	Target Accomplishment Date	Year of Strategic Plan
Develop changes to zoning regulations that increase businesses that promote and attract tourism.	Complete form based code grant with CMAP. Develop plan for implementation.	April 2022	Year 5
Develop a business education program.	Research program and develop material. Develop program. Implement.	April 2022	Year 5
Develop a main street association to enhance downtown Fox Lake businesses.	Research area associations and determine involved individuals. Develop program. Implement.	April 2022	Year 5
Analyze connectivity gaps and challenges in creating a multi-modal epicenter.	Analyze and determine if feasible.	April 2022	Year 5
Analyze current zoning regulations within downtown.	Analyze. Make recommendations for changes. Propose to Village board for consideration.	April 2022	Year 5

Internal Departmental Goals

Remaining goals and objectives from the previous Public Outreach and Technology Strategic Planning Team – no longer part of Strategic Plan, but internal departmental goals.

Tactics	Steps to Accomplish	Target Accomplishment Date	Assigned Department
Develop a customer satisfaction survey to be utilized after inspections, water-bill payments, street repairs, and local water and sewer interactions.	Review current processes. Develop program. Implement.	April 2022	Participating Departments: Public Works, Community Development, and Finance
Develop a customer satisfaction survey to be utilized after all park and recreation events, event rentals, and classes offered.	Review current processes. Develop program. Implement.	April 2022	Lead: Parks and Recreation
Research the feasibility of a Customer Relationship Management software and program.	Research feasibility of a new software program	April 2024	Lead: Administration Participating Departments: Public Works, Community Development, and Finance

Develop a customer service program for all front desk staff that is measurable, and obtainable.	Research programs. Develop program. Implement.	April 2022	Lead: Administration Participating Departments: Public Works, Community Development, and Finance
Develop a Government and Education Program.	Research programs. Develop program. Implement.	April 2022	Lead: Administration Participating Departments: Public Works, Community Development, and Finance
Develop a communication program directed towards the aging population.	Research programs. Develop program. Implement.	April 2022	Lead: Administration Participating Departments: Parks and Recreation
Research various see, click, fix programs and applications, and implement based on feasibility.	Research feasibility of a new software program	April 2024	Lead: Administration Participating Departments: Public Works, Community Development, and Finance
Develop a gavel to gavel communication program to inform the public of Board level decisions.	Research programs. Develop program. Implement.	April 2022	Lead: Administration

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). Measurers 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 2020-2021) 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 2020-21 performance metrics. Please note many projects were impacted by the COVID-19 Pandemic.

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 2021 Status	April 2021 Year Status

Marketing	Review current signage and banners and update.	Update Village signage and design wayfinding for downtown area.	Quarter 4 (April 2020)	In process	Completed
Operations and Organizational Development / Marketing	Develop marketing strategy to ensure completing of 2020 Census. Develop Count Committee.	Over 77% completion rate for 2020 (2010 completion rate).	Quarter 4 (April 2021)	In process	Completed
Operations and Organizational Development	Develop customer service program for front-line staff.	Develop program, train staff, and implement.	Quarter 4 (April 2021)	In process	Adjusted Moved to 2022

Operations and Organizational Development	Enhance and update the Village's current sustainability plan for modern practices on sustainable management.	Develop and implement.	Quarter 4 (April 2021)	In process	Adjusted Moved to 2022
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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 2021 Status	April 2021 Year Status
Financial Policies and Practices	Review old past due accounts to ensure they have not already been paid and submitted 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.	Quarter 4 (April 2021)	In process	Complete
Operations and Organizational Development	Cross-train employees on back-up functions within reasonable internal control parameters and maintain functional	All four primary finance functions backed up.	Quarter 4 (April 2021)	In process	Adjusted Moved to 2022

Financial Policies and Practices	Provides financial information to decision makers on a monthly basis including the Board, Village Administrator and Department Heads.	Monthly	Quarter 4 (April 2021)	In process	Adjusted Moved to 2022
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Information Technology

Mission Statement: Provide innovative, efficient, and fiscally responsible services to internal and external customers through sharing of service delivery

Strategic Goal	Program	Performance Metric	Timeline	January 2021 Status	April 2021 Year Status
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 2021)	Feasibility analyzed. Project was deemed to be not feasible at this time. Completed	Completed
Operations and Organizational Development	Develop and implement Village-wide SharePoint for departmental use.	Develop SharePoint, use test group, provide training material, and implement.	Quarter 4 (April 2021)	Feasibility analyzed. It was determined the cost of SharePoint for the benefit was not feasible at this time. Completed	Completed

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 2021 Status	April 2021 Year Status
Public Safety	Complete Phase 2 of expungement of juvenile and cannabis arrest records.	Compliance with state statute by April 2021	Quarter 4 (April 2021)	Completed	Completed
Public Safety	Maintain Mandatory trainings as required by state statute.	Compliance with state statute by April 2021	Quarter 2 (January 2021)	Completed	Completed <i>New hires must still complete training</i>
Operations and Organizational Development	Continue recruitment process for Police Officers. Send current staff to leadership trainings and continue mentorship within department through	2 Officer to complete basic academy and 2 officers enrolled in basic academy. New officers hired by Quarter 2 (July 2020) Sergeants scheduled to management trainings	Quarter 4 (April 2020)	Completed	Completed New officers are in training due to retirements. Sergeants have completed management training.

Public Safety	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 2020	Completed	Completed
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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 2021 Status	April 2021 Year Status
Recreation	Implement program recommendations from Parks Master Plan based on prioritization.	New fitness programs implemented by Quarter 4.	Quarter 4 (April 2021)	In process	Adjusted Moved to 2022
Financial Policies and Practices	Search for grant opportunities and apply for grants that are financially beneficial for the Village.	Research and apply for various grants.	Quarter 4 (April 2021)	In process	Adjusted Moved to 2022

Operations and Organizational Development	Develop and implement a customer satisfaction survey after every rental and program to determine successes and changes	Research survey ideas. Develop system for delivering and implement.	Quarter 4 (April 2021)	In process	Adjusted Moved to 2022
Operations and Organizational Development	Develop system for analyzing equipment for lifespan and develop replacement program based on current lifespans.	Analysis current equipment, develop replacement program and recommend implementation schedule.	Quarter 4 (April 2021)	In process	Adjusted Moved to 2022

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 2021 Status	April 2021 Year Status
Operations and Organizational Development	Complete Automotive Service Excellence Certification for Mechanics.	Attend ASE training and certification.	Quarter 3 (December 2020)	In process	Completed

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 2021 Status	April 2021 Year Status
Infrastructure	Repair damaged roadways by reconstruction through public bidding process.	Complete repair of Frontage Road and bidding out Nippersink Blvd. Reconstruction.	Quarter 2 (September 2020)	In Process	Adjusted Moved to 2022
Marketing / Communications	Review public parking locations within the Village and develop a sign for the general public to locate those areas available for parking.	Complete the bid process for public parking signage.	Quarter 4 (April 2021)	In Process	Adjusted Moved to 2022
Infrastructure	Enhance the Village's tree canopy by planting new trees.	Plant 10 new trees throughout the Village.	Quarter 4 (April 2021)	In Process	Completed
Infrastructure	The Village was given a Grant for water quality improvements at Millennium Park; this will increase the Park's utilization by residents and the community.	Complete Millennium Park Enhancement project.	Quarter 2 (September 2020)	Completed	Completed

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 2021 Status	April 2021 Year Status
Information Technology	To research software, existing and new, that allows permit applicants, business owners, and petitioners to pay for services online.	A reduction in office visits for payments to obtain permits thereby reducing the timeline for issuing permits.	April 2021	In process	Adjusted Moved to 2022
Infrastructure	Construct a Sensory Garden	The Village received a \$2,400 grant from Waste Management for the construction of a sensory garden at the Community Garden of Fox Lake.	Final construction followed by a ribbon cutting ceremony.	Adjusted	Adjusted <i>Community Garden management has been moved to Parks and Recreation</i>

Operations and Organizational Development	Staff to obtain certifications in property maintenance code, residential code and permit technician.	The code enforcement officer will continue training to test for the property maintenance code and residential code. The permit	Passing of the certification exams	Adjusted	Adjusted Moved to 2022
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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 2021 Status	April 2021 Year Status
Infrastructure	North/South Interconnect.	Complete Phase 1	Quarter 2 (September 2020)	In process	Adjusted Moved to 2022
Infrastructure	Enhance Village's water system for future growth and expansion.	North/South Interconnect.	Bid out/Start Phase 2	Completed	Completed
Public Safety	Maintain the Village's water systems.	Main Line Valve Exercising.	Exercise all water system main line valves approximately 250.	Completed	Completed

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 2021 Status	April 2021 Year Status
Information Technology	Upgrade alarming hardware and software.	Replace the existing with a cellular-based system. Upgrade the Win911 alarm software to the currently supported version.	Quarter 3 (January 2021)	In process	Adjusted Moved to 2022
Infrastructure	Remove from service, refurbished conveyor; rebuild gearboxes & motors, replace grout, reinstall, and test.	Pumps Rebuilt and Operational.	Quarter 4 (May 2021)	In process	Adjusted Moved to 2022
Infrastructure	Install electrical infrastructure, and establish separate ComEd service accounts for each location.	All designated locations are prepared for the installation of flow measurement devices.	Quarter 2 (October 2020)	In process	Completed

Operations and Organizational Development	Schedule standardized safety training across the department.	Ensure every NWRWRF employee receives Lockout / Tagout and confined space entry training on an annual basis.	Review each quarter and report annually – Quarter 4 (April 2021)	Completed	Completed
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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 2021 Status	April 2021 Year 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.	Quarter 4 (April 2021)	In Process	Adjusted Moved to 2022

Certification	NCMEC Kids Readiness Program	Train all Telecommunicators through NCMEC's online certification program. Revise call handling policy to comply with the national standards for calls involving missing, abducted, and sexually exploited children.	Quarter 3 (December 2020)	In process	Adjusted Moved to 2022
Training	NIMS Incident Command System (ICS) Training	Complete ICS training requirements for new Telecommunicators as required by FEMA.	Quarter 3 (November 2020)	Completed	Completed <i>New hires must complete</i>
NexGen 911	Text to 911	Complete testing of coverage throughout Fox Lake and inform the public of Text-to-911 availability.	Quarter 2 (July 2020)	In process	Completed <i>Will inform public in 2022</i>

FY 2021 – 2022 Departmental Performance Measures

Staff members within each Department provided performance metrics for Fiscal Year 21-22. This is the fourth 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. A new division of Administration – Economic Development has been added as a stand-alone Division and has been removed from Community Development.

Below are the Fiscal Year 2021-2022 performance metrics.

Administration				
Mission Statement: Provide a comprehensive approach to delivery of municipal services, development of the community, employee retention and development, and advance the strategic priorities of the Village in a fiscally responsible manner.				
Strategic Goal	Objective	Program	Performance Metric	Timeline
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 2022)
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 4 (April 2022)

Operations and Organizational Development	Provide services more efficiently within Village Hall.	Review and implement items within Organizational Analysis for Village Hall.	Review draft plan and implement necessary changes.	Quarter 4 (April 2022)
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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
Operations and Organizational Development	Enhance cross training within the Finance 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.	Quarter 4 (April 2022)
Financial Policies and Practices	Provide Monthly Treasurers Reports to Village Board and Staff	Provides financial information to decision makers on a monthly basis including the Board, Village Administrator and Department Heads.	Monthly.	Quarter 4 (April 2022)

Operations and Organizational Development	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.	Cross training implemented.	Quarter 4 (April 2022)
Financial Policies and Practices	Provides financial information to decision makers on a monthly basis including the Board, Village Administrator and Department Heads.	Monthly.	Have monthly reports completed.	Quarter 4 (April 2022)

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
Information Technology	Implement annual equipment replacement program.	Order and install new workstations and computers per development replacement schedule.	Year 4 computers and monitors ordered and installed.	Quarter 3 (March 2022)
Operations and Organizational Development	Review possibility of new ERP software.	Review potential need for a centralized ERP software.	Analysis and recommendation.	Quarter 4 (April 2022)

Administration – Economic Development Division

Mission Statement: Enhance and maintain business development within the Village of Fox Lake through increased partnerships, opportunity, and networking.

Strategic Goal	Objective	Program	Performance Metric	Timeline
Economic Development	Work to develop TIF property and continue feasibility study on additional TIF Districts.	Enhance and develop Route 12.	Adopt a redevelopment agreement with an end user.	(Quarter 4) April 2022
Economic Development	Provide businesses with educational resources through panel discussions with experts from various industries.	Develop a Business Education Program.	Research program and develop material. Develop program and implement.	(Quarter 3) March 2022
Economic Development	Remove the silos around our downtown businesses to develop a business group that partners with the Village to attract tourism to the downtown area.	Develop a Main Street Association to enhance downtown Fox Lake Businesses.	Formation of a downtown business association.	(Quarter 4) April 2022

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
Operations and Organizational Development	Establish Police Eligibility List.	Establish a Police Eligibility List. Current list expires August 2, 2021	List established.	Quarter 3 (December 2021)
Operations and Organizational Development	Establish Sergeant Eligibility List.	Establish a Sergeant Eligibility List. Current list is expired	List established.	Quarter 3 (January 2022)
Public Safety	Protect residents again internet crimes and crimes against children.	Establish internet crimes program to combat fraud and crimes against children.	Develop program and implement.	Quarter 4 (April 2022)
Operations and Organizational Development	Recruit due to recent retirements.	Fill positions based on anticipated retirements. Have recruits fully trained.	Fill positions and have staff trained.	Quarter 4 (April 2022)

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	Add two new adult fitness class offerings at Lakefront Park Building	Implement program opportunities for ages 20-54	Add two new adult fitness classes.	Quarter 4 (April 2022)
Operations and Organizational Development	Create and implement user feedback surveys for programs and events.	Enhance customer service processes to keep pace with growing demand.	Implement a way for recreation staff to survey program participants.	Quarter 4 (April 2022)
Recreation	Bring a Dance program to Lakefront Park Building	Implement youth dance opportunities.	Bring a Dance program to Lakefront Park Building.	Quarter 4 (April 2022)
Marketing/Communications	Research and implement new marketing techniques to effectively get the word out about events, programs and facility rental opportunities.	Increase community awareness of parks and recreation resources.	Enhance visibility of programs and events to increase community participation.	Quarter 4 (April 2022)

Operations and Organizational Development	Develop system for analyzing park equipment and develop replacement program based on current lifespans.	Evaluate equipment at parks and for events.	Analyze current equipment, develop replacement program and recommend implementation schedule.	Quarter 4 (April 2022)
Financial Policies and Practices	Pursue grant opportunities for special events, programs, art initiatives, and parks.	Obtain funding from grants to support programming.	Apply for grants that are financially beneficial for the Village.	Quarter 4 (April 2022)

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	Improve understanding of software monitoring system.	Attend CFA Fleet Maintenance Management Software training.	Increase staff understanding and use of the software.	Quarter 3 (December 2022)

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	Repair damaged roadways by reconstruction through public bidding process.	Establish road maintenance program.	Complete repair of Nippersink Blvd Reconstruction and Bid out Holly Avenue.	Quarter 3 (December 2022)
Operations and Organizational Development	Have staff complete training to become certified arborists.	Improve tree maintenance program.	Send 1-2 employees ISA training program.	Quarter 4 (April 2022)
Technology	Improve lighting of roadways throughout the Village.	Install LED lights to reduce energy usage and improve light quality.	Install LED lights on US Route 12.	Quarter 2 (September 2022)

Community 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
Information Technology	Enhance permit process for residents, contractors, and Village staff.	To research software, existing and new, that allows permit applicants, business owners, and petitioners to pay for services online.	A reduction in office visits for payments to obtain permits thereby reducing the timeline for issuing permits.	Quarter 4 (April 2022)
Operations and Organizational Development	Obtain licensures.	Staff to obtain certifications in property maintenance code, residential code and permit technician.	The code enforcement officer will continue training to test for the property maintenance code and residential code. The permit coordinator and administrative assistant will train for the permit technician exam.	Quarter 4 (April 2022)

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	Improve overall health of Village water supply and sewer system	North/South Interconnect.	Complete Phase 2.	Quarter 3 (December 2021)
Infrastructure	Improve Village sewer system by reducing Inflow and Infiltration.	Sewer Line Juras and Dubells basins.	Complete Sewer Lining.	Quarter 3 (December 2021)
Technology	Upgrade SCADA System.	Improve Department SCADA monitoring system.	Install software Improvements.	Quarter 2 (September 2021)

NWRWRF

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

Strategic Goal	Objective	Program	Performance Metric	Timeline
Information Technology	Ensure reliable operation of the SCADA alarm system.	Upgrade alarming hardware and software	Replace the existing with a cellular-based system. Upgrade the Win911 alarm software to the currently supported version.	Quarter 3 (January 2022)
Infrastructure	Rebuild/Replace 3 screw pumps to ensure the ability to meet capacity requirements.	Remove from service, refurbished conveyor; rebuild gearboxes & motors, replace grout, reinstall, and test	Pumps Rebuilt and Operational.	Quarter 4 (May 2022)
Operations and Organizational Development	Prevent employee accidents and injuries.	Schedule standardized safety training across the department	Ensure every NWRWRF employee receives Lockout / Tagout and confined space entry training on an annual basis	Review each quarter and report annually – Quarter 4 (April 2022)

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.	<p>National Certification of APCO P33</p> <p>The P33 program certifies the training and operational methods used by FoxComm as meeting the National Standards for Public Safety Communications.</p>	Obtain National Certification of APCO P33	Quarter 4 (April 2022)
Operations and Organizational Development	Partnership with the National Center for Missing and Exploited Children (NCMEC).	NCMEC Kids Readiness Program.	<p>Train all Telecommunicators through NCMEC's online certification program. Revise call handling policy to comply with the national standards for calls involving missing, abducted, and sexually exploited children.</p>	Quarter 3 (December 2021)

Operations and Organizational Development	National Incident Management System (NIMS) Compliance.	NIMS Incident Command System (ICS) Training.	Complete ICS training requirements for new Telecommunicators as required by FEMA.	Quarter 2 (September 2021)
Operations and Organizational Development	Maintain performance standards for Emergency Medical Dispatch at the required levels for ACE.	International Academy of Emergency Dispatch Accredited Center of Excellence.	Submit performance levels and EMD documents to the International Academy of Emergency Dispatch.	Quarter 3 (November 2021)

Section 8

Supplemental Information

Financial Policy

Capital Budget Policy

General Fund Reserve Policy

Capital Improvement Program and Budget Policy

Investment 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 upon 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.

Capital Budget Policy (Continued)

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 is 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.