

Village of Lake Zurich, Illinois

2008 – 2009

Adopted Budget



Bob Vitas
Village Administrator

Al Zochowski
Finance Director





VILLAGE OF LAKE ZURICH

VILLAGE OFFICIALS

VILLAGE PRESIDENT

John G. Tolomei

TRUSTEES

Thomas Poynton
Stephen McAvoy
Steven Callahan

Craig Taylor
Suzanne Branding
Jim Johnson

VILLAGE CLERK

Gloria Palmlad

ADMINISTRATION

Bogdan Vitas, Jr.	Village Administrator
Gerald A. Zochowski	Finance Director
William Urry	Police Chief
Terrence P. Mastandrea	Fire/Rescue Chief
David Heyden	Public Works Director
Daniel A. Peterson	Building and Zoning Director
Michael Perkins	Park and Recreation Director





Village of Lake Zurich

Annual Budget

Fiscal Year 2009

How To Use This Document

This budget is divided into five sections: Overview, Fund Information, Department Information, Capital Spending and Debt Management, and Appendix. Throughout the document, the Village of Lake Zurich is referenced as the "Village".

The **Overview** contains a short message from the Village President, the Village Administrator's budget message, which discusses the major changes in this year's budget. It also includes budget highlights, the Village's goals and objectives established by the Board of Trustees, and organization chart. A flowchart depicting the budget process for the operating budgets is shown. Financial policies are included in this section as well as a brief overview of the Village's revenues and funds.

The **Fund Information** section is focused on the different funds the Village utilizes. Fund summaries show the activity in each fund to include, beginning balance, revenues and other sources, expenditures/expenses and other uses, and ending balance.

The **Department Information** provides each department's budget message. The messages include functions of the department, goals for next year, accomplishments, and staffing level. It also displays department expenditures in two views. One table gives an overall picture of the department listed by division. The other table(s) break a department out by fund and then displays the information by the following expenditure categories: Personnel Services, Operational, Debt Service, Capital Outlay and Transfers.

The **Capital Spending and Debt Management** section covers the Capital Improvement Program budget and a discussion on how the Village uses various financing tools to fund these projects. It explains the CIP Process, provides information on different funding sources, lists the capital improvement projects, and summarizes the Village's outstanding debt.

The **Appendix** contains a Glossary and five schedules. Schedule 1 lists revenue information by fund. Schedule 2 lists the Village's adopted expenditures, also by fund. These worksheets display 2007 actual expenditures, 2008 adjusted budgets, 2008 projections, and the 2009 adopted budget. Schedule 3 is the Village's staffing level and lists all the full time, part time and temporary/seasonal positions that are incorporated into this budget. Schedule 4 is a signed copy of the Village's Budget Ordinance No. 2008-04-557 adopting the annual budget for the Village of Lake Zurich for the fiscal year beginning on May 1, 2008 and ending on April 30, 2009. Schedule 5 provides the 2007 Tax Levy Worksheet. Finally a glossary is provided.



Village of Lake Zurich

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Overview





From the Village President...

Managing Change and Planning for the Future

(excerpt from the Village of Lake Zurich Newsline, June, 2008)



President of the Village Board, John Tolomei

"Expanded awareness of the issues facing the Village will help us through the times ahead. Rising costs for Village services present the biggest challenge to all of us in the upcoming years. Higher pension, health care and fuel related expenses lead the way. The impact of rising fuel costs extends well beyond village vehicles and affects every product that needs oil for its manufacture or distribution. The Village staff acted aggressively to trim \$1 million dollars out of annual health care costs. Nevertheless, these saving only managed to limit health care costs to an estimated increase of 7.5% annually instead of the typical 20% or more.

"Pensions pose the greatest rising cost. Municipalities throughout the state anxiously await action by the legislature to help control pension costs by guiding the courts away from some of the more extreme constructions they have given to benefit regulations. In the last year alone, accrued liabilities increased for the Police Pension Fund increased by over \$3million and for the Fire pension fund by almost \$5 million dollars. These amounts represent increases of 23% and 52% respectively. Relief from the state may never come, so the Village needs to sooner rather than later address the long term issues involved in properly funding for these obligations.

"For many years, a broad base of revenue benefited the Village by providing most of our income from sources other than property taxes. As a result, only about 1/5 of the Village income came from property tax and the remaining 4/5ths from alternate sources such as fees, sales taxes and intergovernmental payments.

"Over time changes in and around Lake Zurich caused stagnation of these alternate sources. The build-out of most empty land for new construction reduced permit and building fee revenues. A decade ago limited access to sewer and water outside of Lake Zurich positioned us as the king pin for retail on our region. Times changed and competition for retail grew as shown by Deer Park and the Shops of Kildeer.

"If traditional sources of alternate funding remain flat, the Village's taxpayers must bear a larger proportion of the increasing expense or live with reduced services. The stagnation of alternate sources will magnify the increased taxpayer burden. By way of explanation with simplified numbers, start with a Village budget of 25 million dollars where 5 million comes from property tax and 20 million from other sources. Now increase the budget from 25 million to 27.5 to cover additional costs and the overall the budget goes up by 10%. However, if only 20 million still comes in from other sources, the taxpayers must now pay 7.5 million thereby creating an effective resident tax increase of 50%.

"We all know that tax caps prevent the Village from meeting the need for more funds directly with property tax increases. So if forced the Village will need to seek new taxpayer funding through different taxing mechanisms such as referendums and special service areas. Of course, no one would choose to pursue these options unless absolutely necessary. Other alternatives exist but they require cooperation and conviction by all of us.

"Enactment of a local sales tax through either Home Rule or a sales tax referendum provides many communities with additional government revenue. Municipalities with a local sales tax get a cash subsidy from every non-resident shopper. In Lake Zurich's case, we can approximate that about half of its shoppers come from out of town. At this 50% ratio, imposition of a $\frac{1}{2}$ cent local sales tax would make Lake Zurich residents pay an extra \$1.4 million for their Lake Zurich goods but they would receive \$2.8 million in return. In effect, Lake Zurich residents get a 100% extra return in revenue for every new sales tax dollar they spend.

"There are many other opportunities to improve our revenues, one of which is the inevitable return of the housing market. While the housing market remained low last year, the population kept rising. Last year the US gained almost another 3 million people. Housing demand will come back and with it new potential contributors to our Village. The big questions are: will Lake Zurich be ready when housing demand returns and how do we prepare for it?

"This brings me back to a vision of Lake Zurich with an extraordinary downtown that attracts new residents and new customers to spectacular restaurants and unique boutique shops. Once again, there are different view points to recognize. I still believe that a mix of 2-5 mix of downtown buildings will provide the scale and size necessary for redevelopment to thrive and to position our community as the social and economic heart of our region. Others believe that a small and quaint downtown limited to one to three-story development will provide the best benefit for Lake Zurich residents. Neither view point is wrong, but which is most likely to succeed and to whom will it confer the most benefits?

"Lake Zurich is no longer the small lakeside community that existed in the 1950's to 60's. To provide the service quality our expanded community expects we must look at new ways of paying for those services. Developing a "Dynamic Downtown" will further elevate the image of Lake Zurich and position us to meet the competition for the best available developments in our region. Successfully redeveloping Downtown and finding other creative funding will play a pivotal role in providing the finances to maintain the quality of life in Lake Zurich that brought us recognition as a U.S. Top 100 Affordable Community in Frommer's Best Places to Raise Your Family (2005); and U.S. Best 25 Affordable Suburbs, Businessweek (2006)."



Village of Lake Zurich

Budget Message

To the Honorable President and Board of Trustees:

We are pleased to submit to you the annual budget for the Village of Lake Zurich for the fiscal year beginning May 1, 2008 and ending on April 30, 2009.

Background

The Village of Lake Zurich takes great pride in providing a high level of service to its residents, and the 2009 fiscal year budget reflects this ongoing commitment. The fiscal year 2009 budget was constructed based upon providing that high level of service and finding ways to decrease the overall Village operation and maintenance expenditures through cost saving methods. Village staff worked diligently to find the most cost effective ways to provide services and this budget is a reflection of their efforts. We believe the real test results will be reflected in next year's financial statements when the Village will be able to measure service levels against service accomplishments and costs of operations.

A highly important goal of the Board is to develop a new strategy that will lead to the successful redevelopment of the Village's Tax Increment Financing (TIF) District. As you are aware, the financial condition of the redevelopment fund has, to this point, been disappointing. Several development ideas have come forward recently that could be the stimulus to bring the TIF project back on track to a stable financial condition. However, in the near term, TIF operations will continue to need substantial monetary assistance in order to meet the obligations to bond holders, other public agencies and to pay expenses as they are incurred.

The Board has also made it a high priority of the Village staff to improve and maintain the community's streets and roads, walkways, water systems, sewer systems and facilities. This budget is not able to meet the goal of the Board to provide at least one million dollars for the street infrastructure improvements. Staff is now tested to find a solution so that the goal can be met in the future.

The Village's current financial position is not bleak. However, there still remains the challenge of addressing future needs for funding items such as a rising pension benefit obligation which are coupled with declining pension funding levels. Other challenges include rising health care costs, providing for long-term capital improvements and addressing the other growing needs of our community.

Complicating the issue of a declining General Fund Reserve Balance was the inability of the Village to expand its resource base. Revenue trend analysis reveals some revenues have been keeping pace with inflation, other revenues have become stable and other revenues have shown a decline. Until new revenue sources can be implemented the only means to increase General Fund revenues was to take advantage of the allowable increase in property taxes by

including both new equalized assessed values and the allowable tax cap when preparing the calculations used in determining the Property Tax Levy. During the 2008 – 2009 fiscal year additional resources may come in the form of increased Ambulance Service fees and a new revenue source, that could see favorable results as early as this coming September, in the form of Red Light Violation Camera revenues.

Even though the increase of one revenue and the addition of a new revenue source will help, there still remains a need to find additional revenue along with cost savings in order to continue to provide the level of services our citizens deserve. Although:

- several vacant positions have not been funded in the 2008 – 2009 budget,
- several positions that will be vacated through attrition in the coming year were not funded,
- a major change to the organization health insurance plan has taken place, and
- all non-personnel expenditures have been frozen at the 2007 – 2008 level,

the Fund Balance in the General Fund is projected to decrease from 19.57% of Expenditures and Other Uses, as was the plan in the 2008 Budget, to 14.68% of Expenditures and Other Uses.

Budget Process

Because of the change over of Village Administrator and Finance Director this budget process did not follow the Village's normal budget calendar process. While many of the steps performed in the budget process were similar to prior budgets some of the steps, and the timing of those steps, had to be modified. In addition, with a new Administrator and Finance Director, more changes will be taking place as the Village prepares itself for the preparation of the 2010 Village Budget. Some of the changes will begin in the summer of 2008 when the departments begin to develop their Business Plan for the 2009 – 2010 fiscal year. A "Business Plan" is meant to be a comprehensive performance based guideline that will be driven by the Village Goals and Objectives as established by the Board of Trustees. The goal of business planning is to help each department evaluate how its various programs contribute to accomplishing its mission through the delivery of products, goods and services. In the process of creating their plans, the departments will need to ask themselves, "**Are we doing better than last year?**" We are sure that staff will find that they can improve the level of service to our citizens by modifying existing processes, identifying new methods, changing techniques, or more effectively using technology to maintain, or even decrease, the costs associated with the delivery of their services.

Of course, as the departments change the way they plan for the future they will need direction from the Administrator who will develop his plan based upon the major Goals and Objectives set by the Village Board. The Administrator's Plan will lay the foundation for the departments to build their Business Plans. The question may then be. "**How does the Village Board of Trustees develop the major Goals and Objectives that the Administrator is charged with meeting?**" We would suggest that the answer to that question is the Board asking two questions to the citizens of Lake Zurich. Those questions are simple. "**How are we doing?**" and "**What can we do better?**"

Although Board members work diligently to learn how the Village is doing the only mechanisms that are currently in place to provide that feedback are; 1.) what the public says during the "Public Comment" section of the Board of Trustees Board and Committee meetings, 2.) the feedback they get when constituents meet them when they are about town, 3.)

comments they receive through the Village's official website, or 4.) the results of elections. Though Board members are very interested in hearing comments from the public at their meetings it is not unusual to only hear negative comments about the Village's actions and not always hear the positive ones. Likewise, comments that come from citizens the Board members may meet tend to come from people who have had or are having problems with the Village. As far as learning from election results that may be similar to trying to drive a car by looking only through your rear view mirror. It is an after the fact glance rather than a pro-active approach to governance. In an effort to become more pro-active we are initially suggesting that the Village randomly poll the citizens of our community through the form of a telephone survey that will, first, help establish a baseline for "How the Village is doing" based upon the perceptions of our citizens feedback. It can also be used to answer the question, "**Are we doing better than last year?**" In the future, this administration intends to develop and release a community wide survey to all property owners to measure Village performance.

The results of the telephone survey can be used to set performance measures for how the Village is doing. For example, one of the questions on the survey might be "On a scale of one being "extremely unsafe" and ten being "exceptionally safe", rate your feeling of the safety of the neighborhoods of Lake Zurich." If the average result came back as, let's say, 7.6, that would establish the baseline. The goal then might be set to raise the average result on that item from 7.6 up to an 8.5 over the next two years. At that point the Village could develop a plan to meet that goal. Perhaps the plan would include better communication of services that the Police and Fire/Rescue Department's provide. Maybe the Police Department needs to be more visible in the neighborhoods which could be addressed through the Department's Business Plan. On the other hand perhaps the result comes back as a 9.9 on a scale of 1 to 10. If that were to happen the Village Board might decide that the resources being allocated to Public Safety could be reduced and reallocated to other programs that need to have their rating improved.

In a parallel process the Village's 5-Year Capital Improvement Plan, using the same tools and techniques, could move forward with the annual update to the Plan. Then the management staff would review the capital improvement projects planned over the next five years and determine the resources required to keep the 5-Year CIP on tract and insure the upcoming year's needs are incorporated into the Village's budget within Village financial constraints.

We would like to thank the Department Directors and their team members who exhibited impressive leadership along with great effort in developing a fiscally sound budget, which allows us to continue providing a high level of service to our citizens, continues to shore up the Village's fiscal infrastructure, and work toward ensuring the Village is a renewing, prospering community. We would also like to especially recognize the involvement of those citizens who participated in the process of developing a comprehensive Village budget. Finally we would like to thank the President and Trustees for their sincere dedication, support and leadership. The new administration is committed to providing the residents and businesses with an accountable and transparent local government and this budget reflects that goal.

Sincerely,

Bob Vitas
Village Administrator

Al Zochowski
Finance Director

Village of Lake Zurich

Budget Summary by Fund Group

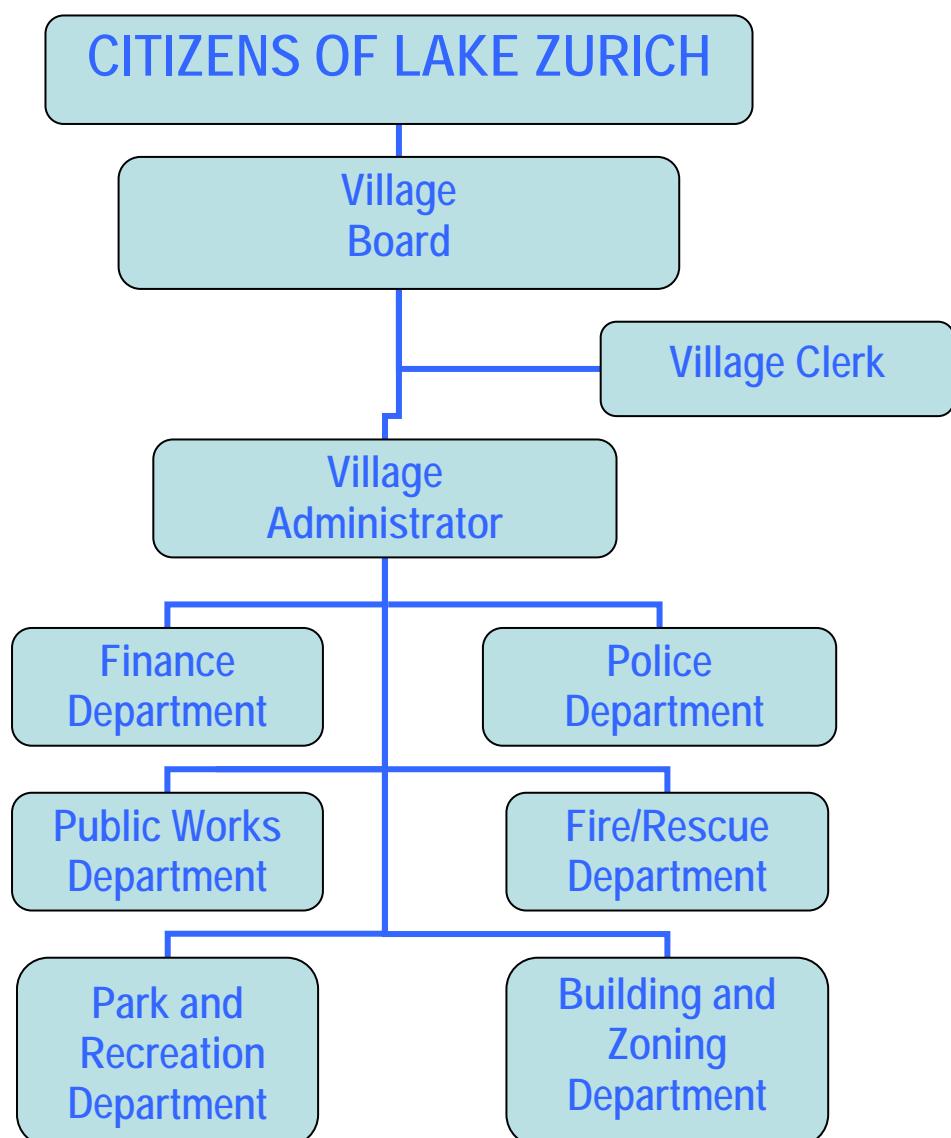
Fiscal Year 2008 - 2009

	Government Fund Types				Proprietary Fund Types			Trust Fund Types		Total All Funds	
	General		Special Revenue	Debt Service	Capital Projects	Enterprise		Internal Service	Trust and Agency	2008 - 2009 Recommended	
	\$ 3,172,847	\$ 682,083	\$ 794,894	\$ 953,168	\$ 2,478,691	\$ (362,368)	\$ 9,081,867	\$ 16,801,182			
Balance, May 1st	\$ 3,172,847	\$ 682,083	\$ 794,894	\$ 953,168	\$ 2,478,691	\$ (362,368)	\$ 9,081,867	\$ 16,801,182			
Sources:											
Revenues:											
Taxes	5,782,397	-	2,472,117	-	11,718	-	-	-	-	8,266,232	
Licenses	1,550,750	-	-	-	-	-	-	-	-	1,550,750	
Permits	788,945	-	-	-	-	-	-	-	-	788,945	
Fines and Forfeitures	488,481	-	-	-	-	-	-	-	-	488,481	
Charges for Services	5,103,812	553,089	-	-	5,120,018	3,996,455	-	-	-	14,773,374	
Intergovernmental	8,226,261	-	-	1,400,000	-	93,700	-	150	-	9,720,111	
Investment Income	295,500	3,035	89,000	82,800	185,000	-	-	514,000	-	1,169,335	
All Other	433,523	-	-	250,000	1,000	-	-	486,820	-	1,171,343	
Total Revenues	22,669,669	556,124	2,561,117	1,732,800	5,317,736	4,090,155	-	1,000,970	-	37,928,571	
Transfers In	500,000	-	750,000	-	-	-	-	-	-	1,250,000	
Loan Proceeds	-	-	-	-	2,972,000	-	-	-	-	2,972,000	
Total Sources	23,169,669	556,124	3,311,117	1,732,800	8,289,736	4,090,155	-	1,000,970	-	42,150,571	
Uses:											
Expenditures:											
Personnel	17,295,621	-	-	-	1,617,708	300,457	420,953	-	-	19,634,739	
Contractual	3,656,478	503,000	477,606	10,000	1,907,147	3,212,606	-	-	-	9,766,837	
Commodities	567,699	125,000	-	-	530,910	525,200	-	-	-	1,748,809	
Total O&M Expenditures	21,519,798	628,000	477,606	10,000	4,055,765	4,038,263	420,953	-	-	31,150,385	
Capital Outlay	1,184,536	22,000	-	28,000	458,750	-	-	-	-	1,693,286	
Debt Service	266,412	-	3,220,743	-	992,318	-	-	-	-	4,479,473	
Capital Improvements	-	432,167	-	1,700,000	3,270,000	-	-	-	-	5,402,167	
Total Expenditures	22,970,746	1,082,167	3,698,349	1,738,000	8,776,833	4,038,263	420,953	-	-	42,725,311	
Transfers Out	-	-	-	-	1,250,000	-	-	-	-	1,250,000	
Total Uses	22,970,746	1,082,167	3,698,349	1,738,000	10,026,833	4,038,263	420,953	-	-	43,975,311	
Balance, April 30th	\$ 3,371,770	\$ 156,040	\$ 407,662	\$ 947,968	\$ 741,594	\$ (310,476)	\$ 9,661,884	\$ 14,976,442			

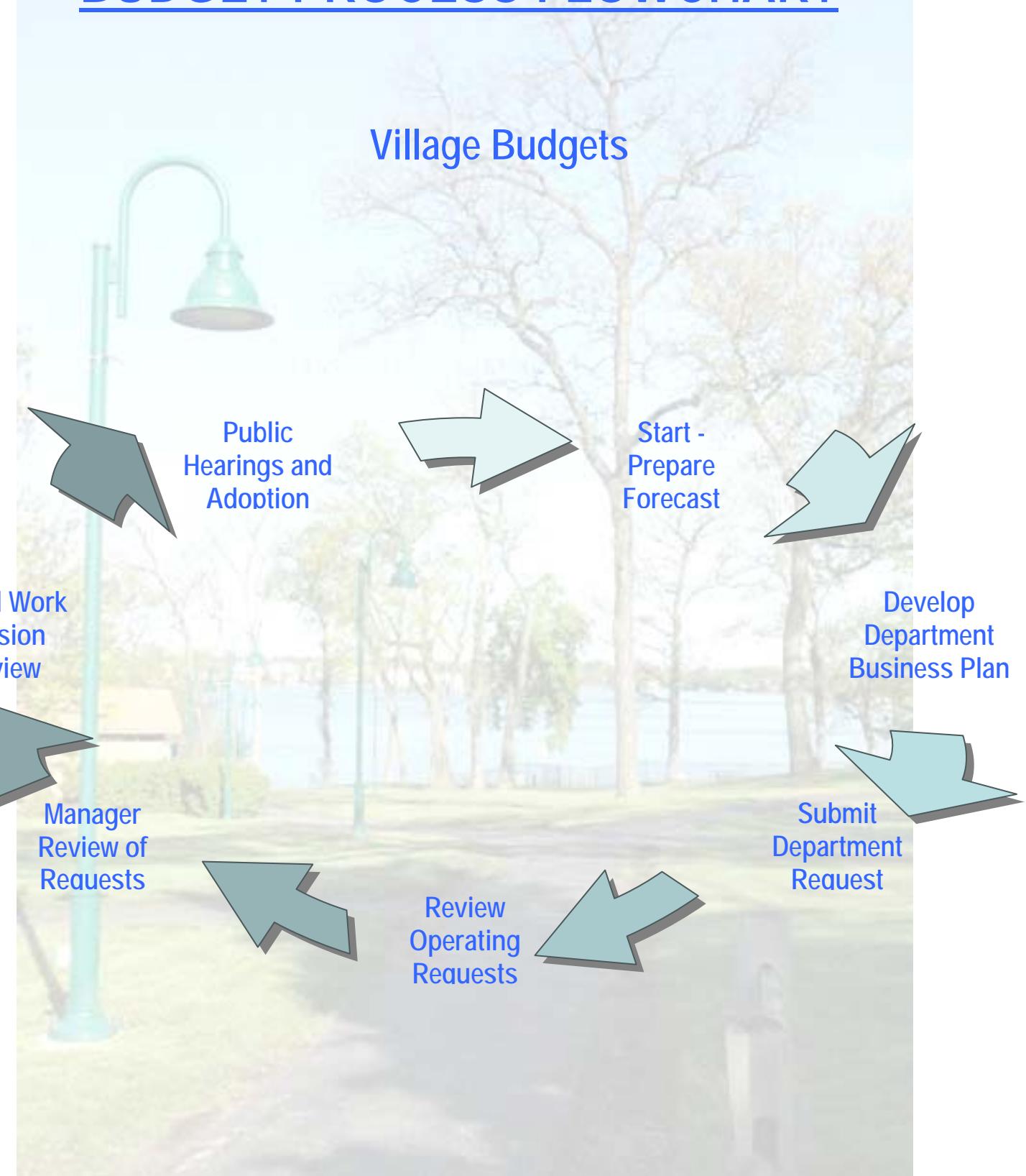


The Village of LAKE ZURICH

Organization Chart



BUDGET PROCESS FLOWCHART



Village of Lake Zurich

Budget Calendar – (revised)

Fiscal Year 2009

Dec. 7, 2007	Last day for Department Budgets to be submitted to Finance Director:																		
Dec. 10, 2007 - Jan. 4, 2008	Interim Finance Director reviews Department Head budgets, revises as necessary and prepares department budget summaries for administrative review:																		
Jan. 28, 2008 – Feb. 8, 2008	Administrator meets with Department Heads to review budgets: <table><tr><td>Wednesday</td><td>Jan. 30</td><td>Fleet Services (1:30 PM)</td></tr><tr><td>Friday</td><td>Feb. 1</td><td>Administration & Finance (1:30 PM)</td></tr><tr><td>Monday</td><td>Feb. 4</td><td>Fire/Rescue (9:00 AM) - Police (1:30 PM)</td></tr><tr><td>Tuesday</td><td>Feb. 5</td><td>Development & Planning, Building & Zoning (1:30 PM)</td></tr><tr><td>Wednesday</td><td>Feb. 6</td><td>Public Works (1:00 PM)</td></tr><tr><td>Friday</td><td>Feb. 8</td><td>Recreation (9:00 AM)</td></tr></table>	Wednesday	Jan. 30	Fleet Services (1:30 PM)	Friday	Feb. 1	Administration & Finance (1:30 PM)	Monday	Feb. 4	Fire/Rescue (9:00 AM) - Police (1:30 PM)	Tuesday	Feb. 5	Development & Planning, Building & Zoning (1:30 PM)	Wednesday	Feb. 6	Public Works (1:00 PM)	Friday	Feb. 8	Recreation (9:00 AM)
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Friday	Feb. 8	Recreation (9:00 AM)																	
Feb. 8, 2008 - Feb. 22, 2008	Budget document updated and prepared for printing and distribution to Finance Committee:																		
Feb. 25, 2008	Administrator forwards budget to Finance Committee:																		
March 10, 2008	Administrator and Finance Director present budget overview: Finance Committee begins Department budget review: <u>(Budget sections to be reviewed)</u>																		
Mar. 24, 2008	Introduction/Overview General Government Village Administration Finance Building & Zoning																		
Mar. 31, 2008	Recreation Police Fire/ Rescue Public Works Other Funds - (Water/Sewer, MFT, Park Improvement, Debt Service, Pensions)																		
Apr. 7, 2008	Public Hearing																		
Apr. 21, 2008	Board of Trustees adopts budget																		

Financial Policies –

Financial policies provide guidance and direction while developing the operating and capital improvements project's (CIP) budget and managing the fiscal resources of the Village. planning. With these tools the Village continues its quality accounting practices per the Government Finance Officers' Association and Government Accounting Standards Board standards.

The Village must follow general budget legal requirements established by Illinois law, Lake County regulations and Municipal Code when preparing the annual budget. The chart to the right outlines the various actions and deadlines that must be followed. Under each category are the requirements listed by Illinois State Statute, Lake County regulations and Municipal Code or Village Policy.

Statutory Limitations

Illinois Compiled Statutes (50 ILCS 330/), Illinois Municipal Budget Law, and Lake County filing requirements have regulations that certain timelines be met during the Village's budget process. According to State statute a municipal government must adopt a combined annual budget and appropriation ordinance before the end of the first quarter of the fiscal year. Lake County guideline require that the Budget and

Action Required	Municipal Code/ Village Policy	Illinois Statute/ County Deadlines	Process Date
Budget Officer presents proposed Operating, Capital Projects and Debt Service budget to the Board of Trustees	On or before the fourth Monday in February	N/A	Feb 21 st
Tentative Annual Budget made available for public inspection	At least 10 days prior to the required public hearing	At least 10 days prior to the required public hearing	Mar 25 th
Legal Notice of Public Hearing	At least 7 days prior to the Public Hearing	At least 7 days prior to the Public Hearing	Mar 27 th
Public Hearing on tentative budget	Not less than 10 days after the tentative budget is made available for inspection	Held prior to adoption	Apr 7 th
Adoption of the Annual Budget by the Board of Trustees	Prior to the start of the fiscal year	Prior to the end of the 1 st quarter of the fiscal year	Apr 24 th
Public Hearing on the Proposed Tax Levy	Prior to Adoption	Prior to Adoption	Nov 5 th
Adoption of the Annual Tax Levy by the Board of Trustees	In time to meet the filing requirement of the last Tuesday in December	In time to meet the filing deadline	Nov 19 th
Filing the Tax Levy with the Lake County Clerk's Office	On or before the last Tuesday in December	On or before the last Tuesday in December	Dec 10 th
Filing the Truth in Taxation Certification	On or Before the last Tuesday in December	Filed with the Tax Levy	Dec 10 th
Filing the Budget and Appropriations Ordinance		Within 30 days of adoption by the Board of Trustees	May 12 th

Appropriations Ordinance must be filed with the County Clerk's Office within 30 days of the adoption of the Ordinance. The filing must be accompanied by an estimate of revenues by sources and must be certified by the municipality's chief financial officer. In connection with the adoption of the Ordinance the State requires the... "Such budget and appropriations ordinance shall be prepared in a tentative form by some person or persons designated by the governing body. And in such tentative form shall be made conveniently available for public inspection for at least 10 days prior to final action thereon."

The statute also requires at least one public hearing be held as to the budget and appropriations ordinance prior to final adoption and that public notice be given at least 7 days prior to the public hearing. The statute allows for a municipality to pass a continuing annual budget ordinance.

Other Lake County deadlines require the government file its Tax Levy with the County Clerk's Office on or before the last Tuesday in December. In addition the government must file a "Truth in Taxation Certification" with its Tax Levy signed by the governing body's chief financial officer.

Basis of Accounting

The budget is prepared using the modified accrual basis of account for both governmental and proprietary funds.

- Depreciation is **not** budgeted.
- Capital purchases in proprietary funds are budgeted as expenditures.
- Debt service payments in proprietary funds are budgeted as expenditures and proceeds of long-term debt are budgeted as revenue-like "Other Financing Sources."
- For all funds, compensated absences expenditures are not recorded as earned; instead, all continuing positions are budgeted at 100% annually. Any differences relating to use of leave time or other accrueable leave is immaterial.
- Operating funds budget authority lapse at year end.

Budget Amendments

- Budget transfers between funds require Board approval.
- The Budget Officer (Village Administrator) is authorized to make transfers between departments (within the same fund).
- Budget transfer authority within department non-personnel line items in the same fund is delegated to the Finance Director.

Operating Budget Preparation

- Develop a balanced budget whereby the sum of all revenues and others sources added to available fund balance does not exceed requested expenditures unless short term borrowing from other funds will maintain fund liquidity and provide for cash resources to maintain operations.
- Maintain General Fund budgeted year end fund balance at a level that will meet the cash flow requirements of the fund at a level that will not require loans from other funds while waiting for the Property Tax payments from Lake County.
- Maintain Enterprise Fund working capital (Cash and Investments less current Liabilities) balances at a level to pay for current operations.
- A contingency set aside (equal to the anticipated wage increase for union employees and probable liabilities associated with all Economic Development Agreements) is incorporated into the General Government section of the budget.

Revenues

- The Village maintains a broad-based, well diversified portfolio of revenues.
- Forecasted revenues are calculated by using a five-year trend analysis and are forecasted for the next five years. Adjustments to revenue forecasts are performed annually.
- Property Taxes have been increased to capture all new or improved Equalized Assessed Valuation (EAV) into the Levy calculation. New EAV is defined as annexed while improved are permitted property improvements.
- Based upon the State's Property Tax Cap regulations Property Tax are increased by the lower of 5% or the CPI for the preceding year. The 2007 Levy was indexed by 2.5% the prior year's CPI.
- Projected property taxes are gross of uncollectible taxes. The uncollectible rate for debt service levies is 5% will all remaining levies are 3%.
- All Village rates and fees are reviewed annually and adjusted if necessary.

Capital Projects

- Project costs must be greater than \$50,000.
- Impacts on the Village's future operating costs must be included in planning of projects and incorporated within the respective department's operating budget.
- Capital Projects are adopted in whole with the intent that each project retains its budget authority until project completion.
- All projects must have an identified, approved funding source.
- Projects will not start until the funds have been received – bond, loan or cash flow. Exceptions will be made for reimbursable projects only (Special Service Area and reimbursable grant projects).

Debt Management

- The Village is a non-home rule unit which means the Village is subject to statutory limits on the amount of general obligation debt outstanding.
- When advantageous to the Village the type of debt to be issued is General obligation Debt with annual abatements to the Debt Service Levy based upon acquiring resources from alternate revenue sources.
- Long-term debt is not to be issued to finance current operations.
- The maturity date of any debt will not exceed the reasonably expected useful life of the project financed.
- The Village issues long-term debt to only those capital improvements that can not be financed from current assets.

Investments

- The Village of Lake Zurich's Investment Policy is adopted by the Board of Trustees. In accordance with that policy, public funds will be invested in a manner which will provide the maximum security of principal invested with secondary emphasis on providing the highest yield while meeting the daily cash needs of the Village.
- All investments will conform to applicable State and Village statutes governing the investment of public funds.

Miscellaneous

- The Village's capitalization policy is for items that have a life of at least two years and a minimum cost of \$25,000. (Certain items in excess of \$5,000 but less than \$25,000 are budgeted as Capital Outlay items but they are not capitalized.)

Service Delivery – OUR PRIMARY MISSION

Village services are delivered by department units. Please refer to the Department Section of this document for a review of the departments mission, accomplishments and goals. Village code, ordinances and political discourse determine the nature and extent of the services provided by these departments.

Five major operating departments provide most services:

- Police
- Fire/Rescue
- Public Works
- Building and Zoning
- Parks and Recreation

Services are also provided, both to citizens and internally to the “line” departments by these administrative departments:

- President and Board of Trustees
- Village Administrator’s Office
- Finance

Revenues –

Like a business, a village must have revenues to pay for the services it provides its citizens. Unlike the federal government, it can not spend for services money it does not have. Accordingly, service levels depend entirely on the amount of monies the Village collects. Revenues come in two broad categories: taxes and charges for services.

Taxes are broad-based revenues over larger tax bases to cover services for which the ultimate user is difficult to determine for fee purposes, i.e., public safety services. Taxes may be assessed on the basis of property valuation (property taxes) or upon the basis of a business transaction (sales taxes). The Village of Lake Zurich uses both methods.

Charges and fees are assessed directly to the ultimate beneficiary of service and may be intended to cover all or only a part of the service provided, such as:

- Licenses and permits
- Utility charges
- Park program fees

In those instances in which the charge is insufficient to cover the cost of service, the Village must subsidize the service with its general tax revenues.

Revenues, both taxes and charges, derive from three sources; local, state shared and grants and entitlements. The various funding sources are discussed later in the fund section of this document.

Funds –

Governments separate the accounting of revenue sources because of internal or external requirements and restrictions. For instance:

- The Village can not use Motor Fuel Tax revenues to pay for public safety operations (statutory limitations).
- The Village is restricted to use revenues from the Hotel Tax only for promotion of tourism only and can not be used for general government purposes.

For these reasons, the Village follows rules promulgated by the Government Accounting Standards Board (GASB) and uses fund accounting to record and report its financial transactions.

Each fund is a self balancing set of accounts used to track the activity of specific revenues or series of revenues. Fund types that involve service delivery include the General Fund, Special Revenue Funds and Enterprise Funds. These three fund types account for most of the Village's service delivery. The General Fund is the largest fund and accounts for most primary services. Special Revenue funds account for the proceeds of special revenue sources. Either taxes, charges or grants that are used to finance projects or activities as required by law or contractual agreements. Enterprise funds are used for those activities designed by the Board to operate on a self-funding basis, using accounting methods similar to business enterprises. The intent of an Enterprise fund is to earn sufficient profit to insure the fund's continued existence without reliance on general tax revenues.

Other fund types used are Debt Service, Capital Project and Internal Service funds. These funds account for transactions not related to service delivery. Instead, they account for the financing, construction and inter-department services of the Village.

How It All Works –

This chart shows the interaction of revenues and how they are recorded within the major operating funds and how the related departments expend those revenues in service delivery.

Typical of the General Fund is the receipt of a number of different types of revenues, whether they are local or shared. Most departments in the Village provide general services, which are paid through the General Fund. Thus, revenue is “matched” with the expenditure or service provided.

Moreover, departments may cover services that are recorded in funds other than the General Fund. These “special revenues” must be segregated from other revenues, because of legislative, regulatory or Board requirements. In providing services through these special funds, expenditures are recorded in Special Revenue Funds, again to match the expenditures against its revenues.

In this manner, a given department, while a contiguous unit for management purposes, can expend various types of monies when providing certain services upon which the revenue is based. For example, as you can see in the chart to the right under the Expenditure Section, the Public Works Department provides services through the General Fund administration and general services activities, Special Revenue Funds for roadway activities associated with the use of Motor Fuel Tax monies, and the Water and Sewer Enterprise Fund for activities associated with the delivery of potable water and the transportation of sanitary waste water. A more complete summary of fund group follows that includes the aforementioned General, Special Revenue and Enterprise funds as well as the non-operating Capital Projects, Debt Service, Internal Service and Trust and Agency Funds.

	Revenues	General	Special Revenue	Enterprise
S H A R E D	State Sales Tax State Income Tax Motor Fuel Tax Grants	X X X		
L O C A L	Property Tax Utility Tax Hotel Room Tax Licenses Fees Permits Charges for Services Fines	X X X X X X X		X
	Expenditures			
D E P A R T M E N T S	General Government Administration Finance Police Fire/Rescue Public Works Parks and Recreation	X X X X X X X X	X X X X	X

THE VILLAGE OF LAKE ZURICH

General Information

The Village of Lake Zurich is located in southwestern Lake County approximately 37 miles from downtown Chicago. The Village is an established residential community which traditionally served as a market center for surrounding rural areas and, earlier in the 20th century, as a popular summer resort. The population has increased by more than five times since 1960, as the Village has shared in the economic growth that has come from an expanding Chicago metropolitan area. Lake Zurich has developed into a community with above-wealth and housing values, and has a balanced tax and revenue base.

Settlers first came to the area in the 1930's. George Ela settled in the area of Deer Grove, not far from Cedar Lake (now Lake Zurich) in 1935. Seth Paine, a Chicagoan, came to the area in 1836, and built a number of commercial establishments in what is now downtown Lake Zurich. New England farmers and German immigrants followed, and the Village was incorporated on September 19, 1896.

The Village grew slowly after its incorporation. The Palatine and Lake Zurich and Wauconda Railroad was built in 1910, but the line was discontinued in 1920. Rand Road (now U.S. Route 12) was paved through town in 1922, and helped establish Lake Zurich, with its rural setting and 250-acre lake, as a summer resort community. The east-west State Route 22, which also runs through Lake Zurich, was constructed in 1927. Population growth accelerated after World War II, with the Village's population increasing from 850 in 1950 to 3,458 in 1960, and further to 4,082 in 1970, 8,225 in 1980, and 14,927 in 1990 (up 81.5% from 1980). The 2000 Census reported a population of 18,104 up 21.3% from 1990. The Village estimates its current population at 18,992. The land area of the Village is 6.9 square miles.

The Village's municipal neighbors include North Barrington to the west, Deer Park to the south, Kildeer to the southeast and east, and Hawthorn Woods to the north. Transportation links include U.S. Route 12 and State Route 22, and freight rail service by the EJ&E Railroad. Commuter train service to Chicago is available in Barrington, five miles from Lake Zurich. O'Hare International Airport is approximately 30 miles from the Village.

Population

The following table shows the population of the Village for the last five U.S. Censuses.

<u>U.S. Census</u>	<u>Population</u>
1960	3,458
1970	4,082
1980	8,225
1990	14,927
2000	18,104

The following table shows the age distribution of the 2000 Census population of the Village.

<u>Category</u>	<u>Percent</u>
Under 19 Years.....	36.2%
20-24 Years.....	3.0
25-44 Years	34.1
45-64 Years	20.9
65 + Years	5.9
Median Age.....	34.7 Years

Village Government

The Village of Lake Zurich is governed by a President (Mayor) and Board of six trustees, all of whom are elected on an at large basis to four-year overlapping terms. The Village President is the chief executive officer of the Village. The President presides at all Village Board meetings and may exercise voting rights under certain circumstances. He approves all of the ordinances, orders and resolutions passed by the Board of Trustees, and supervises the conduct of the officers of the Village (except Trustees). Below is list of the Village's President and Board of Trustees.

	<u>Term Expires</u>
President: John Tolomei	2009
Village Clerk: Gloria M. Palmlad ...	2009

Village Trustees

Suzanne Branding.....	2011
Steve Callahan	2009
Jim Johnson	2011
Tom Poynton	2011
Steve McAvoy	2009
Craig Taylor.....	2009

An appointed Village Administrator is charged with the day-to-day responsibility of coordinating the activities of the Village departments by facilitating the work necessary to carry out the policies established by the Board. The following is a list of all Village Department heads under the direction of the Administrator's Office:

Village Administrator	Bogdan Vitas, Jr.
Finance Director	Gerald A. Zochowski
Chief of Police	William H. Urry
Fire Chief	Terrence P. Mastandrea
Director of Building and Inspections	Daniel A. Peterson
Director of Public Works	David Heyden
Director of Parks & Recreation	Michael J. Perkins



VILLAGE OF LAKE ZURICH

GOVERNMENTAL FUND TYPES

General Fund

Special Revenue Funds

Motor Fuel Tax Fund

TIF Redevelopment Fund

Debt Service Fund

Debt Service Fund

TIF Debt Service Fund

Capital Projects Fund

Capital Projects Fund

Park Improvement Fund

PROPRIETARY FUND TYPES

Enterprise Fund

Waterworks and Sewerage Fund

Internal Service Funds

Medical Insurance Fund

Vehicle Maintenance Fund

Risk Management Insurance Fund

TRUST AND AGENCY FUND TYPES

Pension Fund

Police Pension Fund



General Fund

The General Fund is the chief operating fund of the Village of Lake Zurich. This fund accounts for all financial resources except those required to be accounted for in another fund.





Village of Lake Zurich, Illinois
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 2008 - 2009 Budget

General Fund

	2006 - 2007	2007 - 2008		2008 - 2009
	Actual	Budget	Projected	Adopted
Fund Balance, May 1st	4,398,750	4,505,826	4,106,380	3,172,848
Revenues:				
Taxes	5,291,543	5,654,921	5,620,514	5,782,397
Licenses	1,484,647	1,639,000	1,485,600	1,550,750
Permits	748,330	1,067,925	763,758	788,945
Fines and Forfeitures	474,646	543,980	457,489	488,481
Charges for Services	4,966,466	5,113,218	5,225,319	5,103,812
Intergovernmental	8,160,661	8,362,888	7,999,793	8,226,261
Investment Income	250,175	235,000	240,000	295,500
Miscellaneous	334,786	435,323	336,337	433,523
Total Revenues	21,711,254	23,052,255	22,128,810	22,669,669
Other Sources:				
Transfers	-	60,500	-	500,000
Total Other Sources	-	60,500	-	500,000
Total Revenues and Other Sources	21,711,254	23,112,755	22,128,810	23,169,669
Funds Available for Appropriation	26,110,004	27,618,581	26,235,190	26,342,517
Expenditures:				
Undefined - Prior Period Adjustment	25,713	-	-	-
General Government	278,297	293,855	381,761	934,258
Village Administration	341,190	262,358	398,067	370,117
Finance	1,485,204	1,548,563	1,647,855	1,152,011
Police	6,637,879	6,953,388	7,002,391	6,946,825
Fire/Rescue	7,790,368	7,945,738	8,000,489	7,970,140
Public Works - General Services	2,919,078	3,136,229	2,768,039	2,458,025
Building and Zoning	741,520	861,853	886,868	995,358
Parks and Recreation	1,784,375	2,095,760	1,976,872	2,144,012
Total Expenditures	22,003,624	23,097,744	23,062,342	22,970,746
Total Expenditures and Other Uses	22,003,624	23,097,744	23,062,342	22,970,746
Fund Balance, April 30th	4,106,380	4,520,837	3,172,848	3,371,771

18.66% 19.57% 13.76% 14.68%



Special Revenue Funds

Special Revenue funds are used to account for the proceeds of specific revenue sources (other than for major capital projects) that are legally restricted to expenditures for specific purposes. The Village of Lake Zurich uses four Special Revenue Funds.



Motor Fuel Tax Fund

TIF Redevelopment Fund

Hotel Tax Fund
(Not Budgeted)

Foreign Fire Fund
(Not Budgeted)



Village of Lake Zurich, Illinois
Schedule of Revenues, Expenditures and Changes in Fund Balance
2008 - 2009 Budget

Motor Fuel Tax Fund

	2006 - 2007	2007 - 2008		2008 - 2009
	Actual	Budget	Projected	Adopted
Fund Balance, May 1st	68,523	136,692	138,866	1,043
Revenues:				
Intergovernmental	569,949	552,885	556,169	553,089
Investment Income	11,114	2,750	3,235	3,035
Miscellaneous	-	-	60,000	-
Total Revenues	<u>581,063</u>	<u>555,635</u>	<u>619,404</u>	<u>556,124</u>
Total Revenues and Other Sources	<u>581,063</u>	<u>555,635</u>	<u>619,404</u>	<u>556,124</u>
Funds Available for Appropriation	649,586	692,327	758,270	557,167
Expenditures:				
Public Works - General Services	510,720	692,327	757,227	557,167
Total Expenditures	<u>510,720</u>	<u>692,327</u>	<u>757,227</u>	<u>557,167</u>
Total Expenditures and Other Uses	<u>510,720</u>	<u>692,327</u>	<u>757,227</u>	<u>557,167</u>
Fund Balance, April 30th	138,866	-	1,043	-



Village of Lake Zurich, Illinois
Schedule of Revenues, Expenditures and Changes in Fund Balance
2008 - 2009 Budget

TIF Redevelopment Fund

	2006 - 2007	2007 - 2008		2008 - 2009
	Actual	Budget	Projected	Adopted
Fund Balance, May 1st	13,218,554	-	13,146,759	12,884,093
Revenues:				
Intergovernmental	57,697	-	1,470	-
Investment Income	67,426	-	38,436	-
Miscellaneous	209,835	-	213,110	-
Total Revenues	334,958	-	253,016	-
Other Sources:				
Transfers	2,303,369	-	-	-
Total Other Sources	2,303,369	-	-	-
Total Revenues and Other Sources	2,638,327	-	253,016	-
Funds Available for Appropriation	15,856,881	-	13,399,775	12,884,093
Expenditures:				
General Government	2,710,122	-	515,682	525,000
Total Expenditures	2,710,122	-	515,682	525,000
Total Expenditures and Other Uses	2,710,122	-	515,682	525,000
Total Fund Balance, April 30th	13,146,759	-	12,884,093	12,359,093
Reserved for Inventories	12,343,933	-	12,343,933	12,343,933
Reserved for TIF Balance	802,826	-	540,160	15,160



Debt Service Funds

Debt Service funds are used to account for the accumulation or resources for and the payment of general long-term debt principal and interest. The Village of Lake Zurich uses two Debt Service Funds





Village of Lake Zurich, Illinois
Schedule of Revenues, Expenditures and Changes in Fund Balance
2008 - 2009 Budget

Debt Service Fund

	2006 - 2007	2007 - 2008		2008 - 2009
	Actual	Budget	Projected	Adopted
Fund Balance, May 1st	309,524	148,478	155,410	151,904
Revenues:				
Taxes	1,267,947	1,053,356	1,044,450	1,037,117
Investment Income	20,882	16,500	9,000	9,000
Total Revenues	<u>1,288,830</u>	<u>1,069,856</u>	<u>1,053,450</u>	<u>1,046,117</u>
Total Revenues and Other Sources	<u>1,288,830</u>	<u>1,069,856</u>	<u>1,053,450</u>	<u>1,046,117</u>
Funds Available for Appropriation	1,598,354	1,218,334	1,208,860	1,198,021
Expenditures:				
General Government	1,442,944	1,056,956	1,056,956	1,040,717
Total Expenditures	<u>1,442,944</u>	<u>1,056,956</u>	<u>1,056,956</u>	<u>1,040,717</u>
Total Expenditures and Other Uses	<u>1,442,944</u>	<u>1,056,956</u>	<u>1,056,956</u>	<u>1,040,717</u>
Fund Balance, April 30th	155,410	161,378	151,904	157,304



Village of Lake Zurich, Illinois
Schedule of Revenues, Expenditures and Changes in Fund Balance
2008 - 2009 Budget

TIF Debt Service Fund

	2006 - 2007	2007 - 2008		2008 - 2009
	Actual	Budget	Projected	Adopted
Fund Balance, May 1st	1,768,934	400,000	1,362,146	642,989
Revenues:				
Taxes	1,126,224	1,435,000	1,435,000	1,435,000
Investment Income	96,404	80,000	71,110	80,000
Total Revenues	<u>1,222,628</u>	<u>1,515,000</u>	<u>1,506,110</u>	<u>1,515,000</u>
Other Sources:				
Proceeds from Borrowings	-	-	-	750,000
Transfers	-	266,257	-	-
Total Other Sources	<u>-</u>	<u>266,257</u>	<u>-</u>	<u>750,000</u>
Total Revenues and Other Sources	<u>1,222,628</u>	<u>1,781,257</u>	<u>1,506,110</u>	<u>2,265,000</u>
Funds Available for Appropriation	2,991,562	2,181,257	2,868,256	2,907,989
Expenditures:				
General Government	1,629,416	2,179,819	2,225,267	2,657,632
Total Expenditures	<u>1,629,416</u>	<u>2,179,819</u>	<u>2,225,267</u>	<u>2,657,632</u>
Total Expenditures and Other Uses	<u>1,629,416</u>	<u>2,179,819</u>	<u>2,225,267</u>	<u>2,657,632</u>
Fund Balance, April 30th	1,362,146	1,438	642,989	250,357



Capital Projects Funds

Capital Projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary and trust funds. The Village of Lake Zurich uses two Capital Projects Funds.



Capital Improvement Fund

Park Improvement Fund



Village of Lake Zurich, Illinois
Schedule of Revenues, Expenditures and Changes in Fund Balance
2008 - 2009 Budget

Capital Improvements Fund

2008 - 2009
Adopted

Fund Balance, May 1st	-
Revenues:	
Intergovernmental	600,000
Total Revenues	<u>600,000</u>
 Total Revenues and Other Sources	 <u>600,000</u>
 Funds Available for Appropriation	 600,000
Expenditures:	
Public Works - General Services	720,000
Total Expenditures	<u>720,000</u>
 Total Expenditures and Other Uses	 <u>720,000</u>
 Fund Balance, April 30th	 (120,000)



Village of Lake Zurich, Illinois
Schedule of Revenues, Expenditures and Changes in Fund Balance
2008 - 2009 Budget

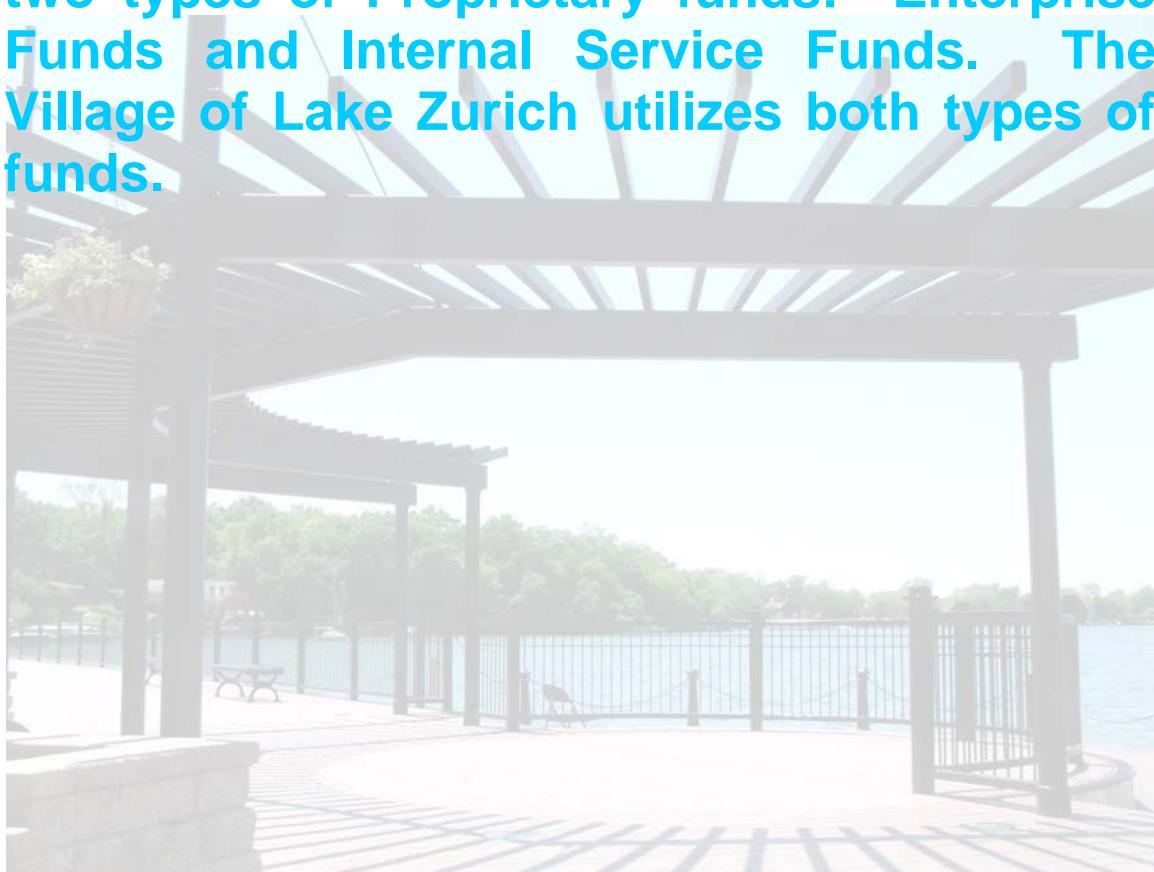
Park Improvement Fund

	2006 - 2007	2007 - 2008		2008 - 2009
	Actual	Budget	Projected	Adopted
Fund Balance, May 1st	2,133,391	1,075,000	2,052,168	953,168
Revenues:				
Intergovernmental	-	800,000	-	800,000
Investment Income	95,146	63,000	79,000	82,800
Miscellaneous	-	525,000	152,000	250,000
Total Revenues	<u>95,146</u>	<u>1,388,000</u>	<u>231,000</u>	<u>1,132,800</u>
Total Revenues and Other Sources	<u>95,146</u>	<u>1,388,000</u>	<u>231,000</u>	<u>1,132,800</u>
Funds Available for Appropriation	2,228,537	2,463,000	2,283,168	2,085,968
Expenditures:				
Parks and Recreation	<u>176,369</u>	<u>1,075,000</u>	<u>1,330,000</u>	<u>1,018,000</u>
Total Expenditures	<u>176,369</u>	<u>1,075,000</u>	<u>1,330,000</u>	<u>1,018,000</u>
Total Expenditures and Other Uses	<u>176,369</u>	<u>1,075,000</u>	<u>1,330,000</u>	<u>1,018,000</u>
Fund Balance, April 30th	2,052,168	1,388,000	953,168	1,067,968



Proprietary Fund Types

Proprietary Fund Types are funds that focus on the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flow. There are two types of Proprietary funds: Enterprise Funds and Internal Service Funds. The Village of Lake Zurich utilizes both types of funds.





Enterprise Fund

Enterprise funds are used to report on activity for which a fee is charged to external users for goods or services. The Village of Lake Zurich uses one Enterprise fund.

Waterworks and Sewerage Fund





Village of Lake Zurich, Illinois
Schedule of Revenues, Expenditures and Changes in Cash and Cash Equivalents
2008 - 2009 Budget

Water and Sewer Fund

	2006 - 2007	2007 - 2008		2008 - 2009
	Actual	Budget	Projected	Adopted
Cash and Cash Equivalents, May 1st	5,073,718	4,500,000	4,913,894	2,478,691
Revenues:				
Taxes	11,733	11,718	11,732	11,718
Charges for Services	4,216,200	5,289,117	4,506,921	5,120,018
Intergovernmental	-	124,612	-	-
Investment Income	263,991	207,000	211,702	185,000
Miscellaneous	-	1,000	22,488	1,000
Total Revenues	<u>4,491,924</u>	<u>5,633,447</u>	<u>4,752,843</u>	<u>5,317,736</u>
Other Sources:				
Bond/Loan Proceeds	3,636,325	1,700,000	850,000	2,972,000
Total Other Sources	<u>3,636,325</u>	<u>1,700,000</u>	<u>850,000</u>	<u>2,972,000</u>
Total Revenues and Other Sources	<u>8,128,249</u>	<u>7,333,447</u>	<u>5,602,843</u>	<u>8,289,736</u>
Total Funds Available	13,201,967	11,833,447	10,516,737	10,768,427
Expenditures:				
Change to Assets/Liabilities	-	-	-	750,000
Public Works - Water and Sewer	3,908,148	4,804,675	3,597,975	4,055,765
Total Expenditures	<u>3,908,148</u>	<u>4,804,675</u>	<u>3,597,975</u>	<u>4,805,765</u>
Other Uses:				
Transfers Out/Capital Assets	4,379,925	3,317,150	4,440,071	5,221,068
Total Other Uses	<u>4,379,925</u>	<u>3,317,150</u>	<u>4,440,071</u>	<u>5,221,068</u>
Total Expenditures and Other Uses	<u>8,288,073</u>	<u>8,121,825</u>	<u>8,038,046</u>	<u>10,026,833</u>
Cash and Cash Equivalents, April 30th	4,913,894	3,711,622	2,478,691	741,594



Internal Service Funds

Internal Service funds are used to report any activity that provides goods or services to other funds, departments, or agencies of the primary government and its component units, or to other governments, on a cost recovery basis. The Village of Lake Zurich utilizes three Internal Service Funds.

Medical Insurance Fund

Vehicle Maintenance Fund

Risk Management Insurance Fund



Village of Lake Zurich, Illinois
Schedule of Revenues, Expenditures and Changes in Fund Balance
2008 - 2009 Budget

Medical Insurance Fund

	2006 - 2007	2007 - 2008		2008 - 2009
	Actual	Budget	Projected	Adopted
Fund Balance, May 1st	4,286	-	(10,121)	(192,885)
Revenues:				
Charges for Services	2,270,775	2,441,800	2,580,776	2,648,372
Total Revenues	<u>2,270,775</u>	<u>2,441,800</u>	<u>2,580,776</u>	<u>2,648,372</u>
Total Revenues and Other Sources	<u>2,270,775</u>	<u>2,441,800</u>	<u>2,580,776</u>	<u>2,648,372</u>
Funds Available for Appropriation	2,275,061	2,441,800	2,570,655	2,455,487
Expenditures:				
General Government	2,285,182	2,441,800	2,763,540	2,648,372
Total Expenditures	<u>2,285,182</u>	<u>2,441,800</u>	<u>2,763,540</u>	<u>2,648,372</u>
Total Expenditures and Other Uses	<u>2,285,182</u>	<u>2,441,800</u>	<u>2,763,540</u>	<u>2,648,372</u>
Fund Balance, April 30th	(10,121)	-	(192,885)	(192,885)



Village of Lake Zurich, Illinois
Schedule of Revenues, Expenditures and Changes in Fund Balance
2008 - 2009 Budget

Vehicle Maintenance Fund

	2006 - 2007	2007 - 2008		2008 - 2009
	Actual	Budget	Projected	Adopted
Fund Balance, May 1st	7,965	150,000	(93,308)	(138,794)
Revenues:				
Charges for Services	574,454	739,156	780,000	782,380
Intergovernmental	96,364	89,000	120,000	93,700
Total Revenues	<u>670,818</u>	<u>828,156</u>	<u>900,000</u>	<u>876,080</u>
Total Revenues and Other Sources	<u>670,818</u>	<u>828,156</u>	<u>900,000</u>	<u>876,080</u>
Funds Available for Appropriation	678,783	978,156	806,692	737,286
Expenditures:				
Public Works - Fleet Maintenance	772,091	803,770	945,486	885,865
Total Expenditures	<u>772,091</u>	<u>803,770</u>	<u>945,486</u>	<u>885,865</u>
Total Expenditures and Other Uses	<u>772,091</u>	<u>803,770</u>	<u>945,486</u>	<u>885,865</u>
Fund Balance, April 30th	(93,308)	174,386	(138,794)	(148,579)



Village of Lake Zurich, Illinois
Schedule of Revenues, Expenditures and Changes in Fund Balance
2008 - 2009 Budget

Risk Management Insurance Fund

	2006 - 2007	2007 - 2008		2008 - 2009
	Actual	Budget	Projected	Adopted
Fund Balance, May 1st	67,899	77,500	101,470	96,811
Revenues:				
Charges for Services	614,091	537,003	543,507	565,703
Total Revenues	<u>614,091</u>	<u>537,003</u>	<u>543,507</u>	<u>565,703</u>
Total Revenues and Other Sources	<u>614,091</u>	<u>537,003</u>	<u>543,507</u>	<u>565,703</u>
Funds Available for Appropriation	681,990	614,503	644,977	662,514
Expenditures:				
General Government	580,520	511,941	548,166	504,026
Total Expenditures	<u>580,520</u>	<u>511,941</u>	<u>548,166</u>	<u>504,026</u>
Total Expenditures and Other Uses	<u>580,520</u>	<u>511,941</u>	<u>548,166</u>	<u>504,026</u>
Fund Balance, April 30th	101,470	102,562	96,811	158,488



Trust and Agency Fund Types

Trust and Agency fund types generally are used to account for assets held by a government in a trustee or agent capacity for others and is the only fund type included in the fiduciary category. Trust and Agency fund types are different from the other fund types in that it includes four different sub-classifications: expendable trust funds, nonexpendable trust funds, pension trust funds and agency funds. The Village of Lake Zurich uses one pension trust fund.

Police Pension Fund



Village of Lake Zurich, Illinois
Schedule of Revenues, Expenditures and Changes in Fund Balance
2008 - 2009 Budget

Police Pension Fund

	2006 - 2007	2007 - 2008		2008 - 2009
	Actual	Budget	Projected	Adopted
Fund Balance, May 1st	7,758,153	8,500,000	8,520,926	9,081,867
Increases:				
Charges for Services	451,926	833,328	470,000	486,820
Intergovernmental	211	150	200	150
Investment Income	752,406	437,500	504,672	514,000
Total Increases	1,204,543	1,270,978	974,872	1,000,970
Total Increases to Funds Available for Pensions	1,204,543	1,270,978	974,872	1,000,970
Funds Available	8,962,696	9,770,978	9,495,798	10,082,837
Decreases:				
General Government	441,770	419,631	413,931	420,953
Total Decreases	441,770	419,631	413,931	420,953
Total Decreases to Funds Available for Pensions	441,770	419,631	413,931	420,953
Fund Balance, April 30th	8,520,926	9,351,347	9,081,867	9,661,884



Departments

General Government

Village Administration

Finance

Police

Fire / Rescue

Public Works

Building and Zoning

Park and Recreation



GENERAL GOVERNMENT

The Legislative Division of the General Government is made up of elected officials who are responsible for establishing and setting policy for the Village and appointed officials who volunteer to serve on advisory committees or boards. The elected officials are aided by recommendations from advisory boards and commissions, as well as staff. Contributions and membership fees for intergovernmental bodies are included in this division.

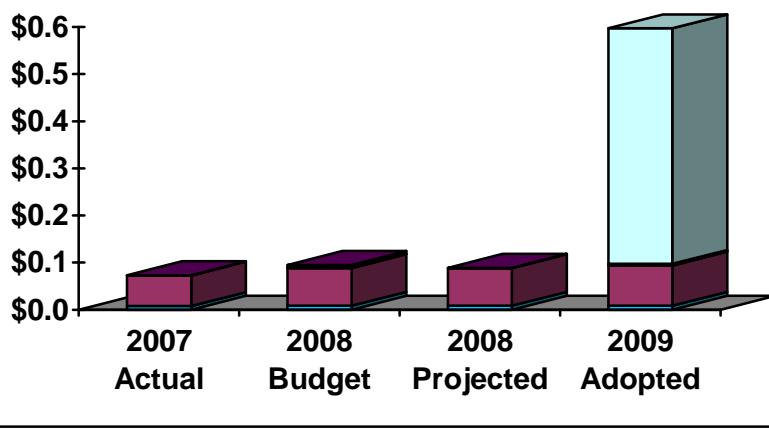
Expenses associated with the hearings for the Plan Commission and Zoning Board of Appeals are included in this budget. The Board of Fire and Police Commission has the task of testing, hiring, and promoting the police and fire-sworn personnel as outlined in Illinois Compiled Statutes and those costs are included here as well.

Other boards and commissions are the Park and Recreation Advisory Board, Plan Commission, Zoning Board of Appeals, Community and Police Advisory Committee, Board of Fire and Police Commissioners, and the Tree Commission.

The positions included are part time elected officials of the Village; the Village President, six Trustees, and the Village Clerk who serve four-year overlapping terms. The personnel support is a portion of the time for full time staff and part time secretary in the administration area to assist the boards, commissions and elected officials.

Revenues	2007 Actual	2008 Budget	2008 Projected	2009 Adopted
Taxes	7,564	8,274	8,280	8,274
Licenses	64,809	80,000	80,000	85,000
Charges for Services	-	1,500	-	1,500
Other	697	5,000	550	2,500
Transfers	-	-	-	500,000
Total	73,070	94,774	88,830	597,274

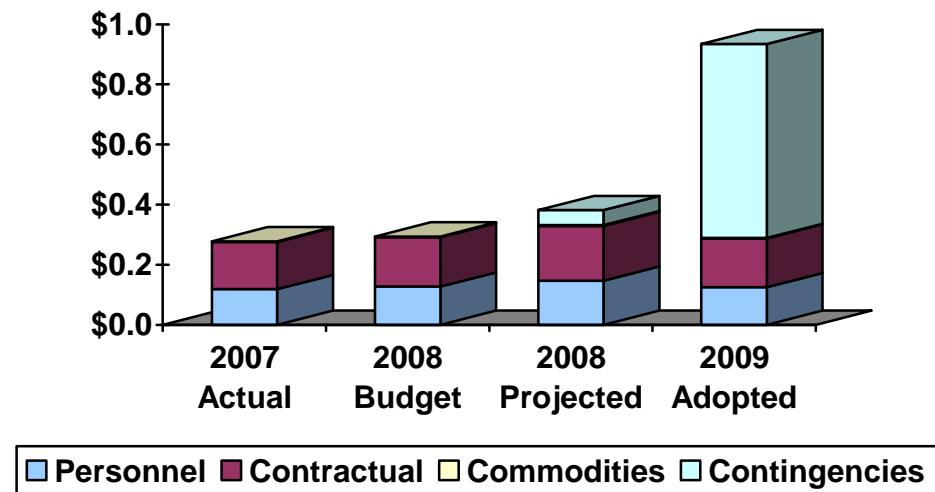
Department Revenue



■ Taxes ■ Licenses ■ Charges for Services ■ Others ■ Transfers

Expenditures	2007 Actual	2008 Budget	2008 Projected	2009 Adopted
Personnel	118,929	127,220	146,935	125,298
Contractual	157,118	163,985	182,453	162,210
Commodities	2,251	2,650	2,373	1,750
Contingencies	-	-	50,000	645,000
Total	278,298	293,855	381,761	934,258

Department Expenditures



VILLAGE ADMINISTRATION

Department Description

The Administrator's office has the responsibility for coordinating the day to day activities of all the Village departments by facilitating the work necessary to carry out the policies established by the Board. This coordination of activities of all departments provides quality public services by the most cost-effective basis.

In addition, the Administrator coordinates the work of the Village Attorney to utilize his time most effectively while he is working with elected officials and staff. The Village Administrator also negotiates labor contracts.

There are three full time staff members included in the Administrator's office; the Administrator, and Executive Assistant/Deputy Village Clerk, who provide necessary assistance to elected and appointed boards in the Village; and a Human Resources Manager, who administers the human resource activities for staff. A part time Recording Secretary prepares minutes for the Boards, Commissions and Committee meetings.

FY 2008 Accomplishments

- Posted advertisements for, recruited, interviewed candidates for, and hired a new Building Director.
- Posted advertisements for, recruited, interviewed candidates for, and hired a new Finance Director.
- Handled administrative tasks related to recruitment and hiring of new Village Administrator.
- Managed transition from retiring Village Administrator (after 17 years of service) to new Village Administrator, in concert with Village President and Board of Trustees.
- Managed preparation, processing, completion, and implementation of more than 65 ordinances considered by the Board of Trustees.
- Examined applications and managed correspondence, processing and issuance of 40 local liquor licenses.
- Implemented the restructured liquor license regulations.
- Reviewed, managed responses for, and responded to more than 115 requests for inspection of Village records under the Illinois Freedom of Information Act.
- Continuously processed and responded, in writing and orally, to resident inquiries and feedback forms from Village website.
- Prepared and collected information, reports, and agenda materials for, and otherwise managed preparation of, weekly Board and committee meeting packets.

- Managed preparation and posting of agendas, minutes, and FOIA forms, and otherwise regularly updated information on the new Village website.
- Oversaw and managed substantial issues related to Downtown Redevelopment Project, including termination of Redevelopment Agreement.
- Conducted and completed contract renewal negotiations with Waste Management.
- Managed administrative tasks related to completion of Route 22 Bypass.
- Hosted meetings with residents and community leaders regarding proposed developments.

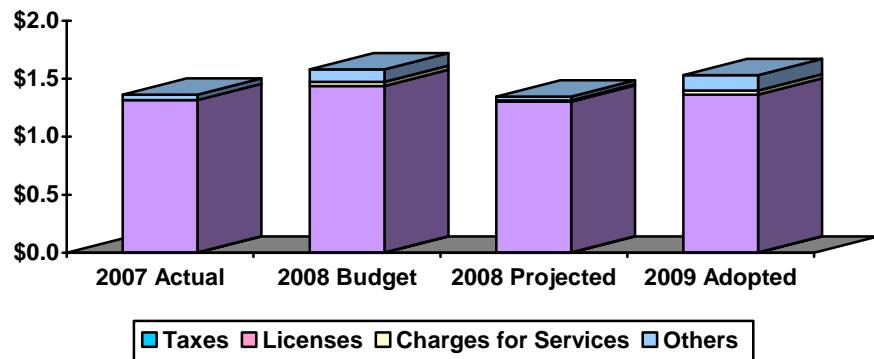
FY 2009 Objectives

- Completion of negotiations for Franchise Agreement with Comcast Cable.
- Negotiate NICOR and ComEd franchise agreements.
- Review of all professional agreements, including audit and legal services, purchasing policy, permit fee schedule, impact fees, and Overlay District ordinances.
- Evaluate Village self-funded health insurance program to move to a fully funded plan.
- Recruit Human Resources Manager, for completion of projects such as Personnel Manual, Safety Manual, non-represented salary administration plan, and internal organizational audit.
- Continue to monitor and improve information for Village website.
- Review contractual relationships between Village and Rural Fire Protection District.
- Develop a practical financial plan for the TIF District.
- Coordinate the preparation of a comprehensive five year financial forecast for Village Operations.
- Coordinate the development of a comprehensive five year Capital Improvement Plan.
- In concert with the Village President, Board of Trustees and Village Staff, focus on the redevelopment of downtown to include preparation of design development guidelines, architectural standards, related financial plans and update to the downtown master plan.
- Facilitate economic development activities to attract and retain businesses in downtown Lake Zurich.

	2008	2009	2009 FTE's
Full Time Positions	2.0	3.0	3.0
Part Time Positions	0.0	0.0	0.0
Seasonal Positions	0.0	0.0	0.0
Total	2.0	3.0	3.0

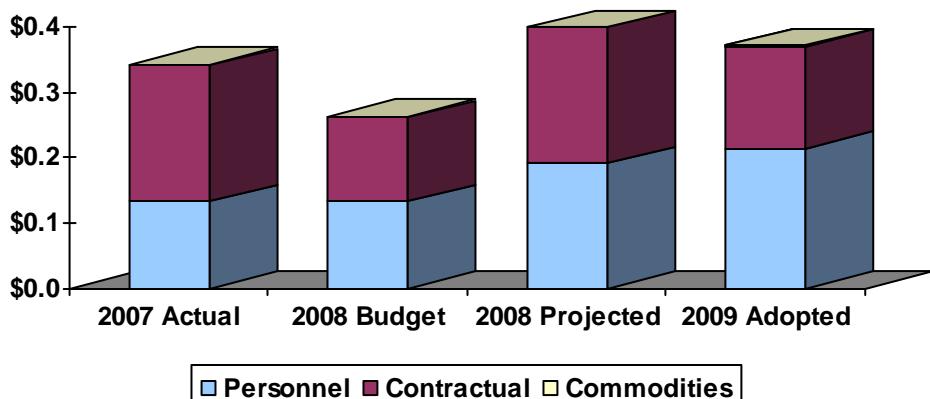
Revenues	2007 Actual	2008 Budget	2008 Projected	2009 Adopted
Taxes	1,815	1,986	1,987	1,986
Licenses	1,314,541	1,434,000	1,300,600	1,360,750
Charges for Services	551	37,000	10,002	37,000
Other	47,080	106,723	34,150	132,123
Total	1,363,987	1,579,709	1,346,739	1,531,859

Department Revenue



Expenditures	2007 Actual	2008 Budget	2008 Projected	2009 Adopted
Personnel	133,320	133,484	191,072	212,737
Contractual	207,147	127,724	206,480	156,230
Commodities	723	1,150	515	1,150
Total	341,190	262,358	398,067	370,117

Department Expenditures



FINANCE DEPARTMENT

Mission Statement

In support of the Village's Mission, based upon the goals and objectives established by the Village's Board of Trustees, the Finance Department, as stewards of the community's financial resources, is dedicated to providing responsive, ethical and professional support which enables the Village to maintain the level of services our citizens deserve.

Department Description

The Finance Department provides financial, human resources and MIS services to the Village. The Department is lead by a professional Finance Director and is supported with eight other professional and clerical level positions. Financial functions include the divisions of payroll, accounts payable, utility and miscellaneous billing, cashiering/receptionist and accounting. Human resource functions include pension administration, liability, health insurance administration, and employee benefits. The MIS division is responsible for over 100 desktop computers, 12 servers and a wireless technology infrastructure. The department also monitors and creates financial policies for the safeguarding of Village assets.

Budget Highlights

The Finance Department budget for 2008/09 represents a 25.6% decrease from the 2007/08 budget. The primary reason for this decrease is the result of moving the sales tax rebate (the Peapod Economic Development Agreement) portion of the budget from the Finance Department to the General Government portion of the budget. Included in this budget are funds to begin a strategic information systems study. The study will evaluate the entire network infrastructure of the Village. After the strategic plan/study is complete it will be used to serve as an operational guide for all information technology systems of the Village in the future. Capital expenditures include upgrading switches and routers in the MIS division.

FY 2008 Accomplishments

- Seamlessly transitioned from one Finance Director to another with an Interim Director in place for two months.
- Changed banking services to allow for improved customer service, on-line banking, and reduce banking service charges.
- Received the Award for Excellence in Financial Reporting from the Government Finance Officers Association for the 18th consecutive year.
- Transitioned from a private contractor for the maintenance of the Village's web site to having Village staff maintain and control the site.
- Redesigned the Village's budgeting procedures to allow a move toward increased transparency and allow for preparation of the Village's budget document to be a source of information to the public and allow for submission to the Government Finance Officers Association for their Distinguished Budget Presentation.

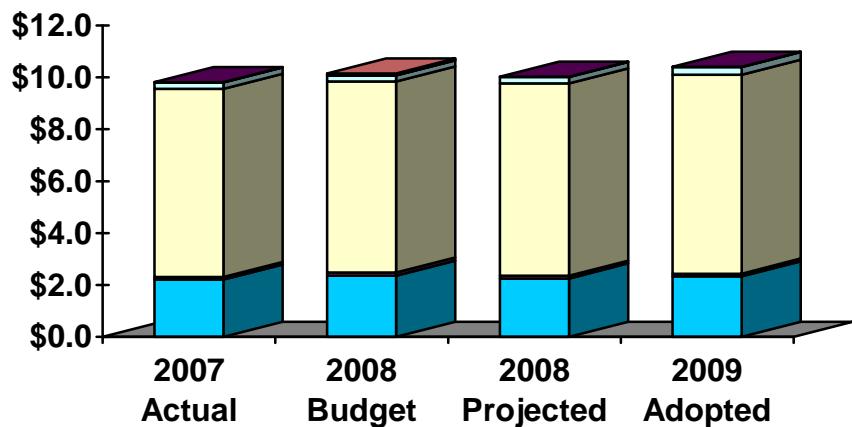
FY 2009 Objectives

- Develop a comprehensive five year Village budget model which can be used proactively to control the financial position of the Village.
- Coordinate and implement a five year capital improvement plan. Develop policies and procedures to be used to guide the implementation of the plan.
- Redevelop a financial plan for the Village's Tax Increment Financing (TIF) District that will provide for long term stability and appropriate cash flow to support the District.
- Implement Pentamation's parking ticket/citation module.
- Begin the assessment and implementation of a Village wide IT strategic plan.
- Redevelop the Village's health insurance plan that will lead to better control over the costs associated with providing the level of coverage the Village can reasonably afford while providing coverage the Village's staff need.
- Analyze the use of the Intergovernmental Risk Management Agency as the Village's provider of risk insurance to determine if IRMA is in the best interest of the Village.
- Enhance the Village's financial reporting to provide more useful information while providing transparency in the financial operations of the Village.
- **Ongoing** - Maintain internal financial reporting guidelines and internal controls that are consistent with generally accepted accounting principles and also comply with the Government Finance Officers Association Certificate of Achievement for Financial Reporting.
- **Ongoing** – Continue to develop a budget document that eventually complies with the Government Finance Officers Association Distinguished Budget Presentation.

	2008	2009	2009 FTE's
Full Time Positions	8.0	8.0	8.0
Part Time Positions	2.0	2.0	1.5
Seasonal Positions	0	0	0
Total	10.0	10.0	9.5

Revenues	2007 Actual	2008 Budget	2008 Projected	2009 Adopted
Taxes	2,204,514	2,355,371	2,249,952	2,330,834
Licenses	105,298	125,000	105,000	105,000
Intergovernmental	7,249,070	7,365,100	7,416,500	7666,128
Investment Income	250,175	235,000	240,000	295,500
Others	7,415	11,200	14,777	11,200
Transfers	-	60,500	-	-
Total	9,816,472	10,152,171	10,026,229	10,408,662

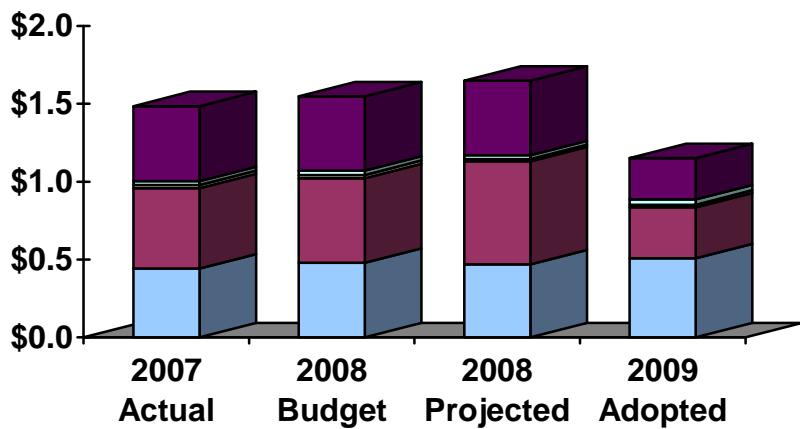
Department Revenue



■ Taxes	■ Licenses	□ Intergovernmental
□ Investment Income	■ Others	■ Transfers

Expenditures	2007 Actual	2008 Budget	2008 Projected	2009 Adopted
Personnel	442,127	478,205	467,707	508,300
Contractual	516,263	544,218	662,256	326,420
Commodities	19,884	20,727	14,530	17,279
Capital Outlay	25,705	28,050	26,000	33,600
Debt Service	481,225	477,362	477,362	266,412
Total	1,485,204	1,548,562	1,647,855	1,152,011

Department Expenditures



■ Personnel	■ Contractual	□ Commodities
□ Capital Outlay	■ Debt Service	

POLICE DEPARTMENT

Department Description

The Lake Zurich Police Department provides professional law enforcement services to the general public and Village residents, including: Traffic crash investigation and reporting, routine and specialized traffic enforcement, crime prevention initiatives, investigation of criminal activity and subsequent prosecution of offenders, lake patrol/marine unit, active participation with intergovernmental specialized emergency response organizations and a regional drug enforcement agency, management of police records, high school resource officer assignment, coordination of the school crossing guard program, patrol of Village streets, bicycle officer patrol, supervision of Explorer activities, and conducting senior citizen notification during extreme weather. The Communications Center provides a full array of daily dispatch services to all Village Departments as well as other neighboring communities under an annual compensatory agreement.

Budget Highlights

- **Personnel** – Three high level Department personnel are retiring in August, 2008. Given the restriction on replacing positions lost to attrition, the Department will need to re-assign personnel within the Department to staff Patrol operations.
- **Equipment** - \$4,000.00 for the purchase of 5 TASERs for assignment to Department Patrol personnel.
- **Equipment** - \$9,800.00 for the purchase of soft body armor for various Department personnel. Generally, the body armor has a 5-year use life and previously issued soft body armor is due to be replaced. Approximately half of the expense will be reimbursed through a Federal grant.
- **Facility Improvements** – The Department is requesting \$4,550.00 for seal-coating the facility parking lot. A request for \$2,000.00 for replacing mulch around the facility landscaping.
- **Facility Improvements** – The Department is requesting \$375,000.00 to install a firearms training range to complete the Police Facility. A large portion of this project will be offset by a Federal grant.
- **Vehicles** - Requesting funds (\$52,000.00) to replace 2 squad cars & equipment in FY08-09. These vehicles are generally higher mileage vehicles on a 3-year replacement schedule.
- **Communications** – Requesting \$6,000.00 to remove/re-install communications equipment currently housed at Charles Quentin School to Paulus Park Water Tower.

FY 2008 Accomplishments

- The Department received Illinois Police Chief Association and International Police Chief recognition for traffic safety initiatives. The Department was given a 3rd Place award in our class at the International Association of Chiefs of Police Conference in New Orleans, La.

- The Department conducted 3 liquor compliance checks and presented an eight-hour BASSET training program. The compliance checks involved over 40 individual liquor purchase attempts resulting in 15 violations.
- Sworn Department members received 4418 hours of on-going training. Newly hired officers received a total of 1840 hours of training for Basic Law enforcement and on-the-job training to prepare them for their duties.
- The Department dedicated both staff time and resources to recruiting a diverse pool of Police Officer candidates. This resulted in over 120 individuals attending the Police Officer Orientation session, of which a number were minority candidates.
- The Communications Center upgraded computer-based radio console equipment. This upgrade was necessary because software enhancements were not supported by the originally installed equipment.
- The Department purchased and installed mobile radio interoperability equipment in the Police Supervisor's vehicle. This allows other agencies responding to a mutual aid request to communicate on the Police Department radio frequency.

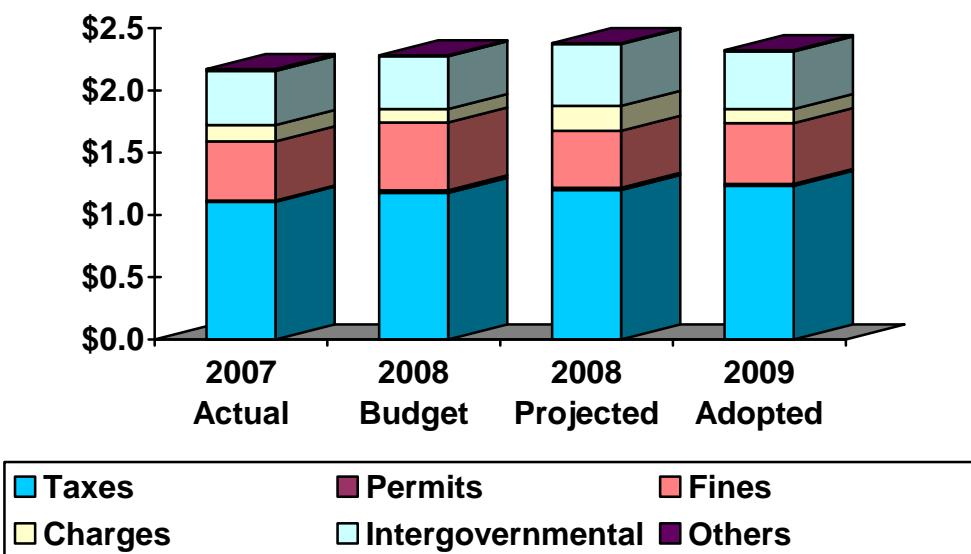
FY2009 Objectives

- We will continue the process of self-analysis to achieve re-accreditation through the Commission on Accreditation for Law Enforcement Agencies (CALEA) in November, 2009. Through accreditation, the Department continues to demonstrate that it meets an established set of professional standards as a result of peer review.
- Evaluate the operation of the Department and temporarily re-assign personnel to Patrol positions if replacement of personnel lost to attrition is not authorized. This will mean reductions in the Support Services Division.
- One of the primary responsibilities, and a top priority of the Department, is traffic law enforcement and traffic crash investigation. Traffic related issues have the greatest law enforcement impact on our residents, and we continue to achieve recognition on state and federal levels for our traffic safety programs.
- We will continue our efforts to be more proactive with local business establishments regarding education and enforcement of liquor and tobacco laws by conducting BASSET classes and routine compliance checks (undercover / underage participants). The Department is active in the Lake County Chiefs of Police Association - Underage Drinking Task Force.
- Supervise operations related to the installation of red light cameras installed at high-volume intersections. This initiative will be the responsibility of the Traffic Safety Section.
- Continue to develop dialogue with the Hispanic community through the El Guardian Program.

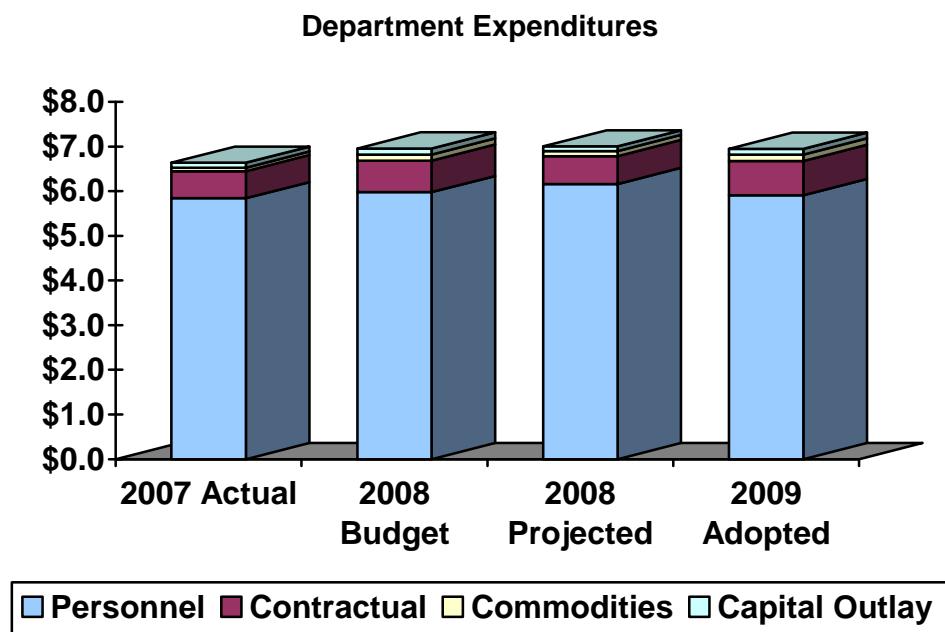
	2008	2009	2009 FTE's
Full Time Positions	58.0	57.0	56.3
Part Time Positions	9.0	9.0	3.4
Seasonal Positions	6.0	6.0	0.4
Total	73.0	73.0	60.1

Revenues	2007 Actual	2008 Budget	2008 Projected	2009 Adopted
Taxes	1,106,102	1,177,835	1,200,650	1,234,027
Permits	9,690	20,000	17,000	15,000
Fines and Forfeitures	474,646	543,980	457,489	488,481
Charges for Services	131,397	109,000	200,162	112,000
Intergovernmental	433,183	423,682	495,963	464,096
Others	15,823	7,400	7,636	6,400
Total	2,170,841	2,281,897	2,378,900	2,322,004

Department Revenues



Expenditures	2007 Actual	2008 Budget	2008 Projected	2009 Adopted
Personnel	5,841,120	5,977,960	6,158,836	5,908,820
Contractual	604,309	705,722	626,704	768,913
Commodities	79,449	136,230	111,240	141,592
Capital Outlay	113,001	134,477	105,611	127,500
Total	6,637,879	6,953,389	7,002,391	6,946,825



Fire / Rescue Department

Department Description

The Lake Zurich Fire-Rescue Department provides full-service, professional, efficient, and cost-effective services to the Village residents including;

- Disaster Management
- Fire Suppression
- Advanced Life Support Emergency Medical Care and Transportation
- Underwater Rescue and Recovery
- Confined Space Rescue
- Plan Review for New Construction
- Hazardous Materials/Chemical-Biological Mitigation
- Trench Rescue
- High Angle Rescue
- Fire Alarms – Carbon Monoxide Alarms and Residential Lock-Outs
- Structure Collapse
- Fire Prevention and Education
- Line Safety Inspection Services

Through a service contract, the Village of Lake Zurich provides these same services to the Lake Zurich Rural Fire Protection District. The current service contract will generate estimated 2007/08 revenue of \$3.7 million. The combined service area of the Fire/Rescue Department covers roughly 25 square miles and approximately 40,000 citizens. During 2007, the Fire/Rescue Department responded to 3439 fire/rescue service calls, which is a call volume increase of 5.74 % from the previous year (2006). These programs and services are provided by 62 personnel operating out of four strategically located fire stations. The following FY08/09 specific budget proposal highlights the results of the department's strategic planning efforts. *It should be noted that any item approved below will receive financial support of nearly 46% by the Fire Protection District.*

2008 Accomplishments

Personnel:

- The department currently has pending a Department of Homeland Security SAFER Grant. This grant process allows the hiring of personnel at a subsidized rate declining over a period of four years. For FY08/09 budget, \$311,040 has been earmarked to cover overtime for our minimum staffing requirements. (see explanation below) If the grant is successful, the department proposes to hire three new Firefighter/Paramedics and ultimately reduce the overtime costs. The addition of three new Firefighter/Paramedics will allow a transfer of overtime funds from the minimum manning overtime line item to full time salaries and will not result in a budget increase. *In fact, it is projected that a savings of roughly \$116,087 will occur in the first year of the Grant.*

The department's daily shift staffing is eighteen (18) per shift with minimum daily staffing at fifteen (15) persons. Three of the eighteen assigned shift personnel are used to cover scheduled days off (vacation, FLSA, floating holidays). Because we have no more than three personnel to cover days off, overtime is incurred every time a shift member calls-in sick, injured or when another unscheduled day off is requested. Other unscheduled days off may include; jury duty, funeral leave, military leave, or special team deployment.

- In the FY08/09 budget, the department proposes the addition of one Fire Inspector to the

Fire Prevention Bureau. This has been requested in previous budgets. With the increase in building construction, required annual inspections and public education needs throughout our entire service area, this additional inspector is justifiable. The annual inspection rate is projected to be 60% of the total occupancies that require inspection. If proposed revenue sources are implemented, this position could be revenue neutral.

- The department last had an administrative position in 1997. The department prioritized the need for a Training/Safety Officer in that year and shifted the position and responsibilities. Over the years, the department has sought to reinstate that position to fulfill a number of essential duties without success. This position will primarily be responsible for administrative programs such as; station maintenance, vehicle maintenance, equipment maintenance, quarter-master clothing program, and station supplies.
- The Firefighters Local 3191 Collective Bargaining Agreement that defines salaries, benefits and working conditions will expire on April 30, 2008. A successor agreement is currently being negotiated.
- The following is a department personnel breakdown by position indicating current and proposed staffing numbers.

	FY 07-08	FY 08-09
Director/Fire Chief	1	1
Deputy Chief	1	1
Captain Training/Safety	1	1
EMS Officer	part-time	part-time
Captain Shift Commander	3	3
Lieutenant	12	12
Firefighter/Paramedic	39	39
Assistant Fire Marshal	1	1
Fire Inspector	2	2
Department Secretary	1	1
Fire Prevention Secretary	1	1
Total	62	62

Vehicles:

- In FY08/09, two staff vehicles are projected. One as a replacement and one as an addition. The Deputy Chiefs vehicle, a 2003 Taurus will replace the pool vehicle, a 1995 Van which will be taken out of service and declared surplus. This vehicle will be used for personnel to take to training and seminars. A new SUV vehicle will be purchased to replace the Taurus for the Deputy Chief (\$37,000), which includes the required lighting and communications equipment. This vehicle better fulfills the response duties required.
- The second vehicle is for the new fire inspector position. (\$17,000).

Facilities:

- The FY08/09 budget includes a space study and concept plans for rebuild or renovation of fire station #1. This study was recommended and removed from the previous three budget

review processes. The study is recommended because the station design when built does not match the current use. The department rank and file currently works in an environment lacking adequate office space, meeting/conference facilities, living area, and storage space for required record and report maintenance (\$25,000).

Along with the aforementioned, the building and training room (often used as a public meeting facility) is not compliant with ADA regulations. It is essential to perform this space/use study so the village may prepare/plan to address the future needs of a facility designed to accommodate its current and projected uses.

- As a short term fix, the purchase and installation of a ladder assembly to safely gain access into the loft and attic areas of station #1 is recommended (\$3,750).

Equipment:

- The Emergency Management Program has increased significantly in the commodities area. A portion of this increase is off set by our State of Illinois Citizens Corps grant (\$7,000). This grant helps to off set costs associated with the Corps. In addition, several disaster management supply issues are being addressed through increasing currently held stockpiles of disaster supplies.
- The addition of a Holmatro cutter for vehicle extrication is included in this budget. The new cutter will compliment the other extrication equipment and provide for efficiency when performing extrication on modern vehicles. (\$5,000).
- The addition of a thermal imaging camera (TIC) is recommended so that all front line apparatus have this critical tool. Currently, the Engine and Truck at station #1 share a camera that requires constant switching depending on call type. We have experienced equipment repair costs from damages to the TIC during this process (\$11,650).
- Two portable radios to begin a rotation and replacement program of 28 portable radios (\$5,672).
- Mobil Eyes software and hardware (\$5,350). *Only required if a new fire inspector is hired.
- The replacement of the Emergency Management radio in the Police station Emergency Operation Center is recommended. The current radio is not compatible with the new narrow banding requirements and frequency needs of the Village departments (\$3,349).

Training:

- An increase in account 010530-513030 accounts for the increase in tuition reimbursement as offered in the current labor agreement and village policies. Many members are pursuing secondary education as the trend in the national fire service leans toward the development of professionalism. Professionalism is defined as an equal combination of experience, certification and education.
- Account 015034-513030 is increased to allow for required training of members on the water rescue team. The Office of the State Fire Marshall recently updated their education and certification requirements to match the NFPA 1670 standards. This change resulted in many members needing additional training to receive certification.

2009 Objectives

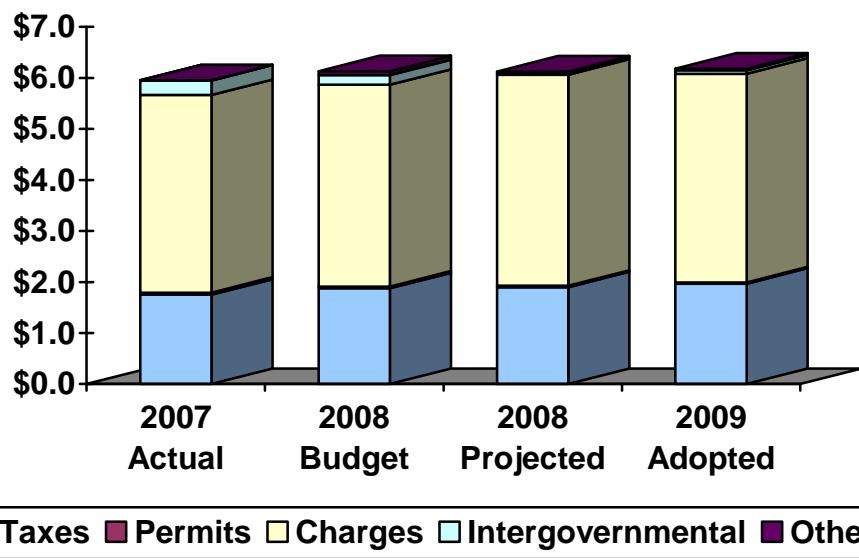
The Fire-Rescue Department has determined some key objectives for FY08/09 and the future. They are:

- Maintain the ability and funding to train personnel to the levels that will be expected of them and keep them safe in times of crisis without the sacrifice of daily response staffing.
- Review and establish safety initiatives that will promote workplace safety, reduce injuries, reduce sick time, and provide for longevity of our personnel.
- Continue to provide the quickest and most cost-effective response with highly trained personnel and equipment that can perform effectively and safely.
- Continue to meet the National Incident Management System (NIMS) goals with continuing education and training of department members. Provide direction and encourage training for all Village employees that may be called upon to work under a Unified Command System.
- Recommend and apply codes and standards that will increase built in fire protection in the redeveloping downtown. Continue fire department involvement during the planning, demolition and implementation phase.
- Continue to establish and train a solid core of community volunteers to serve as our “Citizen Corps” and “Explorers” that may be called upon to assist the Village during large-scale incidents requiring disaster management.
- Create a succession plan as many near retirement and attract, mentor and prepare interested personnel within the Fire Rescue Department to assume key roles.
- Continue to seek out alternative funding opportunities to support programs and purchases.

	2008	2009	2009 FTE's
Full Time Positions	62.0	62.0	62.0
Part Time Positions	0.0	0.0	0.0
Seasonal Positions	0.0	0.0	0.0
Total	62.0	62.0	62.0

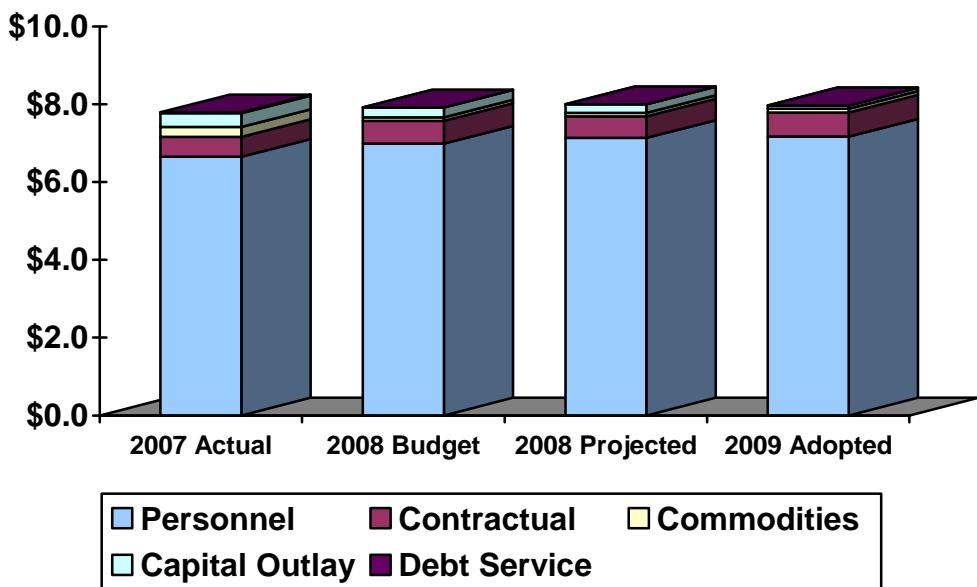
Revenues	2007 Actual	2008 Budget	2008 Projected	2009 Adopted
Taxes	1,751,515	1,875,506	1,898,512	1,965,423
Permits	39,827	35,900	28,012	28,400
Charges for Services	3,873,006	3,951,818	4,134,641	4,084,942
Intergovernmental	283,165	189,106	48,869	67,037
Others	5,078	78,000	14,014	33,000
Total	5,952,591	6,130,330	6,124,048	6,178,802

Department Revenues



Expenditures	2007 Actual	2008 Budget	2008 Projected	2009 Adopted
Personnel	6,650,770	6,988,497	7,135,424	7,166,695
Contractual	508,155	580,235	550,665	619,424
Commodities	252,356	89,275	92,726	95,985
Capital Outlay	354,290	287,730	221,674	88,036
Debt Service	24,798	-	-	-
Total	7,790,369	7,945,737	8,000,489	7,970,140

Department Expenditures



PUBLIC WORKS

Department Description

The Public Works Department includes five major divisions that work together to provide the community with creative, timely, cost effective resident and customer friendly service. The Divisions are as follows: Public Works Administration, the Engineering Division, the General Services Division, Fleet Services Division and the Utility Division. The General Services and Utilities Divisions are further broken down into different program areas as shown in the budget and below:

General Services Division

- Forestry
- Municipal Property Maintenance
- Right of Way Maintenance
- Snow and Ice Control
- Street/Traffic Lighting
- Storm Water Control
- Collection System

Utilities Division

- Water Production and Storage
- Water Distribution
- Meter Reading
- Industrial Monitoring
- Interceptor Sewer
- Lift Stations

The Public Works Department continues to assist and cooperate with other Village Departments to maximize their benefit to the community.

The Public Works Department balances the responsibility of maintaining the infrastructure of the Village as well as insuring any new development meets our stringent requirements. There has been a steady growth in residential, commercial and industrial development over the past few years. This type of development necessitates technical assistance from the Engineering and Utility Divisions especially with Plan Reviews and subsequent inspections to insure that the work meets all applicable standards.

All complaints related to sidewalks, street signs, debris cleanup, struck animals, storm water drainage problems, weed violations, water meter problems, etc. are funneled through the Administration Division to the appropriate staff. Additionally, the Administration Division manages the personnel matters of the entire Public Works Department including time sheet submittals, safety training, risk management and record keeping.

In addition to personnel issues, the Administration Division is responsible for coordination with other governing agencies. Examples of these responsibilities are:

- Cooperation with the Solid Waste Agency of Lake County (SWALCO) in Programs such as the "Motor Oil" Drop-off Program
- Coordination of Waste Collection with Waste Management composing of four parts:
 - Household Refuse
 - Recyclable Products
 - Leaf Collection
 - Special Pick ups

- Administration of the Mosquito Abatement Program which is managed under a contract with Clarke Environmental Mosquito Management and also consists of larvicide treatment.
- Coordinating assistance to neighboring communities in time of need.

The Village Capital Projects and contracted services are administered under the Administration Department and are now located within the Capital Improvement Fund. These projects for FY 08-09 include:

- Finalizing the Route 22 Utility Relocation and Other Improvements
- Phase 1 and Phase 2 of Grant Projects
- Resurfacing of Honey Lake, Wilmette Terrace and Park Avenue
- Well 9 ION Exchange Construction
- Well 12 ION Exchange Construction
- Well 11 ION Exchange Design and Construction
- Downtown Development Assistance
- South Old Rand Road Sidewalk Extensions from Route 22 to Buesching Road
- Route 12 right turn lanes at Ela Road
- High School Entrance Signalization on Church Street

Staffing in the Administration Division has remained stable and is expected to remain:

<u>POSITION</u>	<u>FY/06-07</u>	<u>FY/07-08</u>	<u>FY / 08-09</u>
Public Works Director/Village Engineer	1	1	1
Asst. P.W. Director/Utilities	1	1	1
Administrative Analyst	0	1	1
Asst. to P.W. Director/Village Engineer	2	1	1
TOTAL	4	4	4

Budget Highlights

Divisional Highlights will be presented in their respective budgets. Listed below are significant budget items that warrant greater attention:

- 1). The Route 22 Utility Relocations and Infrastructure Improvements have been completed and final paperwork has begun. While most of the costs for this project have been paid there is approximately \$340,000.00 of costs yet to be paid upon final invoicing from the state. These costs have been removed from the General Fund and Water & Sewer Funds Budgets and are now included in the Capital Improvement Fund.

2). The Village of Lake Zurich continues to move forward with our Compliance Commitment to meet I.E.P.A. Radium Standards. Well 8 ION Exchange Plant was put in service in July of 2006. Wells 9 and 12 ION Exchange Plants construction are currently under construction. Well 9 is anticipated to be operational by late Spring and Well 12 is anticipated to be operational by early summer. The 08-09 Capital Improvement Fund budget also includes funding for a rate study that will be required in order to begin construction on the final ION-Exchange Facility at Well 11. It is anticipated that the conversion of this last well will be completed utilizing a third low interest State loan. In order to secure this loan, another rate study must be done to assure the Village has sufficient revenue to cover repayment of the low interest loan. If approved, the final well construction will likely begin in late 2008 and should be operational by early Summer 2009. This well is considered a back-up well and could be needed to meet summer water demands.

FY 2009 Objectives

Our continuing goals include planning our activities to increase efficiency, analyzing our programs to increase effectiveness, increase our knowledge by researching the latest technology, and increase involvement with the citizens and school children in order to remain in concert with the needs of our great community.

Continue to upgrade and structure the engineering and public works recordkeeping, data organization and data relationships. This includes bringing the GIS system on line for use in assisting all divisions of the department in their daily work activities.

Resolve sediment issues with regards to Mionske Pond. Execute Best Management Practices as required to satisfy yearly compliance with NPDES Phase II Regulations.

Continue coordination and assistance with IDOT on the Route 22 Improvements for final resolution to this project.

Complete coordination with EJ&E on establishment of a Quiet Zone throughout the Village limits.

Work with other government agencies on the coordination and cost participation for the Capital Improvement Projects listed earlier.

Continue coordination and discussions with outside agencies on the sale and use of excess sanitary sewer capacity. These other agencies include Hawthorn Woods, Lake County and Wynstone Property Owners Association.

General Services Division

Division Description

The General Services Division has six primary areas of responsibility and salaries are prorated to each area. The pro-ration was adjusted this year to reflect the change in personnel and increased responsibilities such as storm water maintenance for NPDES Phase II Compliance.

<u>PROGRAM NAME</u> <u>PRORATION (%)</u>	<u>NUMBER</u>	<u>SALARY & OVERHEAD</u>
Forestry	Program 41	20%
Municipal Property Maintenance	Program 43	15%
Right-of-Way Maintenance	Program 44	25%
Snow and Ice Control	Program 45	15%
Street & Traffic Lighting	Program 46	5%
Storm water System Control	Program 47	20%

A Superintendent of Public Works manages the General Services Division. The work force consists of 13 employees with training in all programs of Public Works to provide maximum flexibility in work assignments. In addition, to routine maintenance and operations, the department responds to numerous work orders from the public and from other Village departments.

<u>POSITION</u>	<u>FY/05-06</u>	<u>FY/06-07</u>	<u>FY/ 07-08</u>
Superintendent	1	1	1
Operations Supervisor	1	1	1
Maintenance Worker II	4	5	4
Maintenance Worker I	5	4	5
Arborist	1	1	1
Cleaning Technician	<u>1</u>	<u>1</u>	<u>1</u>
TOTAL	13	13	13

A synopsis program follows, which will assist in providing an understanding of the expenditures, contained for each program

PROGRAM 41 – FORESTRY (13% of General Services Budget)

The Forestry Program provides a budget plan for the maintenance of the Village's urban tree population. The budget encompasses trimming, removal, brush pick-up, and replacement of trees located in Village-owned right-of-ways and parks. The Division also sponsors several tree activities during the year. The use of tree software to manage the 7,900 plus trees serves as a very useful tool for our Arborist. Contracted tree trimming is utilized on an annual basis for routine maintenance of parkway trees on a village-wide basis and planned for the following areas this year: Wicklow, Westberry, Industrial Park, Carolyn Court, Park Avenue, Main Street, North and South Old Rand, Interlaken and Lions Drive, Ancient Oaks, Marina Park, Oak Crest Estates, and Lions Gate.

In-house staff tree trimming will be throughout the Village for low hanging branches and work order requests.

PROGRAM 43 – MUNICIPAL PROPERTY MAINTENANCE (17% of General Services Budget)

The Municipal Property Maintenance Program provides funds for general maintenance as well as the upkeep for Village buildings and public areas. This area has direct responsibility for maintenance of the Village Hall and surrounding properties, including maintenance of all Village-owned downtown properties.

PROGRAM 44- RIGHT-OF-WAY MAINTENANCE (25% of General Services Budget)

This program involves repair and maintenance of the village's streets (78.5 street centerline miles) in addition to the maintenance of sidewalks, curbs and gutters, and village owned parking lots. Other functions include, traffic line striping, shoulder repair and street sweeping. Streets slated for repair under the 2008 MFT Program include: *Lake Zurich Garden Subdivision*: Potowatomi Trail, Mohawk Trail and Cherokee Road. *Countryside East Subdivision*: Red Bridge Farm Road, Ivy Court, Trailside Road, Beechwood Road. *Villa Lucerne Subdivision*: Pheasant Ridge Road, Trillium Trail, Grever Court, Edelweiss Drive, Columbine Court. *Red Bridge Farm Subdivision*: Tallgrass Circle, Country Ridge Court, Turtle Pond Court, Farm Bridge Road, Red Bridge Farm Road, Highlands Subdivision: Sunset Court, Dearborn Court, Hillside Court. *Miscellaneous Streets*: Deerpath (Old Rand to Route 12) Chancery Lane, Town Mall Drive.

PROGRAM 45 – SNOW AND ICE CONTROL (13% of General Services Budget)

This Snow and Ice Program manages winter's hazardous road conditions on all Village streets and cul-de-sacs. Salting and Plowing priorities are illustrated in the 2007-2008 Snow and Ice Control Manual. Governmental units purchase their salt through the Department of Central Management Services under Motor Fuel Tax. Eighty five thousand dollars are set aside for salting materials. The division continues using state of the art de-icing materials. While staffing levels have remained constant, an additional 7 subdivisions have been dedicated to the Village resulting in an additional 7.8 centerline miles to be plowed over the past 5 years.

The additional subdivisions with no increase in staff levels have resulted in increased de-icing materials and an increase in overtime to complete the snow removal operation. This trend will continue as subdivisions currently under construction will be dedicated to the Village over the next few years.

PROGRAM 46 – STREET AND TRAFFIC LIGHTING (13% of General Services Budget)

The Village of Lake Zurich maintains, or pays to maintain approximately 709 streetlights. This program also includes electricity to provide lighting for our residential streets as well as traffic signalization.

Only minimal increases in electricity were seen over this past year's budget. The costs for this energy remained fairly stable as this power is consumed in the off-peak hours. The cost for off-peak energy is anticipated to remain fairly stable in 08-09.

PROGRAM 47 – STORMWATER SYSTEM CONTROL (19% of General Services Budget)

Lake Zurich's stormwater structures include 1432 manholes, 1205 inlets, and 1375 catch basins in addition to 167 retention-detention/wetland ponds. Also there will be a continuation of infrastructure work done in conjunction with the major road repairs and redesigning of restrictors and clean out abilities.

This program also includes the routine maintenance of the storm sewer system in accordance with the Village's NPDES Phase II Best Management Practices. Approximately one-fifth of the system is cleaned annually. Minor storm sewer improvements were found during the heavy rains in the fall of 2007. Emphasis will be placed to repair/improve the drainage in the identified areas.

Budget Highlights

Tree Trimming	\$25,000	Honey Lake Drain	\$18,000
Mowing Contract	\$100,900	Mionske Pond	\$150,000
Sweeper	\$200,000	Tree Planting	\$12,000
Backhoe	\$100,000	Vehicles 1 ton truck	\$68,000
		2 Ton Truck	\$47,000

FY 2008 Accomplishments

All Budget Highlights in 07-08 Budget were completed.

- Sidewalk Repair Program:**

It is the responsibility of the General Services Division to follow-up on all citizen and employee reports of sidewalk conditions in need of repair/replacement. The division strives for the prompt maintenance of the sidewalks that are in the jurisdiction of our municipality. To this end, 113 yards of concrete were used to repair 112 squares of sidewalk and 273 feet of curb.

- Material Used:**

The department used 428 tons of blacktop to seal areas throughout the Village where utility repairs were needed or road failures in need of repair. Locations are depicted and charted in the monthly statistical report.

One-hundred twenty-five (125) street signs were removed and/or replaced either due to damage and/or wear. The division installs Zoning Signs at the direction of the Building and Zoning Department.

FY 2009 Objectives

- Continue Sidewalk Safety Inspection Repairs
- Continue Storm Sewer Maintenance Program
- Host Annual Electronics Drop-off Site at 505 Telser in the spring of 2009

- Continue investigative implementation of Super mix de-icer in lieu of caliber material
- Repair/enhance storm sewers in areas observed to be of concern during heavy rainfalls
- Complete mailbox survey

Engineering Division

Division Description

The Engineering Division is a part of the Public Works Department and is operated under the supervision of the Director of Public Works/Village Engineer. The number of employees in the Engineering Division is currently at four. The major focus for the Engineering Division in the year 2008/09 will be in the area of implementation of the NPDES Phase II Regulations. This year is expected to have a reduced demand for the review of plans for private commercial and industrial development (and redevelopment), due to the economic slow down. The division will oversee the completion of Deerpath Commons Retail Center, Frank's Nursery site, Donata Court and Astor Subdivision. Additionally, there are some residential subdivisions underway and planned; which include Meadow Woods (76 units), Flint Crossing (Dearborn Groups), Zurich Meadows, Coventry Creek (Dartmoor Homes), Brookwood Estates (Hummel Custom Homes) and Lake Zurich Sunset Subdivision (JMLJ Construction). The Engineering Division, in addition to performing plan reviews for residential, industrial, commercial, and institutional proposed developments also provide subsequent inspections of both private and public improvements. Engineering provides assistance for a number of other public infrastructure considerations, such as Ela Road right turn lanes, Midlothian Road Traffic Signal at the High School and Old Rand Road sidewalk connections. Inspections of the infrastructure improvements both private and public by the Engineering Division, resolution of drainage concerns and the assistance in plan reviews for Downtown Redevelopment Projects will be the primary area of focus in 2008/09.

The Engineering Division also acts as the enforcement and plan review entity in regards to Stormwater Management and isolated Wetland Regulations. As a certified community, the Village of Lake Zurich operates under the Lake County Stormwater Management Commission regulations. Ed Lebbos, the Assistant Village Engineer, is the Watershed Enforcement Officer, Certified Wetland Specialist and a Certified Erosion and Sediment Control Inspector for the Village and will be implementing the NPDES Phase II, which will require education of staff members as well as vast amounts of documentation. We continue to maintain Village certifications for Storm Water Management and isolated wetlands.

Our goal is to continue to serve the Village of Lake Zurich and its residents.

Position	Fiscal Year 2006/2007	Fiscal Year 2007/2008	Fiscal Year 2008/2009
Assistant Village Engineer	1	1	0
Civil Engineer	0	0	0
Assistant/Inspector	2	2	2
Assistant to the P. W. Director	1	1	1
Total	4	4	3

Budget Highlights

While much of our Engineering time is going to be focused on plan reviews and inspections of Private and Public Development projects such as; Meadow Woods, Coventry Creek, Flint Crossing, Lake Zurich Sunset, Brookwood Estates, Zurich Meadows and many industrial projects such as Donata Court and Astor Subdivision, there are a number of other village

programs and infrastructure projects that will continue or begin construction in the year 2008/09, such as:

FY 2008 Accomplishments

- Completed Rose Road Phase II Improvement
- Completed construction of the Route 22 Bypass Project
- 2007 Annual Road Resurfacing Program Construction Complete. Working on final close out of paperwork.
- Wetland Maintenance and Management (Control Burns)
 - John Court
 - Westberry Subdivision
 - Willow Ponds Subdivision
 - Heatherleigh Subdivision
 - Whispering Creek Subdivision
- Watershed Development Enforcement. Continued enforcement of Lake County and Village requirements.
- Staff Education:
 - APWA NPDES Phase II-Illicit Discharge Detection and Elimination Workshop
 - APWA NPDES Phase II-A Permit Program Overview
 - APWA Public Works Construction Inspection Seminar
 - Designated Erosion Control Inspector Workshop
 - Midwest Plant Identification Class
 - IAEP Fall Wetland Seminar
 - Stormwater Management Enforcement Officer Certified Wetland Specialist Training Workshop
 - Illicit Discharge Elimination System Seminar
- Municipal Illicit Discharge & Elimination System “NPDES Phase II”
- Floodplain Management and Letters of Map Amendment
- ARC VIEW/GIS Implementation created inventory databases for hydrants, valves and sanitary manholes.
- GASB Documentation-Updated inventory for dedicated subdivisions.
- Mionske Pond Drainage Investigation
- Public Involvement-Scouts, Chamber Expo and Public Works Open House
- GIS-Scanned all Engineering As-Built Plans and Surveys

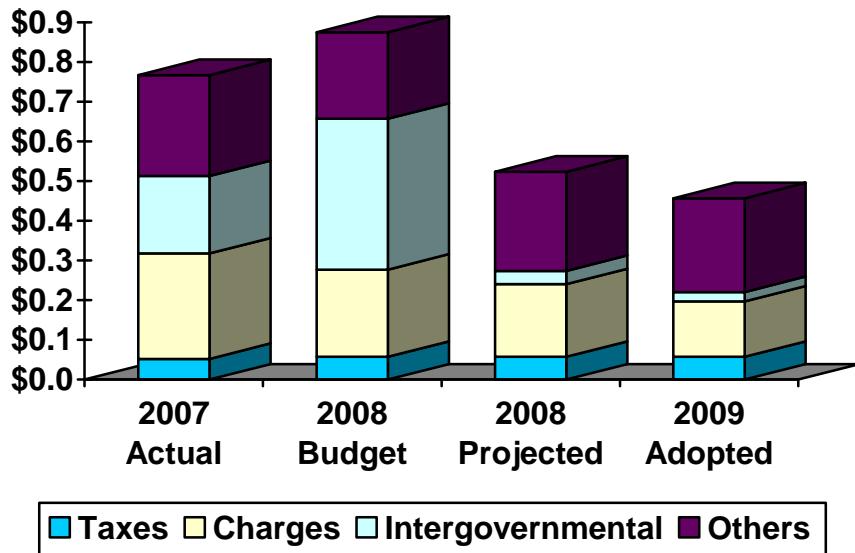
FY 2009 Objectives:

- 2009 Annual Road Resurfacing Program
- CMAQ Grants
- Honey Lake Drain Improvements
- Lot 42 Drainage Improvements
- Wetland Maintenance and Management
- Sidewalk Improvements along South Old Rand Road
- Watershed Development Enforcement
- Staff Education of NPDES Phase II and erosion and sediment control
- ARCVIEW/GIS Implementation
- GASB Documentation
- Verification of benchmark data
- Sidewalk at EJ&E/South Old Rand Road Crossing
- Assist Public Works with inventory of Infrastructure and database entry for GIS
- Park Avenue Resurfacing
- Mionske Pond Sediment Resolution
- Ela Road/Route 12 Right Turn Lane (Phase II)
- Midlothian Road Traffic Light at the High School (Phase I and II)

General Fund	2008	2009	2009 FTE's
Full Time Positions	20.0	19.0	19.0
Part Time Positions	0.0	0.0	0.0
Seasonal Positions	1.0	1.0	0.3
Total	21.0	20.0	19.3

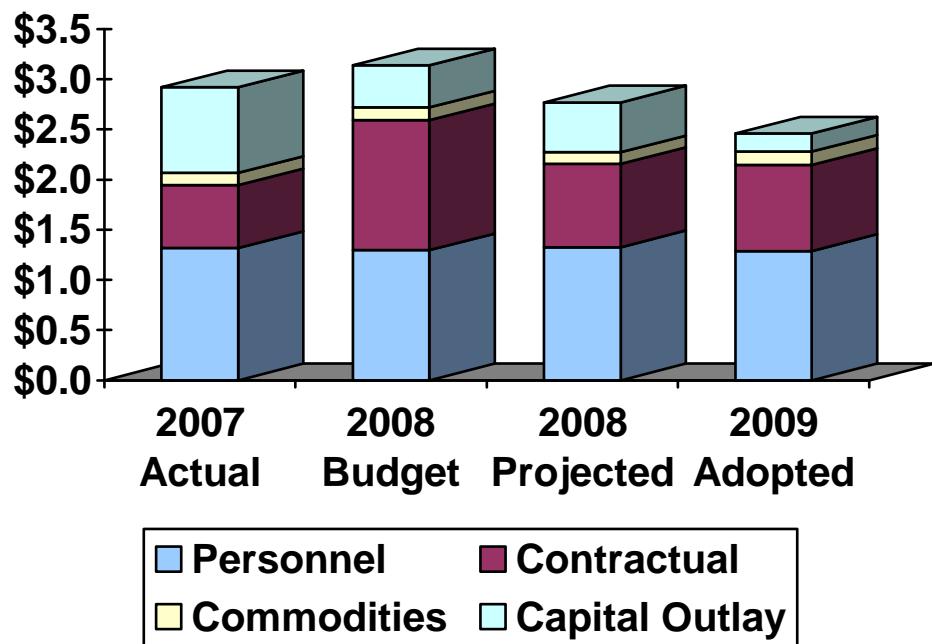
General Fund Revenues	2007 Actual	2008 Budget	2008 Projected	2009 Adopted
Taxes	52,346	57,260	57,299	57,260
Charges for Services	265,367	220,000	183,165	139,500
Intergovernmental	195,243	380,000	33,461	24,000
Others	254,462	218,000	249,860	236,000
Total	767,418	875,260	523,785	456,760

General Fund Department Revenues



General Fund Expenditures	2007 Actual	2008 Budget	2008 Projected	2009 Adopted
Personnel	1,316,325	1,296,639	1,325,705	1,288,298
Contractual	627,726	1,295,656	830,031	857,834
Commodities	122,549	127,935	118,403	131,393
Capital Outlay	852,479	416,000	493,900	180,500
Total	2,919,079	3,136,230	2,768,039	2,458,025

General Fund Department Expenditures



Utilities

Division Description:

The Utilities Divisions is a combination of the water and wastewater services provided by the Village, this is further broken down into the following sub-categories:

<u>WATER PROGRAM NAME</u>	<u>NUMBER</u>	<u>SALARY & OVERHEAD</u>
<u>PRORATION (%)</u>		
Water Production & Storage	Program 54	15%
Water Distribution	Program 55	22%
Meter Reading	Program 56	14%

<u>WASTEWATER PROGRAM</u>	<u>NUMBER</u>	
Industrial Pretreatment Monitoring	Program 64	3%
Interceptor Sewer	Program 65	15%
Lift Stations	Program 66	16%
Collection System	Program 67	15%

The Utilities Division is funded under the Water/Sewer Operating Maintenance Fund, which operates as a self-sustaining enterprise fund. The division is split into seven program budgets. The overhead expenses necessary to operate the parent division are divided by a straight set of percentage formulas as shown above.

The Superintendent of Utilities and the Operations Supervisor, who are in charge of a labor force of Operators and Maintenance Workers, manage all Programs in the Utilities Division. The number of personnel employed in this division remains unchanged.

The primary source of revenue for the fund is the Monthly Water Billing and Connection Fees. The 09 Budget also includes a significant amount of revenue under other sources for the proposed sanitary tap-on fees that are anticipated from Lake County and Wynstone utilizing excess capacity. A final significant source of funds is derived from IEPA loan proceeds. Well 12 is currently being funded by a low interest IEPA Loan and Well 11 is also expected to be similarly funded.

<u>POSITION</u>	<u>FY/06-07</u>	<u>FY/07-08</u>	<u>FY/08-09</u>
Assistant Public Works Director	1	1	1
Superintendent of Utilities	1	1	1
Operations Supervisor	1	1	1
Utilities Operator	2	2	3
Maintenance Worker II	4	4	3
Maintenance Worker I	3	3	2
Meter Reader	1	1	1
TOTAL	13	13	12

Additional information on individual programs is provided below in each of the program sections. Each program narrative goes into additional detail about expenditure contained in that program. Each will highlight specific capital outlays and the enhancement provided to those programs.

UTILITIES / WATER DIVISION

The Water Division is ultimately responsible for the production and supply of safe and potable water to the consumers within the Village of Lake Zurich. The division is responsible for testing, monitoring, operating and maintaining six deep wells including five Ion Exchange Water Treatment Plants, two elevated storage tanks and 119 miles of distribution mains. This division is also responsible for the preparation and operational reports, chemical dosage and residual monitoring and reporting, and implementing of all required sampling and analysis as dictated by the mandates in the Safe Drinking Water Act and IEPA regulations. The Water Distribution Division has the additional obligations of repairing and maintaining the distribution system, and reading and replacing water meters.

The Water Supply is funded under the Water/Sewer Operating Maintenance Fund, which operates as a self-sustaining enterprise. The water section is split into three program budgets. The overhead expenses necessary to operate the parent division are divided by a straight set of percentage.

PROGRAM 54 – WATER PRODUCTION AND STORAGE (35% of Utilities Budget)

The Water Production and Storage Program provide a budget plan for the maintenance, operation and development of the Village of Lake Zurich's system of deep wells and storage facilities. The Village currently operates six deep wells that have the design capacity of approximately 6 million gallons per day, with a sustained capacity in the neighborhood of 4.2 million gallons per day. Last year's water production totaled 718,395,800 gallons with an average daily production of 1,968,208 gallons/day.

This program also involves the maintenance and repair of the Village's storage facilities: a 750,000 gallon water spheroid at Paulus Park and a 1.5 million gallon water spheroid on Midlothian Road. The majority of expenses associated with such facilities relates to painting and cathodic protection (corrosion control). Additionally, all expenses related to bacteriological and chemical sampling and analysis to assure water quality are reflected in this program. Currently the Village is finalizing the installation of water treatment (ION Exchange) for Well 12 and 9. The treatments are being implemented to meet the Combined Radium Standard and satisfy the Village's Compliance Agreement with the IEPA for five of our six wells. It is important to note that costs directly related to production are expected to increase as this process involves using additional chemicals needed for ION Exchange and electricity.

This division also monitors compliance certification and testing for backflow devices for fire protection, domestic, industrial and commercial lines and irrigation systems.

PROGRAM 55 – WATER DISTRIBUTION (15% of Utilities Budget)

The Water Distribution Program covers the cost of maintaining approximately 119 miles of water main that networks the Village of Lake Zurich. This division is responsible for the 24-hour maintenance of the piping systems, and therefore one can note overtime dollars are allocated to this program to pay crews for time spent repairing main breaks during non-working hours. This program also allocates funds for the maintenance and repair of approximately 1,700 system valves and 1,600 fire hydrants.

PROGRAM 56 – METER READING (13%) of Utilities Budget

The Village has responsibility for the Meter Reading Program, which provides for the installation, replacement, repair, testing, and reading of all water meters in the Village of Lake Zurich. The Village has responsibility for maintaining and reading approximately 6,400 meters: 5,900 residential, 400 commercial, and 100 industrial. Last year, the Village began a 5-year upgrade of all "Touchread" meters to "Radioread" capability. This new system when fully implemented will allow meters to be read in a single day which will improve efficiency of billing and allow for better water accountability.

UTILITIES / WASTEWATER DIVISION

The Wastewater Division is responsible for repair and maintenance of the existing Sanitary Sewer and Lift Station Systems. In 1995 this section took on the responsibility for operating and maintaining the state-of-the-art Interceptor Sewer System. The ultimate charge of the Wastewater business is the collection and conveyance of wastewater from any home or business to the Lake County treatment facility in Buffalo Grove. Other Wastewater obligations include:

- Interface with Lake County Public Works Officials;
- Discuss operations and pollution problems with IEPA Inspectors;
- Interpret and implement all sampling, analysis and reporting mandates issued by regulatory agencies;
- Read the meters that monitor flow from the Village of Kildeer to provide billing information to the Finance Department.

PROGRAM 64 – INDUSTRIAL PRETREATMENT MONITORING (1% of Utilities Budget)

This program funds the administration of the Industrial Pretreatment Monitoring Program that provides inspection services within the Village of Lake Zurich. Discharge of contaminated sewage into the collection system is determined to be somewhat significant due to the manufacturing or industrial process being performed with certain industries. As part of connection to the Lake County Sewer Plant, it is an IEPA requirement that the Village conduct Industrial Pretreatment Monitoring. The Village currently has two minor industrial users (Priority Foods & Hydrite Chemical) whose ability to discharge flow is controlled by permit from the Village. The Wastewater Collection Division monitors flow from each of these.

On a regularly scheduled basis several other industries contract for laboratory analysis of the samples taken to determine if the sewage discharges exceed allowable standards set forth in the Pretreatment Ordinance. Industries receiving monitoring services pay for all services rendered, including our time and the cost of contractual lab analysis. If lab results demonstrate that the industry discharge is in violation of minimum contaminant standards for non-conventional pollutants, fines are levied to the industry.

The total normal operating costs of supplies, services and personnel for operating the Industrial Pretreatment Monitoring Program have declined due to the number of Industrial units requiring pretreatment declining.

PROGRAM 65 – INTERCEPTOR SEWER (7% of Utilities Budget)

The Interceptor Sewer Program provides the funds necessary for the following:

- Operation of Quentin and Northwest pump stations;
- Maintenance of the pipeline; from the Quentin Pump Station to Lake County's Treatment Plant
- Maintenance of appurtenant equipment associated with the siphon that collectively transfers all of Lake Zurich's sewage to Lake County's Des Plaines River Treatment Plant in Buffalo Grove.

Employees are responsible on a daily basis for the following:

- Routine inspections of both pump stations;
- Inspection of all associated equipment and instrumentation;
- Maintenance of the vacuum priming structure in Kildeer;
- Maintenance of the flow control structure in Long Grove;
- 12.5 miles of force main and gravity sewer in four communities and a private golf club.

This Interceptor Sewer System was built in order for the Village to be able to decommission the sewage treatment plants and use the Lake County Plant. During the past year, a volume of approximately 958,735,000 gallons of flow has been sent to Lake County through this sewer system. Through our SSES Program, which includes flow monitoring, smoke testing, dye water flooding, and I & I Reduction, we continue to reduce the volume of flow sent to Lake County.

PROGRAM 66 – LIFT STATIONS SECTION (17% of Utilities Budget)

Program 66 defines the costs associated with the operation and maintenance of Lake Zurich's series of 15 lift stations that function 24-hours per day to provide dependable sewer service to all customers. These lift stations vary by size, type, age and manufacturer. Each lift station, because of its location in the system, is subject to varying flow conditions depending on time of day and weather. The lift stations require daily inspection and monitoring to insure their continued operation and to catch possible problems early before major failures develop.

The total normal operating costs of supplies, services, and personnel for managing the operation of the lift stations represent approximately 17% of the total budget provided in the Wastewater Collection Division. The major expenditures of note in this program are attributed to the electrical energy costs to power the lift stations.

PROGRAM 67 – COLLECTION SYSTEM (12% of Utilities Budget)

Lake Zurich's Sanitary Sewage Collection System includes approximately 86 miles of sanitary gravity sewer and force main. For the most part, the Village's sanitary and storm sewer systems are totally separate, with the exception of some Inflow and Infiltration problems that have recently been addressed. The collection system is designed to receive sanitary flows from various sources throughout the Village. It then conveys those flows, unimpeded, to one of 15 lift stations, or directly into the wet well at one of the Interceptor Sewer pump stations. Age, movements of the earth and even corrosion from the wastewater has caused portions of the Village's collection system to fall into disrepair.

To address some of these collection system problems, the Utilities Division will continue an in-house inspection program by televising, smoke testing, and dye water flooding existing areas constructed of vcp pipe, and problematic areas to determine if additional lining or replacement is warranted.

Continuing collection system improvements include: replacing defective manhole frames and lids, rehabilitating and lining of deteriorating manholes, installing Wrapid Seal Encapsulation and other water proofing techniques to reduce I & I.

Budget Highlights

- Motor Replacement for Well 10.
- Well 12 Ion Exchange Construction.
- Well 9 Ion Exchange Construction.
- Buffalo Creek Lift Station Elimination Design.(Carry Over from 07-08)
- Significant increase in electricity costs due to de-regulation.
- Carryover costs for Route 22 utility relocations.
- Well 11 Ion Exchange Construction
- Year Two of Meter Reading Equipment Conversion Program

FY 2008 Accomplishments

- Well 11 scheduled maintenance – Not completed due to difficulties with Well 10
- Well 10 scheduled maintenance – Motor and Spare Failed
- Replaced original Well 8 driveway
- First year of a 5 – year upgrade of all “Touchread” water meters to “Radioread” capability. This includes replacement of two 15-year old interrogators.
- Video inspection of line segments of the Interceptor Sewer from Old McHenry Road to Lake County Plan – Not completed as this would be part of County Agreement
- Continued Sanitary Manhole Lining Program

FY 2009 Objectives

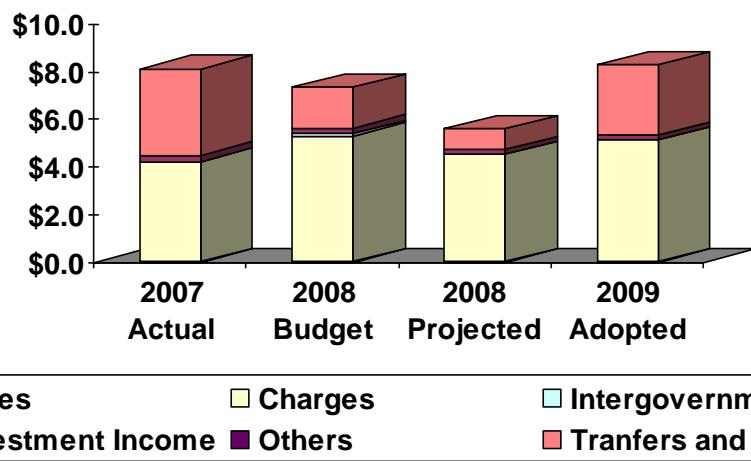
- Complete Rate Study and secure low interest loan for Well Number 11.
- Design and begin Construction on Well 11 Ion Exchange Plant.
- Meet IEPA Regulatory Compliance Commitment
- Coordinate and inspect Hawthorn Woods Sanitary Improvement Extension and replacement of portions of Village system

- Well 11 Maintenance (Carry over from 08)
- Well 8 Scheduled Maintenance
- Complete installation of Year 2 “Radio Read” Upgrade Program
- Prepare cost/benefit analysis for elimination of certain lift stations
- Replace two soft starts at Northwest Pump Station.
- Implement SCADA for Water Plant Integration and 4 small lift stations
- Replace Failed flow meters at Concord Village and RSR Lift stations

Water and Sewer Fund	2008	2009	2009 FTE's
Full Time Positions	13.0	12.0	12.0
Part Time Positions	1.0	1.0	0.3
Seasonal Positions	0.0	0.0	0.0
Total	14.0	13.0	12.3

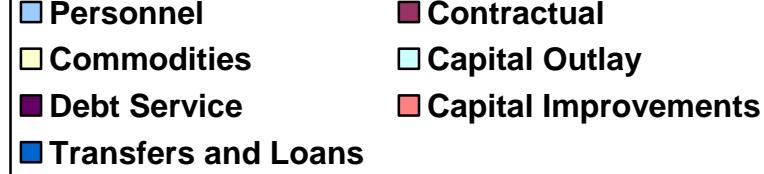
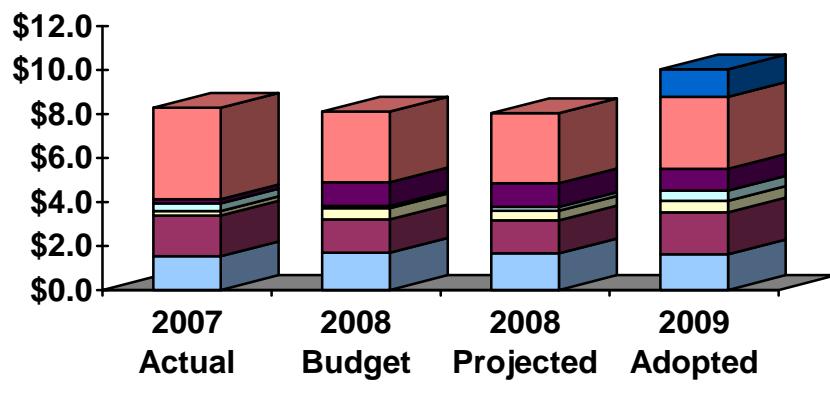
Water and Sewer Fund Revenues	2007 Actual	2008 Budget	2008 Projected	2009 Adopted
Taxes	11,733	11,718	11,732	11,718
Charges for Services	4,216,200	5,289,117	4,506,921	5,120,018
Intergovernmental	-	124,612	-	-
Investment Income	263,991	207,000	211,702	185,000
Others	-	1,000	22,488	1,000
Transfers and Loans	3,636,325	1,700,000	850,000	2,972,000
Total	8,128,249	7,333,447	5,602,843	8,289,736

Water and Sewer Fund Revenues



Water and Sewer Fund Expenditures	2007 Actual	2008 Budget	2008 Projected	2009 Adopted
Personnel	1,540,633	1,693,914	1,671,217	1,617,708
Contractual	1,846,816	1,519,753	1,486,676	1,907,147
Commodities	198,346	509,401	440,082	530,910
Capital Outlay	347,344	99,650	170,652	458,750
Debt Service	191,312	1,081,608	1,082,419	992,318
Capital Improvements	4,163,622	3,217,500	3,187,000	3,270,000
Transfers and Loans	-	-	-	1,250,000
Total	8,288,073	8,121,826	8,038,046	10,026,833

Water and Sewer Fund Expenditures



Fleet Service Division

Division Description

Maintenance of the Village's fleet vehicles and equipment is the responsibility of the Fleet Services Division. Service is provided to all divisions of the Public Works Department, the Police and Fire Departments, Building and Zoning, Community Development, Planning, Park and Recreation. Due to the nature of emergency vehicles such as police, fire and public works, personnel are on call 24 hours per day, seven days per week. The three individuals employed in this division perform preventative maintenance on a regularly scheduled basis and emergency repairs on approximately 178 pieces of equipment. Besides trucks and cars, this division also maintains tractors, mowers, saws, and other equipment used throughout the Village. The high resale of cars and trucks that have been resold is testimonial to the excellent maintenance care given by this division.

In addition to the above, these employees prepare specifications and provide recommendations for the purchase of fleet vehicles, provide welding and fabrication services, and perform set-up services for new squad cars including the radio installation. This division also maintains emergency generators at all Fire and Police Stations.

The Fleet Services division has its own fund called the Vehicle Maintenance Fund. This fund is necessary in order to divide the expenditures from this division amongst all departments that it serves. The total expenditures are estimated for each Department based on past records and future anticipated costs. Each Department is charged its expenditures via the specific line item in their budget that is the Vehicle Maintenance expenditure line item under the Contractual Services portion in each Department. The Vehicle Maintenance expenditures charged to each Department are then shown as revenue into the Vehicle Maintenance Fund. In allocating the resources of this Division in this manner, the fund is always balanced and has no surplus or deficits. Should additional charges be necessary, such as additional fuel for snowplowing, the Department and/or program that incurred the costs will be billed for those costs.

The Village is required to participate in the Clean Fuel Fleet Program and has acquired vehicles in the past few years that meet the emission standards thereby maintaining compliance with the Clean Fuel Initiatives (CFI) Directives.

The Village now owns a Bi-fuel van and 8 Bi-fuel Pick-up Trucks. These vehicles are now capable of refueling at our own CNG Fueling System that opened in the fall of 2001. Unfortunately the use of natural gas as an alternate fuel supply for vehicles is on the decline as opposed to new battery hybrids. As such, bi-fuel vehicles equipped with natural gas are no longer being manufactured by the automotive industry as an option. Staff expects this alternate fuel to be phased out over the next 10 years.

<u>POSITION</u>	<u>FY 06-07</u>	<u>FY07-08</u>	<u>FY 08-09</u>
Fleet Services Superintendent	1	1	1
Mechanic II	2	2	2
TOTAL	3	3	3

The Village has an Intergovernmental Agreement with Ela Township to provide Fleet Repair Services. Fleet Services also provides fuel for the Villages of Hawthorn Woods and Kildeer. These services are billed to the respective parties and shown as revenue sources.

Budget Highlights

There is an increase of funds for Fleet Services mainly due to increased operating costs beyond our control. The primary cause for the increases are directly reflected by the increase in fuel costs. Parts, fluids and tires are all affected by higher fuel prices. As can be seen in the following pie charts, the total budget has increased, and the primary increase is in commodities due to the increase in fuel costs. Capital Outlay costs have been eliminated due to budget constraints.

FY 2008 Accomplishments

The Fleet Service Division has been an active participant in the Illinois Clean Fuel Fleet Program and Partners for Clean Air and the Village status of Bronze Level Member was upgraded to Silver.

The Fleet Service Division did an excellent job maintaining all of the snow removal equipment and participating in the snow plowing efforts throughout this difficult and well above average winter season. At one point, five pieces of equipment were not operational during one of the heaviest snow events. The diligence of this department made sure three of the five pieces were available to assist in snow removal prior to the conclusion of the storm event and the other two pieces were back in operation prior to the next snow event.

Unfortunately, due to the extreme winter season, budgeted line items were exceeded and the fund as a whole is anticipated to be over budget. Some of the overage will be offset by revenues such as outside fuel agreements with neighboring communities and the remainder is reflected as increases to the Vehicle Maintenance accounts of each Department/Program that was impacted, such as Snow & Ice Control.

FY 2009 Objectives

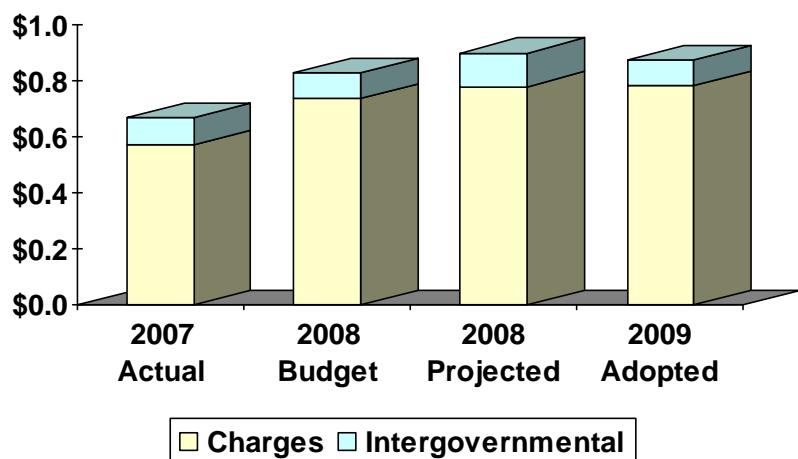
Fleet Services will maintain the Fleet to our best ability, using the most cost-effective means, without sacrificing quality or safety. Continue with aggressive Preventative Maintenance Program, therefore reducing critical down time.

Provide assistance to General Services for snow plowing duties. Past practice has been to have a mechanic on call during snow events and often this mechanic would be called in and remain on duty during an entire snow event. During this past winter, the on duty mechanic was called in during every event to assist General Services with snow removal operations. This proved to have a dual benefit for the Department, having a mechanic on duty for any repairs and improving the snow removal process.

Vehicle Maintenance Fund	2008	2009	2009 FTE's
Full Time Positions	3.0	3.0	3.0
Part Time Positions	0.0	0.0	0.0
Seasonal Positions	0.0	0.0	0.0
Total	3.0	3.0	3.0

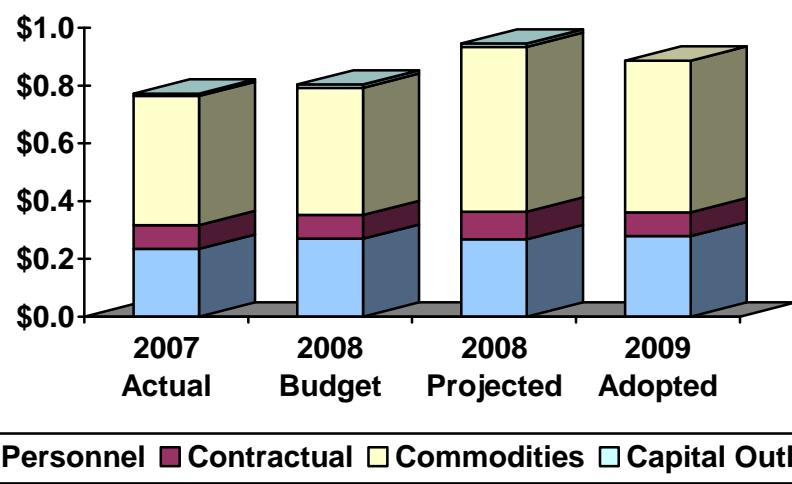
Vehicle Maintenance Fund Revenues	2007 Actual	2008 Budget	2008 Projected	2009 Adopted
Charges for Services	572,454	739,156	780,000	782,380
Intergovernmental	96,364	89,000	120,000	83,700
Total	668,818	828,156	900,000	876,080

Vehicle Maintenance Fund Revenues



Vehicle Maintenance Fund Expenditures	2007 Actual	2008 Budget	2008 Projected	2009 Adopted
Personnel	234,435	269,428	268,001	278,544
Contractual	82,324	82,192	95,065	82,171
Commodities	447,086	440,150	570,620	525,150
Capital Outlay	8,246	12,000	11,800	-
Total	772,091	803,770	945,486	885,865

Vehicle Maintenance Fund Expenditures



BUILDING & ZONING

Department Description

The purpose of the Building & Zoning Department is to preserve and enhance the quality of life and to protect the safety of the built environment in the Village of Lake Zurich through planning, administration and enforcement of the Village's Comprehensive Plan, Land Development, Zoning and Building codes.

These services are implemented through two divisions, the Building Division and the Planning & Development Division.

- The Building Division is responsible for review, approval and issuance of permits for all construction projects. The division also performs scheduled and periodic inspections during construction to ensure compliance with building codes and standards.
- The Planning & Development Division is responsible for guiding the applicants through all project phases of the development and approval process, Route 12 corridor guidelines and providing economic development services.

Together these two divisions work toward maintaining the neighborhood character of the community. The department staff is responsible for the oversight and implementation of the Village's Comprehensive Plan, Zoning Code, Building Codes, and department policies and procedures.

The department serves as a resource to the elected and appointed officials and the community at-large. Additionally, staff serves as a liaison to several boards and commissions, including the Planning and Development Committee, Plan Commission, and the Zoning Board of Appeals (ZBA).

2008 Accomplishments

During fiscal year 07/08 there was a significant downturn in the new residential construction industry. This downturn was felt by the department with the slow down in the construction of residential projects in the village, especially in the downtown redevelopment (TIF) district. There has been an increase in small residential remodeling and improvement projects. To offset the slow down in residential construction, construction and development activity has remained high within our industrial and commercial developments. Projects that were approved in 07/08 that will carry over into FY 08/09 include: Astor Subdivision, Frank's Redevelopment, Zurich Meadows and general build-out activity.

- During fiscal year 08/09 ± 1,400 permits are projected to be issued.
- Should renewed interest and activity increase within the downtown redevelopment district, permits and associated revenue will increase.

- North Rand Road redevelopment began during fiscal 07/08 and will continue through fiscal 08/09 with the various projects receiving board approval being permitted.
- Due to economic conditions, large scale residential projects are projected to be less than previous years; however, smaller residential projects are expected to increase, with the demand for departmental services expected to remain high.
- Inspection activity during FY 07/08 will result in ±5,000 inspections being completed along with numerous consultations with homeowners and builders.
- During fiscal 08/09 the Building Department will be upgrading to the 2006 editions of the International Building Codes from the 2000 edition. This process will take considerable staff time to perform the review, editing and recommendations of changes or amendments for Village Board approval.
- The Department is expected to have its ISO evaluation during 08/09. The Department is rated at ISO Level 3. This rating is extremely high and confirms the Village's commitment to providing for safe structures through the proper adoption, implementation and enforcement of current building codes through good business practices.
- The Village Planner will be coordinating the 2008 Special Census for the village. Expected budget impacts will be on staff time, providing office space, office equipment and phone service for the duration of the project.

Proposed Projects

Astor Subdivision – 30.8 Acre Industrial	Donata Court - Industrial
Frank's Nursery Redevelopment	Knights of Columbus – Commercial
Cozzi's Adv. Golf Redevelopment	Zurich Meadows – Sr. Apartments
Lake Zurich Corp. Park	Cobra Co/Former Citation Redev.
Downtown Redevelopment	Marathon – S. Old Rand Road
Meadow Woods – MFR & SFR	Coventry Creek – SFR
LZ Sunset – SFR	Midlothian Court – Industrial
Rand & Miller - Commercial	Deerpath Commons

The revenue portion of the budget is based on the projects listed above. Other revenue sources include miscellaneous residential remodeling and home improvement projects as well as, various commercial, industrial buildings and build-outs.

2009 Objectives

- Adopt the 2006 edition of the International Building Codes, with local amendments that will align the department into the current code cycle.
- Maintain the Village's current ISO rating of 3 through the proper review of the department's codes and practices.
- Develop and implement a proactive property maintenance program; including increased enforcement and prosecution to enhance the overall appearance and quality of life within the Village.

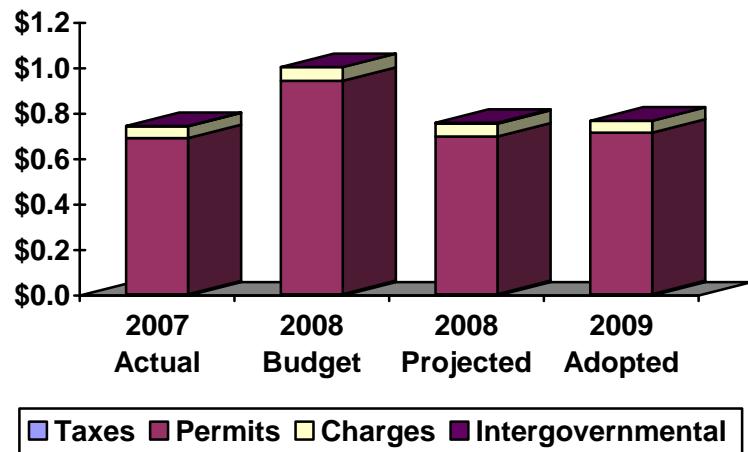
- Implement a comprehensive contractor registration program.
- Review and amend the plan commission/ZBA application, plan review, building permit and inspection fee schedules.
- Streamline the department systems to reduce processing time of development requests, permits, inspections and record keeping.
- Evaluate the effectiveness of the implemented permitting software program for efficiency and determine if the program meets the needs of the department.
- Planning and development activities will be geared to improve economic development services within the Village to maintain the high level of viable businesses and occupancies in the business and industrial districts. In addition to streamlining development requests, staff will develop and maintain essential resources such as community profile, list of retail centers and their availability, and tracking properties available for sale or lease to assist those conducting site searches.
- Coordinate and implement a Special Census that will enable the Village to assess its true and current population and receive its complete share of shared municipal revenues.
- Develop and recommend to the Village Board, a process for developing, establishing and implementing Architectural Design Guidelines through staff/Plan Commission discussion addressing current and future developments within areas of the Village.

All department employees are committed to working towards help meeting these collective objectives of the department.

	2008	2009	2009 FTE's
Full Time Positions	10.0	10.0	10.0
Part Time Positions	0.0	0.0	0.0
Seasonal Positions	0.0	0.0	0.0
Total	10.0	10.0	10.0

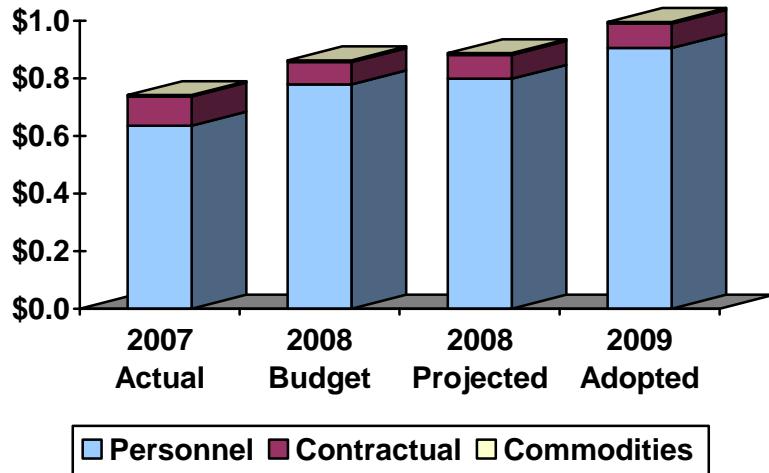
Revenues	2007 Actual	2008 Budget	2008 Projected	2009 Adopted
Taxes	5,749	6,289	6,293	6,293
Permits	687,343	939,025	693,746	710,545
Charges for Services	52,341	59,850	55,911	52,770
Intergovernmental	1,324	100	5,000	100
Total	746,757	1,005,264	760,950	769,708

Department Revenues



Expenditures	2007 Actual	2008 Budget	2008 Projected	2009 Adopted
Personnel	635,521	778,980	798,345	904,921
Contractual	101,252	77,074	82,323	84,287
Commodities	4,747	5,800	6,200	6,150
Total	741,520	861,854	886,868	995,358

Department Expenditures



PARK & RECREATION

Department Description

The Park and Recreation Department offers a wide variety of quality leisure programs, services and facilities to the residents of the Village. The Department provides and implements and/or maintains the following:

- Maintains quality parks and buildings. Includes 31 park facilities, 21 playgrounds, 10 soccer fields, 3 tennis courts, 10 baseball fields, 2 basketball courts, 6 sand volleyball courts, 2 beaches and one spray ground, 10 walking paths, 10 shelters/gazebos, 15 nature areas, and 5 fishing locations. We have 7 facilities that we utilize for offices, program implementation, storage, rental/classroom areas, maintenance services, etc. They consist of The Barn, Chalet and Concession Building within Paulus Park, the Kuechmann House, Buffalo Creek Buildings A & B, and 351 Lyons Drive as one of our maintenance facilities.
- The Staples Park Improvements to be completed by June of 2008 will add the following to the numbers above: 1 playground, 2 tennis courts, 1 basketball court area, 1 shelter/gazebo, and additional walking paths. This project did eliminate 1 baseball field for the additional parking.
- Offers a broad spectrum of year-round programs; active and passive, indoor and outdoor, age group specific, family oriented programs and community special events. They are categorized by dance, preschool, youth programs, camps, athletics, aquatics, special interest, special events/trips, fitness and concessions.
- Utilizes the expertise of other departmental staff to accomplish its' goals and utilizes other resources within the community to jointly offer leisure opportunities to residents.

Budget Highlights

The Recreation Division has three Recreation Supervisors that oversee programs, special events and facility supervision. We also have a Receptionist that handles all of the program registration, including computer entry and cash-management in addition to overseeing the main office at the Barn.

The Park Maintenance Division consists of the Park Operations Supervisor and three Park Maintenance staff. The Park Operations Supervisor is responsible for new park and building development, safety inspections for all facilities and supervision of the other Park Maintenance personnel. The Park Maintenance staff is responsible for the day to day maintenance, repair, inspections, and routine improvements for all the Department facilities and parks. The three Park Maintenance staff also assists in snow plowing during the winter months in conjunction with General Services.

Full-Time Employees (10)

The full time staff of the Department includes the Director, three Recreation Supervisors, Receptionist, Secretary, Park Operations Supervisor and three Park Maintenance employees.

Part-Time Employees

The Department employs over 150 part-time employees for various positions.

Volunteers

Approximately 250 volunteers help to put on special events and programs.

FY 2008 Accomplishments

- The Paulus Park OSLAD grant project was under construction and will be completing in the spring of 2008. The project includes additional pathways, beach play equipment, new lifeguard/gate house, new spray ground, fencing around beach & spray ground, fencing along Route 12, lakeshore restoration, and a new lake overlook rest area. The OSLAD grant is a \$400,000 matching grant for the development of Paulus Park with the additional funds for the projects to come from the Park Improvement Fund and SRA Tax Levy Fund.
- The Staples Park OSLAD grant project started construction in the fall of 2007 and will be completing in the spring of 2008. The project includes new pathways, new playground equipment, 2 new tennis courts, new basketball court area, new shelter/gazebo, and a new parking lot. The OSLAD grant is a \$400,000 matching grant for the development of Staples Park with the additional funds for the projects to come from the Park Improvement Fund and SRA Tax Levy Fund.
- Submitted an OSLAD grant proposal for Bristol Trail Park Improvements. This was for a matching grant of about \$235,000 for improvements to the park. If the Village is able to acquire the grant, the improvements would include new pathways, new playground equipment, new basketball court area, new shelter/gazebo, new par fitness stations around the pathway and a new parking lot.
- With \$80,500 in funds from the SRA Tax Levy the following projects/equipment have been completed or purchased. Please note that the SRA Tax Levy funds can only be utilized for projects/equipment related to recreational opportunities for those with special needs.
 - Oak Ridge Park and Orchard Park pathway additions/repair
 - % of the costs for the new playgrounds at Quail Run, Countryside West, Braemar and Staples Parks.
 - % of the costs for the improvements in Paulus Park
 - New handicap picnic tables
- In 2007 we offered the following special events: Easter Egg Hunt, Haunted House, 4th of July – Taste of Lake Zurich and Fireworks, Holiday Tree Lighting Ceremony, Family Camp-out, Fishing Derby, Chili Cook-off, Movie in the Park, Promenade Entertainment, Earth/Arbor Day Celebration and our 30 Year Anniversary Celebration. Other events held in the community that utilized parks and/or we assisted with include: Alpine Races, Relay for Life Walk-a-thon, Expect a Miracle Walk-a-thon, Lake Zurich Triathlon, AHCF Walk-A-Thon and the LZACC – Taste of the Towns.
- Purchased and put up new Holiday Decorations in Breezewald Park.

- Purchased/installed a new interior fence in Paulus Park using Park Improvement Funds.
- Some of the parking lot and/or pathways at Paulus Park, Buffalo Creek Park, Oak Ridge Park, and Orchard Park has been repaired or re-sealed.
- Parks are continuously being evaluated to do general maintenance as well as plan for improvements. Playground surfacing, general clean-up, landscaping upkeep, and facility/park maintenance are our priorities.
- Purchased 8 new park signs for Oak Ridge, Oak Ridge Marsh Trail, Manor, Wicklow East and West, Zurites, Paulus and Staples parks.
- A new Oak Ridge Marsh Conservation Group was started. They have been working with our department closely for restoration to the Oak Ridge Marsh, through the use of local volunteers. Coordinator, Judi Thode worked with our Department to submit a C2000 grant with the state for \$12,000 to do additional restoration in 2009-2010 in phases 2 and 3 of the project. In addition, we contracted professional services for restoration to the Oak Ridge Marsh and around the Bird Observatory.

FY 2009 Objectives

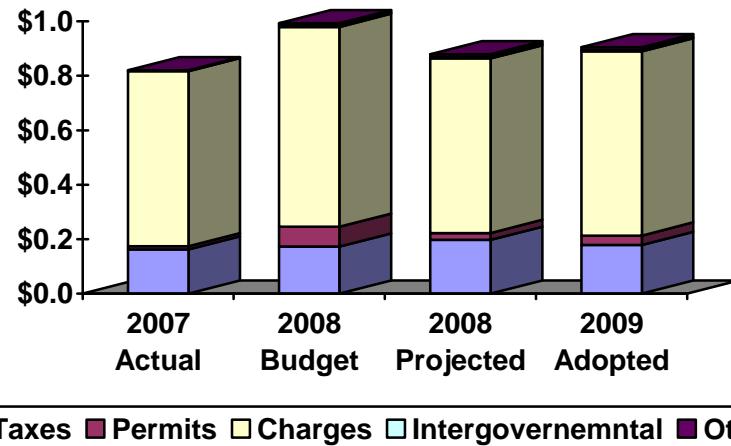
- If we receive notification of approval for the Bristol Trails Park OSLAD grant, we hope to start construction in the fall.
- Purchase/install three new playgrounds at Warwick, Sparrow Ridge and Chestnut Corner/Hunters Creek Parks using Park Improvement Funds and SRA Tax Levy Funds.
- Funds from the SRA Tax Levy will be applied towards the following projects/purchases. Repair to the pavers in Paulus Park, % of the parking and pathways costs for the Staples Park & Bristol Trails Park improvements, % of new playground purchase/installation for new playgrounds and the purchase of additional new handicap picnic tables. As a reminder, the SRA Tax Levy funds can only be utilized for projects/equipment related to recreational opportunities for those with special needs.
- The Park and Recreation Department will apply for additional project grants to begin implementing projects from the master plan; specifically looking at improvements to Paulus Park – Phase II. The existing Park Master Plan will need to be revised before the OSLAD Grant can be completed.
- Offer a new Special Event in August 2008 called the Luau at the Lake and continue to provide if successful. Return the Concerts in the Park to Paulus Park during the 2008 summer.
- Purchase a new 1-ton vehicle and snow plow equipment for the department.
- Re-seal/repair parking lots and/or pathways at several of the parks.
- Purchase additional Holiday decorations for Breezewald Park. Purchase at least 5 new park signs for other parks. Purchasing additional new picnic tables, trash canisters, grills and benches for some of the parks.

- Continue to send both Recreation and Park Maintenance staff to additional trainings/seminars for professional improvement and certifications.
- Attain additional sponsorships from individuals and local businesses ; specifically for sponsors to pay for entertainment for special events, park equipment and improvements, etc.
- Staff will continue to explore cooperative programming opportunities with other community services in using other facilities that are available to rent/lease for our programming needs.

	2008	2009	2009 FTE's
Full Time Positions	11.0	10.0	10.0
Part Time Positions	0.0	0.0	0.0
Seasonal Positions	121.0	121.0	22.7
Total	132.0	130.0	32.7

Revenues	2007 Actual	2008 Budget	2008 Projected	2009 Adopted
Taxes	161,937	172,400	197,541	178,300
Permits	11,470	73,000	25,000	35,000
Charges for Services	643,804	734,050	641,438	676,100
Intergovernmental	-	5,000	5,000	5,000
Other	2,907	8,900	10,350	10,200
Total	820,118	993,350	879,329	904,600

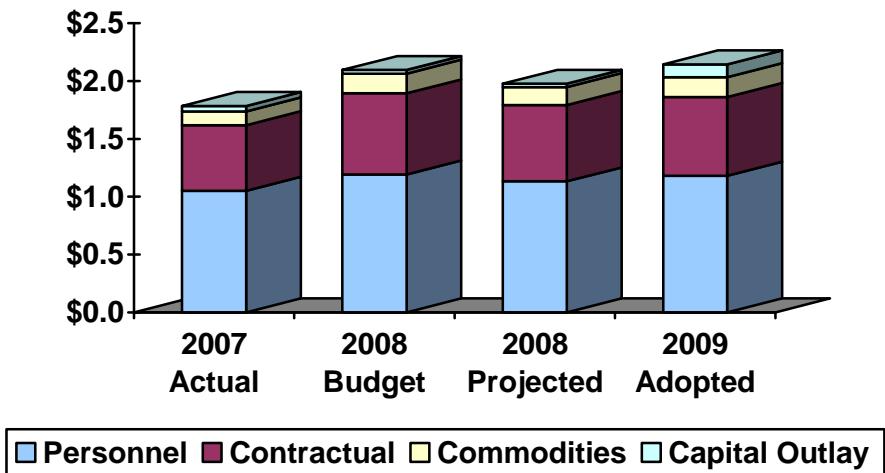
Department Revenues

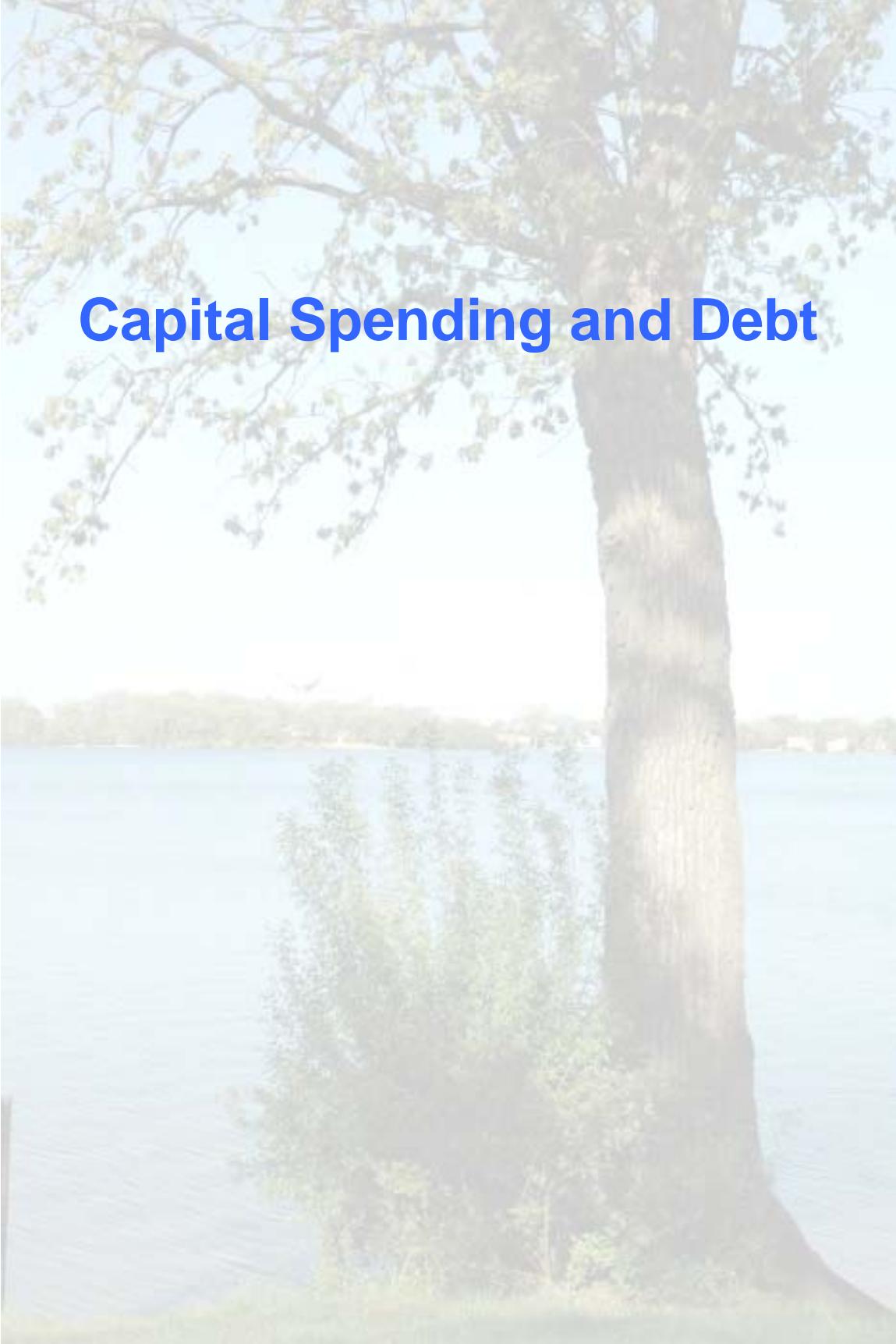


■ Taxes ■ Permits ■ Charges ■ Intergovernmental ■ Other

Expenditures	2007 Actual	2008 Budget	2008 Projected	2009 Adopted
Personnel	1,050,765	1,191,818	1,132,647	1,180,552
Contractual	567,972	701,742	659,100	681,160
Commodities	118,679	170,650	155,875	172,400
Capital Outlay	46,958	31,550	29,250	109,900
Total	1,784,374	2,095,760	1,976,872	2,144,012

Department Expenditures





Capital Spending and Debt



CAPITAL IMPROVEMENT PROGRAM -

The Village of Lake Zurich Capital Improvement Program (CIP) is a 5-year schedule of public physical improvements to the Village's infrastructure. The CIP sets forth proposed expenditures for systematically constructing, maintaining, upgrading, expanding, and replacing the community's physical plant, as required by Village Policy.

This section describes the CIP process and provides limited details of projects included within the capital improvements area of this adopted budget. The end result of the capital program is a separately published document, which includes detailed mapping, revenue sources and the complete five year program. The reader should refer to that document to attain more descriptive details than is included herein.

THE PROCESS

Projects are typically major expenditures. They can be either infrequent projects, such as the construction of a new police headquarters or systematic improvements, such as street surface improvements. Regular street maintenance of village facilities is not considered a Capital Improvement. Therefore, a project such as street repairs which fixes minor asphalt openings would not be found in this document and is funded, scheduled and completed within the Public Works Department's Operating and Maintenance (O&M) budget.

Because the CP identifies what Village facilities will be improved it is more than a schedule of expenditures. It is a statement of budgetary policy and a planning document. Implementation of the CIP is a tool to accomplish the adopted goals and policies of the Board of Trustees.

Projects are developed through the course of the fiscal year. The process involves board,

citizen, or staff proposing needed projects. Staff then coordinates the project with any related projects, reviews for compatibility with the Village's goals, identifies a funding source, and develops a project schedule. Projects are reviewed by the responsible department and placed within the department's 5-year schedule.

During the annual review of the 5-year CIP, completed projects are removed, new projects are proposed, and scheduled projects move forward in the schedule or out to later years. The timing of a project is dependent on the current condition of the facility and funding availability.

As the 5-year CIP is fine-tuned, it is under the oversight of the Engineering Division of the Department of Public Works. At this time, the specific dollar amounts available for each funding source are known or reliable projections can be made and projects may be added or dropped based upon the amount of funds available in the next five years.

CIP BUDGET

The first year of the 5-year CIP program is called the capital budget. An extensive project, such as the reconstruction of a major roadway, will typically be a multi-year project. The first year of the project is the design stage and the second year, and sometimes the third or even the fourth years, will involve the actual construction. The capital budget is integrated with the operating budget of the Village and adopted in one motion.

The projects within the first year of the CIP are prioritized. Prioritization is developed within each section and is established by the responsible departments. The prioritization is based on the need for the project and the available resources needed to complete the project.

The availability of funds is the key factor as to whether a project will be initiated and completed. There are a variety of funding sources available, but these sources are limited in both the amount available and how these funds can be used. The same funding restrictions discussed in the Funds section hold true here. Projects can be funded by village, state or federal monies and outside agencies and individuals. Village funding sources typically are local sales and property taxes as well as service and utility fees.

IMPACT ON OPERATING BUDGET

Because much of the funding for capital projects comes from the general and special revenues, the operating budget must have a clear connection to the CIP process. Those same revenues drive the daily services provided by the Village. Accordingly, its operating budget often comes first when priorities for projects are set, should tax or other revenues not be sufficient to maintain current operations and to build infrastructure. This is especially important when the project will create new or expanded facilities. For example, if a new roadway is built then the

Public Works Department must include supplemental information in its budget to maintain the new roadway. This would include not only the employees or contractors to maintain the roadway, but equipment and supplies for the roadway maintenance.

For most items in the 2009 capital budget, there is little, if any, actual impact on the operating budget since many capital items are replacement items already affecting operation costs. In most instances operating costs are projected to remain constant offsetting the impact of inflation.

Following this discussion are three tables related to capital projects. The first table lists the various projects funding source descriptions the Capital Improvement Program uses. The second table provides a summary by funding source of capital projects while the third table lists the actual projects included in the capital portion of the adopted budget. The list is grouped by the funding source and shows a brief descriptive title and the amount included in this year's adopted budget.

Project Funding Source	Description
General Fund	Revenues from Local Taxes, Fees, Charges, Intergovernmental and Investment Income
Motor Fuel Tax Fund	Intergovernmental revenues received from the State of Illinois for use on arterial roadways only
TIF Redevelopment Fund	Incremental Property Tax in the Village's TIF District
Capital Improvements Fund	Normally transfers from other funds, bond proceeds, or grants proceeds
Park Improvement Fund	Grant proceeds and donations from developers
Water and Sewer Fund	Income received from users of the Village's water and sewer systems

Projects Summary	
Fund	Amount
Motor Fuel Tax Fund	\$ 432,167
Capital Projects Fund	720,000
Park Improvement Fund	980,000
Water and Sewer Fund	3,270,000
Total	\$5,402,167

Project Type	Project Title	Project Budget
Transportation	2008 Roadway Program	\$ 432,167
	Transportation Total	\$ 432,167
Park Improvements	New Playgrounds at Warwick, Sparrow Ridge and Chestnut/Hunters Creek Parks Bristol Trails Park Improvements Paulus Park interior fence replacement	\$ 980,000
	Park Improvement Total	\$ 980,000
Roadway	Midlotian Road Signalization – Phase I and II Midlotian Road Construction – Phase III	\$ 90,000 630,000
	Roadway Total	\$ 720,000
Water System	Well #9 Existing Driveway Replacement SCADA Software Programming Well # 9 ION Exchange Plant Well #11 ION Exchange Plant Well #12 ION Exchange Plant	\$ 10,000 10,000 650,000 1,850,000 750,000
	Water System Total	\$3,270,000
	Grand Total	\$5,402,167

DEBT MANAGEMENT -

The last section described how the Village provided for its infrastructure needs. It was noted that operating revenues were the primary source for CIP projects. This 'pay-as-you-go' financing plan works well for smaller projects that can be paid out of current revenues. It doesn't work when project cost is greater than the annual collections from that source of revenues.

When more significant projects are planned which are beyond current revenues ability to spend, the Village will seek financing solutions that provide the necessary resources immediately. Although a variety of forms of financing are available, the Village usually turns to long-term bonds as a source of its financing.

LONG-TERM BONDS

Much like bank financing, the Village sells bonds on the open market to secure enough proceeds to pay for a project. With a ready source of cash, the Village can complete a large project without the cash-flow concerns of using 'pay-as-you-go'. Again, like bank financing, the bonds must be repaid over time, at market driven interest rates. These payback terms are spread based on the flow assumptions of the underlying revenue and can range from one to thirty years or more.

There are several reasons why bond financing is the most attractive source of capital. Because of their lower risk, with particular revenue types pledged to bond repayment, interest rates are lower. Municipal bonds are attractive to investors also because of favorable income tax treatments of bond interest payments.

Interest rates are fixed at the time of the bond sale, providing the Village with a known payment schedule. Servicing this debt becomes part of the operating budget along with operational capital needs. As noted earlier, the Village maintains a Debt Service

Fund, which is used to account for payment of the debt. Into this fund are transferred monies from other operating funds that can now pay over time for a costly project rather than trying to set aside monies until sufficient resources are available.

Most governments have been active in the bond market for years, especially with low long-term rates. The Village of Lake Zurich is no exception. This bond financing to pay for capital projects is especially prevalent in the fast-growing areas, like the "Downtown TIF" area in Lake Zurich.

BOND TYPES

There are different types of bonds used depending on the type of project and its anticipated repayment funding. A description of the bond types and their use by the Village follows.

General Obligation Bonds – This type of bond relies on property tax financing rather than on current operating revenue. Because of Lake Zurich's status as a non-home rule community, voter approval is required before the issuance of these types of bonds. The Village has outstanding General Obligation Bonds which can be seen in the table that follows. The 2007 Tax Levy required to meet debt service payments on the outstanding bonds is \$2,664,290 although \$1,633,468 are abated leaving a new requirement of \$1,030,822. The reasons for the abatements are that the funds required for repayment are either escrowed or are transferred from other Village of Lake Zurich funds.

Revenue Bonds – These bonds are similar to general obligation bonds except that they do not have the support of local property tax base for repayment. Instead, a source of revenue related to the project is pledged for repayment of the bonds. A typical revenue bond is related to the Water and Sewer Fund. The User Charges of the Water and Sewer fund can be

pledged for repayment of the bonds, as it is a reliable source of revenue. Debt service payments would then claim priority for spending from the fund until the bonds were repaid. The Village presently uses this type of bonding in the TIF Fund.

IMPACT OF DEBT SERVICE ON BUDGET

Much like the impact of capital projects, debt service payments are derived from the same general revenues that are used for operations. A balance must be achieved between operational needs, debt requirements and capital expenditures to stay within the limitations of annual revenues. Each year, the Board of Trustees and staff work carefully to assure this balance. The benefit of securing long-term financing to provide for timely construction of needed infrastructure can make a municipality "debt poor" if taken to extremes.

While no rules exist for measuring the amount of debt capacity a village can bear, some

measures are available to compare governments. Per capita debt ratios and other means of comparison are reviewed to ensure that the Village goes not overreach its capacity for debt issuance. The Village continues to develop more quantifiable measurement for debt analysis.

More meaningful to this analysis is the Village's bond rating, A1. Rating agencies are instrumental in determining debt capacity of the Village. The Village works with these agencies closely to maintain its overall superior rating to assure the soundness of its ability to attain favorable interest rates in the financial markets.

OUTSTANDING DEBT

This table lists the Village's outstanding debt at April 30, 2008. The information has not, as of the time it was prepared, been audited.

Purpose	Source of Repayment	Rate	Maturity	Issued	Outstanding
General Obligation Bonds					
GO 2000	Police Headquarters	Debt Service Fund	5.25 - 5.375%	12/15/2019	\$6,000,000
GO 2001	Refunding	Debt Service Fund	2.50 - 3.75%	12/15/2008	\$4,645,000
GO 2003C	Equipment	Debt Service Fund	2.00 - 3.00%	5/1/2009	\$1,390,000
GO 2006	Water and Sewer	Water and Sewer Fund	4.00%	12/15/2014	\$2,050,000
					Total General Obligation \$7,095,000
Alternate Revenue Bonds					
ARB 2002	Water and Sewer	Water and Sewer Fund	4.00 - 4.25%	12/15/2012	\$2,000,000
ARB 2002	TIF	TIF Debt Service Fund	5.00 - 6.00%	12/15/2024	\$3,970,000
ARB 2002A	TIF	TIF Debt Service Fund	4.00 - 4.70%	12/15/2021	\$1,830,000
ARB 2003A	TIF	TIF Debt Service Fund	3.625 - 3.750%	12/15/2021	\$4,200,000
ARB 2003B	Water and Sewer	Water and Sewer Fund	2.50 - 2.625%	5/1/2011	\$1,960,000
ARB 2003D	Water and Sewer	Water and Sewer Fund	3.35 - 4.750%	5/1/2011	\$700,000
					Total ARB \$11,610,000
Revenue Bonds					
2005A	TIF	TIF Debt Service Fund	3.75 - 4.00%	12/15/2024	\$8,500,000
2005B	TIF	TIF Debt Service Fund	4.30 - 4.80%	12/15/2014	\$1,500,000
					Total Revenue Bonds \$10,000,000
Line of Credit					
Cambridge	TIF	TIF Redevelopment Fund	Prime - .25%	10/1/2008	\$7,500,000
Installment Contracts					
Contract	Equipment Purchase	Operating Funds	3.25%	12/15/2009	\$1,210,000
Illinois Environmental Protection Agency Loans					
IEPA 2005	Well 8	Water and Sewer Fund	2.5 - 4.5%	6/15/2026	\$2,000,000
IEPA 2007	Well 12	Water and Sewer Fund	2.5 - 4.5%	12/16/2026	\$2,000,000
					Total IEPA Loans \$544,263



Appendix

Department
Revenue
By Program
By Fund

Department
Expenditures
By Program
By Fund

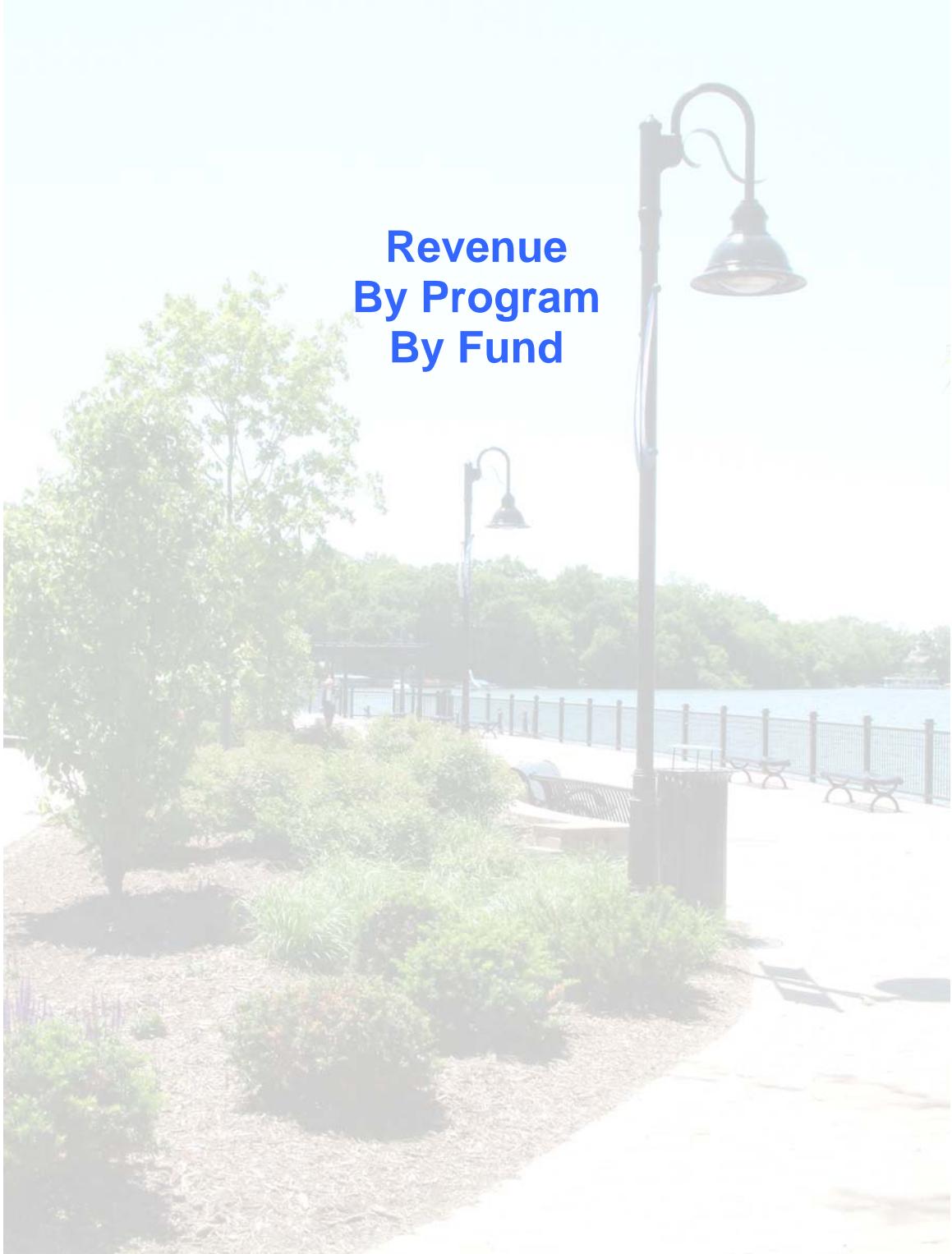
Position Control

Budget Ordinance

Tax Levy Worksheets

Glossary of Terms





Revenue By Program By Fund



**Village of Lake Zurich
Fiscal Year 2008 - 2009 Adopted Budget**

Revenue by Program by Fund

Revenues:	General Fund	2006 - 2007	2007 - 2008		2008 - 2009
		Actual	Budget	Projected	Adopted
General Government					
Taxes	7,564	8,274	8,280	8,274	
Licenses	64,809	80,000	80,000	85,000	
Charges for Services	-	1,500	-	1,500	
All Others	697	5,000	550	2,500	
Transfers/Loans	-	-	-	500,000	
Total General Government	73,070	94,774	88,830	597,274	
Village Administration					
Taxes	1,815	1,986	1,987	1,986	
Licenses	1,314,541	1,434,000	1,300,600	1,360,750	
Charges for Services	551	37,000	10,002	37,000	
All Others	47,080	106,723	34,150	132,123	
Total Village Administration	1,363,987	1,579,709	1,346,739	1,531,859	
Finance					
Taxes	2,204,514	2,355,371	2,249,952	2,330,834	
Licenses	105,298	125,000	105,000	105,000	
Intergovernmental	7,249,070	7,365,100	7,416,500	7,666,128	
Investment Income	250,175	235,000	240,000	295,500	
All Others	7,415	11,200	14,777	11,200	
Transfers/Loans	-	60,500	-	-	
Total Finance	9,816,472	10,152,171	10,026,229	10,408,662	
Police Department					
Taxes	1,106,102	1,177,835	1,200,650	1,234,027	
Permits	9,690	20,000	17,000	15,000	
Fines and Forfeitures	474,646	543,980	457,489	488,481	
Charges for Services	131,397	109,000	200,162	112,000	
Intergovernmental	433,183	423,682	495,963	464,096	
All Others	15,823	7,400	7,636	8,400	
Total Police Department	2,170,841	2,281,897	2,378,900	2,322,004	
Fire/Rescue Department					
Taxes	1,751,515	1,875,506	1,898,512	1,965,423	
Permits	39,827	35,900	28,012	28,400	
Charges for Services	3,873,006	3,951,818	4,134,641	4,084,942	
Intergovernmental	283,165	189,106	48,869	67,037	
All Others	5,078	78,000	14,014	33,000	
Total Fire/Rescue Department	5,952,591	6,130,330	6,124,048	6,178,802	

**Village of Lake Zurich
Fiscal Year 2008 - 2009 Adopted Budget**

Revenue by Program by Fund

	2006 - 2007 Actual	2007 - 2008		2008 - 2009 Adopted
		Budget	Projected	
Revenues:				
Public Works Department - General Services				
Taxes	52,346	57,260	57,299	57,260
Charges for Services	265,367	220,000	183,165	139,500
Intergovernmental	195,243	380,000	33,461	24,000
All Others	254,462	218,000	249,860	236,000
Total Public Works - General Services	767,418	875,260	523,785	456,760
Building and Zoning Department				
Taxes	5,749	6,289	6,293	6,293
Permits	687,343	939,025	693,746	710,545
Charges for Services	52,341	59,850	55,911	52,770
All Others	1,324	100	5,000	100
Total Building and Zoning	746,757	1,005,264	760,950	769,708
Park and Recreation Department				
Taxes	161,937	172,400	197,541	178,300
Permits	11,470	73,000	25,000	35,000
Charges for Services	643,804	734,050	641,438	676,100
Intergovernmental	-	5,000	5,000	5,000
All Others	2,907	8,900	10,350	10,200
Total Park and Recreation Department	820,118	993,350	879,329	904,600
Total General Fund	21,711,254	23,112,755	22,128,810	23,169,669
Motor Fuel Tax Fund				
Public Works				
Intergovernmental	569,949	552,885	556,169	553,089
Investment Income	11,114	2,750	3,235	3,035
Miscellaneous	-	-	60,000	-
Total Public Works	581,063	555,635	619,404	556,124
Total Motor Fuel Tax Fund	581,063	555,635	619,404	556,124

**Village of Lake Zurich
Fiscal Year 2008 - 2009 Adopted Budget**

Revenue by Program by Fund

Revenues:	2006 - 2007 Actual	2007 - 2008		2008 - 2009 Adopted
		Budget	Projected	
TIF Redevelopment Fund				
General Government				
Intergovernmental	57,697	-	1,470	-
Investment Income	67,426	-	38,436	-
All Others	209,835	-	213,110	-
Transfers	2,303,369	-	-	-
Total General Government Revenue	2,638,327	-	253,016	-
Total TIF Redevelopment	2,638,327	-	253,016	-
Debt Service Fund				
General Government				
Taxes	1,267,947	1,053,356	1,044,450	1,037,117
Investment Income	20,882	16,500	9,000	9,000
Total General Government Revenue	1,288,829	1,069,856	1,053,450	1,046,117
Total Debt Service Fund	1,288,829	1,069,856	1,053,450	1,046,117
TIF Debt Service Fund				
General Government				
Taxes	1,126,224	1,435,000	1,435,000	1,435,000
Investment Income	96,404	80,000	71,110	80,000
Transfers/Loans	-	266,257	-	750,000
Total General Government Revenue	1,222,628	1,781,257	1,506,110	2,265,000
Total TIF Debt Service Fund	1,222,628	1,781,257	1,506,110	2,265,000
Capital Improvement Fund				
General Government:				
Intergovernmental	-	-	-	600,000
Total General Government Revenue	-	-	-	600,000
Total Capital Projects Fund	-	-	-	600,000

**Village of Lake Zurich
Fiscal Year 2008 - 2009 Adopted Budget**

Revenue by Program by Fund

Revenues:	2006 - 2007 Actual	2007 - 2008		2008 - 2009 Adopted
		Budget	Projected	
Park Improvement Fund				
Parks and Recreation				
Intergovernmental	-	800,000	-	800,000
Investment Income	95,146	63,000	79,000	82,800
All Others	-	525,000	152,000	250,000
Total Parks and Recreation Department	95,146	1,388,000	231,000	1,132,800
Total Park Improvement Fund	95,146	1,388,000	231,000	1,132,800
Water and Sewer Fund				
Public Works - Utilities				
Taxes	11,733	11,718	11,732	11,718
Charges for Services	4,216,200	5,289,117	4,506,921	5,120,018
Intergovernmental	-	124,612	-	-
Investment Income	263,991	207,000	211,702	185,000
All Others	-	1,000	22,488	1,000
Transfers/Loans	3,636,325	1,700,000	850,000	2,972,000
Total Public Works - Utilities	8,128,249	7,333,447	5,602,843	8,289,736
Total Water and Sewer Fund	8,128,249	7,333,447	5,602,843	8,289,736
Medical Insurance Fund				
General Government				
Charges for Services	2,270,775	2,441,800	2,580,776	2,648,372
Total Public Works - Utilities	2,270,775	2,441,800	2,580,776	2,648,372
Total Medical Insurance Fund	2,270,775	2,441,800	2,580,776	2,648,372
Vehicle Maintenance Fund				
Public Works - Vehicle Maintenance				
Charges for Services	572,454	739,156	780,000	782,380
Intergovernmental	96,364	89,000	120,000	93,700
Total Public Works - Vehicle Maintenance	668,818	828,156	900,000	876,080
Total Vehicle Maintenance Fund	668,818	828,156	900,000	876,080

**Village of Lake Zurich
Fiscal Year 2008 - 2009 Adopted Budget**

Revenue by Program by Fund

Revenues:	2006 - 2007 Actual	2007 - 2008		2008 - 2009 Adopted
		Budget	Projected	
Risk Management Insurance Fund				
General Government				
Charges for Services	614,091	537,003	543,507	565,703
Total General Government	614,091	537,003	543,507	565,703
Total Risk Management Insurance Fund	614,091	537,003	543,507	565,703
Police Pension Fund				
General Government				
Charges for Services	211	150	200	150
Intergovernmental	752,406	437,500	504,672	514,000
Investment Income	451,926	433,328	470,000	486,820
Total Increases	1,204,543	870,978	974,872	1,000,970
Total Police Pension Fund	1,204,543	870,978	974,872	1,000,970
Total Revenue	40,423,723	39,918,887	36,393,788	42,150,571





**Expenditures
By Program
By Fund**



**Village of Lake Zurich
Fiscal Year 2008 - 2009 Adopted Budget**

Expenditures by Program by Fund

Expenditures:	General Fund	2006 - 2007	2007 - 2008	2008 - 2009	
		Actual	Budget	Projected	Approved
General Government					
Mayor and Board					
Personnel	80,485	83,185	97,097	81,130	
Contractual	128,204	141,090	144,497	141,340	
Commodities	2,163	2,000	2,283	1,000	
Contingencies	-	-	50,000	645,000	
Transfers to Other Funds					
Total Mayor and Board	210,852	226,275	293,877	868,470	
Village Clerk					
Personnel	16,936	19,979	21,220	20,585	
Contractual	2,949	3,570	2,937	3,570	
Commodities	88	650	90	750	
Total Village Clerk	19,973	24,199	24,247	24,905	
Boards and Commissions					
Personnel	21,508	24,056	28,618	23,583	
Contractual	25,965	19,325	35,019	17,300	
Total Village Clerk	47,473	43,381	63,637	40,883	
Total General Government	278,298	293,855	381,761	934,258	
Village Administration					
Administration					
Personnel	123,365	123,146	175,571	202,882	
Contractual	59,646	54,199	70,703	60,130	
Commodities	723	1,150	515	1,150	
Total Administration	183,734	178,495	246,789	264,162	
Legal Services					
Personnel	9,955	10,338	15,501	9,855	
Contractual	133,071	57,625	115,860	79,100	
Total Village Clerk	143,026	67,963	131,361	88,955	
Employee Relations					
Contractual	14,430	15,900	19,917	17,000	
Total Village Administration	341,190	262,358	398,067	370,117	

**Village of Lake Zurich
Fiscal Year 2008 - 2009 Adopted Budget**

Expenditures by Program by Fund

	2006 - 2007 Actual	2007 - 2008		2008 - 2009 Approved
		Budget	Projected	
Expenditures:				
Financial Services				
Financial Administration				
Personnel	109,705	113,572	113,707	121,237
Contractual	303,445	284,661	434,731	64,218
Commodities	1,943	3,227	693	1,829
Total Financial Administration	415,093	401,460	549,131	187,284
Cash Management				
Personnel	18,298	19,021	18,211	20,674
Commodities	-	150	-	150
Total Cash Management	18,298	19,171	18,211	20,824
Accounting Services				
Personnel	167,535	177,158	179,874	183,142
Contractual	17,379	25,910	22,300	25,075
Commodities	1,784	5,050	1,500	2,000
Capital Outlay	1,869	2,550	2,000	-
Total Accounting Services	188,567	210,668	205,674	210,217
Management Information Services				
Personnel	109,963	129,602	121,213	145,647
Contractual	92,931	131,497	108,475	134,827
Commodities	11,837	8,600	8,600	9,600
Capital Outlay	23,836	25,500	24,000	33,600
Total Management Information Services	238,567	295,199	262,288	323,674
Customer Services				
Personnel	36,626	38,852	34,702	37,600
Contractual	102,508	102,150	96,750	102,300
Commodities	4,320	3,700	3,737	3,700
Debt Services	481,225	477,362	477,362	266,412
Total Customer Services	624,679	622,064	612,551	410,012
Total Finance Services	1,485,204	1,548,562	1,647,855	1,152,011
Police Department				
Administration				
Personnel	605,875	641,839	678,535	651,261
Contractual	272,360	293,101	260,124	324,196
Commodities	23,396	31,673	21,364	32,945
Capital Outlay	2,809	1,750	11	1,750
Total Administration	904,440	968,363	960,034	1,010,152

**Village of Lake Zurich
Fiscal Year 2008 - 2009 Adopted Budget**

Expenditures by Program by Fund

	2006 - 2007 Actual	2007 - 2008		2008 - 2009 Approved
		Budget	Projected	
Expenditures:				
Operations				
Personnel	3,328,006	3,245,986	3,444,268	3,281,806
Contractual	269,108	287,058	288,171	301,575
Commodities	36,295	63,945	52,499	69,060
Capital Outlay	90,374	81,460	68,100	97,990
Total Operations	3,723,783	3,678,449	3,853,038	3,750,431
Communications				
Personnel	958,946	1,105,104	984,326	1,034,126
Contractual	28,307	38,148	39,779	51,168
Commodities	7,055	12,300	6,812	12,300
Capital Outlay	18,764	40,577	34,100	18,571
Total Communications	1,013,072	1,196,129	1,065,017	1,116,165
Crime Prevention				
Personnel	697,434	699,961	779,878	660,021
Contractual	9,328	19,671	6,302	19,846
Commodities	11,609	18,852	21,260	19,827
Capital Outlay	1,054	4,450	3,000	4,449
Total Crime Prevention	719,425	742,934	810,440	704,143
Intergovernmental				
Personnel	250,859	285,070	271,829	281,606
Contractual	25,206	67,744	32,328	72,128
Commodities	1,094	9,460	9,305	7,460
Capital Outlay	-	5,240	400	4,740
Total Intergovernmental	277,159	367,514	313,862	365,934
Total Police Department	6,637,879	6,953,389	7,002,391	6,946,825
Fire/Rescue Department				
Administration				
Personnel	317,260	445,427	398,702	400,641
Contractual	199,323	215,435	204,988	229,382
Commodities	17,578	20,990	20,684	20,990
Capital Outlay	69,605	174,356	164,034	30,060
Total Administration	603,766	856,208	788,408	681,073

**Village of Lake Zurich
Fiscal Year 2008 - 2009 Adopted Budget**

Expenditures by Program by Fund

	2006 - 2007 Actual	2007 - 2008		2008 - 2009 Approved
		Budget	Projected	
Expenditures:				
ESDA				
Personnel	26,872	28,819	34,707	29,915
Contractual	7,385	10,510	9,425	16,800
Commodities	215	1,839	5,900	15,200
Capital Outlay	-	-	-	3,349
Total ESDA	34,472	41,168	50,032	65,264
Suppression				
Personnel	3,063,676	3,051,062	3,250,927	3,185,358
Contractual	134,006	151,574	146,353	163,002
Commodities	211,079	41,858	42,335	36,095
Capital Outlay	58,141	18,640	18,640	18,572
Debt Service	24,798	-	-	-
Total Suppression	3,491,700	3,263,134	3,458,255	3,403,027
EMS				
Personnel	2,850,037	2,941,397	2,992,670	3,021,845
Contractual	106,047	118,857	117,104	128,429
Commodities	18,787	18,806	18,450	18,780
Capital Outlay	213,224	18,200	18,000	13,465
Total EMS	3,188,095	3,097,260	3,146,224	3,182,519
Special Rescue				
Personnel	37,720	133,780	87,487	132,535
Contractual	24,760	37,016	29,365	37,345
Commodities	645	3,732	3,712	2,870
Capital Outlay	11,901	21,534	21,000	11,765
Total Special Rescue	75,026	196,062	141,564	184,515
Fire Prevention Bureau				
Personnel	355,205	388,012	370,931	396,401
Contractual	36,634	46,843	43,430	44,466
Commodities	4,052	2,050	1,645	2,050
Capital Outlay	1,419	55,000	-	10,825
Total Fire Prevention Bureau	397,310	491,905	416,006	453,742
Total Fire/Rescue Department	7,790,369	7,945,737	8,000,489	7,970,140

**Village of Lake Zurich
Fiscal Year 2008 - 2009 Adopted Budget**

Expenditures by Program by Fund

Expenditures:	2006 - 2007 Actual	2007 - 2008		2008 - 2009 Approved
		Budget	Projected	
Public Works Department				
Administration				
Personnel	94,459	97,215	99,475	101,593
Contractual	85,529	102,421	93,415	108,746
Commodities	2,508	1,450	1,606	1,865
Capital Outlay	-	1,000	1,000	-
Total Public Works Administration	182,496	202,086	195,496	212,204
Forestry				
Personnel	197,526	214,169	194,945	145,846
Contractual	58,197	68,525	71,751	67,616
Commodities	2,954	5,075	5,040	5,075
Capital Outlay	11,351	4,700	9,775	6,000
Total Public Works Forestry	270,028	292,469	281,511	224,537
Municipal Property Maintenance				
Personnel	147,256	143,424	124,847	212,392
Contractual	74,793	77,129	84,305	93,592
Commodities	18,375	22,925	18,875	22,825
Capital Outlay	24,099	20,200	18,000	6,500
Total Municipal Property Maintenance	264,523	263,678	246,027	335,309
Right of Way Maintenance				
Personnel	206,929	206,291	189,765	262,188
Contractual	155,615	356,317	225,400	212,217
Commodities	58,210	65,375	55,293	62,483
Capital Outlay	787,797	364,700	441,100	-
Total Right of Way Maintenance	1,208,551	992,683	911,558	536,888
Snow and Ice Maintenance				
Personnel	226,195	167,759	263,291	161,587
Contractual	54,187	59,709	78,035	61,979
Commodities	14,044	16,660	25,556	21,680
Capital Outlay	11,351	4,700	4,700	-
Total Snow and Ice Maintenance	305,777	248,828	371,582	245,246
Street/Traffic Lighting				
Personnel	34,931	38,203	30,958	76,787
Contractual	141,321	540,978	194,703	219,976
Commodities	4,648	3,855	3,625	4,915
Total Street/Traffic Lighting	180,900	583,036	229,286	301,678

**Village of Lake Zurich
Fiscal Year 2008 - 2009 Adopted Budget**

Expenditures by Program by Fund

	2006 - 2007 Actual	2007 - 2008		2008 - 2009 Approved
		Budget	Projected	
Expenditures:				
Storm Water Control				
Personnel	180,007	191,250	175,948	142,057
Contractual	24,080	44,675	39,661	46,181
Commodities	19,519	10,600	6,468	10,555
Capital Outlay	17,881	20,700	19,325	168,000
Total Storm Water Control	241,487	267,225	241,402	366,793
Engineering				
Personnel	229,022	238,328	246,476	185,848
Contractual	34,004	45,902	42,761	47,527
Commodities	2,291	1,995	1,940	1,995
Total Engineering	265,317	286,225	291,177	235,370
Total Public Works	2,919,079	3,136,230	2,768,039	2,458,025
Building and Zoning Department				
Administration				
Personnel	376,241	491,891	513,871	582,825
Contractual	59,549	58,447	57,696	63,564
Commodities	2,643	2,450	2,740	2,450
Total Administration	438,433	552,788	574,307	648,839
Inspections				
Personnel	259,280	287,089	284,474	322,096
Contractual	41,703	18,627	24,627	20,723
Commodities	2,104	3,350	3,460	3,700
Total Inspections	303,087	309,066	312,561	346,519
Total Building and Zoning Department	741,520	861,854	886,868	995,358
Parks and Recreation Department				
Administration				
Personnel	395,826	422,578	427,417	469,921
Contractual	63,463	64,950	59,855	63,950
Commodities	7,935	17,200	16,600	18,300
Capital Outlay	30,114	13,500	13,300	23,900
Total Administration	497,338	518,228	517,172	576,071
Special Recreation				
Contractual Services	128,090	172,400	172,400	178,300
Total Special Recreation	128,090	172,400	172,400	178,300

**Village of Lake Zurich
Fiscal Year 2008 - 2009 Adopted Budget**

Expenditures by Program by Fund

	2006 - 2007 Actual	2007 - 2008		2008 - 2009 Approved
		Budget	Projected	
Expenditures:				
Parks Maintenance				
Personnel	293,028	359,997	336,101	328,491
Contractual	168,861	212,377	204,150	218,160
Commodities	67,747	87,450	84,825	90,750
Capital Outlay	12,207	11,500	11,500	80,000
Total Parks Maintenance	541,843	671,324	636,576	717,401
Dance				
Personnel	59,171	63,831	63,514	65,720
Contractual	985	17,600	15,845	12,800
Commodities	170	1,000	1,350	1,400
Capital Outlay	-	-	-	1,700
Total Dance	60,326	82,431	80,709	81,620
Preschool				
Personnel	136,408	148,557	133,486	136,439
Contractual	950	13,600	10,500	7,800
Commodities	8,199	12,150	8,400	9,500
Capital Outlay	4,392	5,550	4,200	2,750
Total Preschool	149,949	179,857	156,586	156,489
Youth Programs				
Personnel	6,989	8,127	6,244	3,230
Contractual	4,908	10,150	6,000	7,300
Commodities	542	1,500	-	250
Capital Outlay	245	1,000	250	750
Total Youth Programs	12,684	20,777	12,494	11,530
Camps				
Personnel	81,014	84,498	77,953	81,276
Contractual	13,545	16,200	12,800	13,500
Commodities	3,722	7,500	7,500	8,000
Total Camps	98,281	108,198	98,253	102,776
Athletics				
Personnel	2,972	4,521	3,015	3,875
Contractual	90,275	84,865	91,600	96,350
Commodities	91	500	500	500
Total Athletics	93,338	89,886	95,115	100,725

**Village of Lake Zurich
Fiscal Year 2008 - 2009 Adopted Budget**

Expenditures by Program by Fund

	2006 - 2007 Actual	2007 - 2008		2008 - 2009 Approved
		Budget	Projected	
Expenditures:				
Aquatics				
Personnel	54,343	68,428	59,123	62,784
Contractual	56	8,400	400	4,500
Commodities	363	5,150	2,500	4,500
Total Aquatics	54,762	81,978	62,023	71,784
Special Interest				
Personnel	20	3,230	-	1,077
Contractual	28,111	20,900	21,000	18,300
Commodities	7,070	8,000	2,500	3,000
Total Special Interest	35,201	32,130	23,500	22,377
Special Events				
Personnel	7,771	10,612	9,540	12,453
Contractual	60,891	72,500	58,450	54,000
Commodities	15,623	22,700	19,700	25,600
Total Special Events	84,285	105,812	87,690	92,053
Fitness				
Personnel	9,545	12,918	10,227	10,442
Contractual	7,475	7,800	6,100	6,200
Commodities	40	100	-	100
Capital Outlay	-	-	-	800
Total Fitness	17,060	20,818	16,327	17,542
Rentals				
Commodities	-	1,000	1,000	1,000
Total Rentals	-	1,000	1,000	1,000
Concessions				
Personnel	3,678	4,521	6,027	4,844
Contractual	362	-	-	-
Commodities	7,177	6,400	11,000	9,500
Total Concessions	11,217	10,921	17,027	14,344
Total Parks and Recreation Department	1,784,374	2,095,760	1,976,872	2,144,012
Total General Fund	21,977,913	23,097,745	23,062,342	22,970,746

Village of Lake Zurich
Fiscal Year 2008 - 2009 Adopted Budget

Expenditures by Program by Fund

Expenditures:	2006 - 2007 Actual	2007 - 2008		2008 - 2009 Approved
		Budget	Projected	
Motor Fuel Tax Fund				
Public Works Department				
Public Works - Motor Fuel Tax				
Contractual	3,116	40,000	9,900	-
Commodities	132,716	85,000	180,000	125,000
Capital Projects	374,888	567,327	567,327	432,167
Total Public Works Motor Fuel Tax	510,720	692,327	757,227	557,167
Total Motor Fuel Tax	510,720	692,327	757,227	557,167
TIF Redevelopment Fund				
General Government				
TIF Redevelopment				
Contractual	2,523,699	-	495,656	503,000
Capital Outlay	186,423	-	20,026	22,000
Total TIF Redevelopment	2,710,122	-	515,682	525,000
Total TIF Redevelopment Fund	2,710,122	-	515,682	525,000
Debt Service Fund				
General Government				
Non-TIF Debt Service Obligations				
Contractual	2,700	3,600	3,600	3,600
Debt Service	1,440,244	1,053,356	1,053,356	1,037,117
Total Non-TIF Debt Service Obligations	1,442,944	1,056,956	1,056,956	1,040,717
Total Debt Service Fund	1,442,944	1,056,956	1,056,956	1,040,717
TIF Debt Service Fund				
General Government				
TIF Debt Service Obligations				
Contractual	3,400	378,600	414,048	474,006
Debt Service	1,626,016	1,801,219	1,811,219	2,183,626
Total TIF Debt Service Obligations	1,629,416	2,179,819	2,225,267	2,657,632
Total TIF Debt Service Fund	1,629,416	2,179,819	2,225,267	2,657,632

**Village of Lake Zurich
Fiscal Year 2008 - 2009 Adopted Budget**

Expenditures by Program by Fund

Expenditures:	2006 - 2007 Actual	2007 - 2008		2008 - 2009 Approved
		Budget	Projected	
Capital Improvement Fund				
Public Works Department				
Public Works - Capital Projects				
Contractual	-	-	-	-
Capital Projects	-	-	-	720,000
Total Public Works Capital Projects	-	-	-	720,000
Total Capital Projects Fund				720,000
Park Improvement Fund				
Parks and Recreation Department				
Park Improvements				
Contractual	-	-	30,000	10,000
Capital Improvements	-	-	-	28,000
Capital Projects	176,369	1,075,000	1,300,000	980,000
Total Park Improvements	176,369	1,075,000	1,330,000	1,018,000
Total Park Improvement Fund	176,369	1,075,000	1,330,000	1,018,000
Water and Sewer Fund				
Public Works Department				
Administration				
Personnel	540,411	552,118	586,288	537,777
Contractual	461,043	460,522	440,995	476,708
Commodities	4,626	5,430	4,604	5,505
Capital Outlay	4,597	8,550	5,051	9,850
Debt Service	191,312	1,081,608	1,082,419	992,318
Transfer Out/Loans	-	-	-	1,250,000
Total Public Works Administration	1,201,989	2,108,228	2,119,357	3,272,158
Water Production and Storage				
Personnel	162,786	192,125	181,096	168,107
Contractual	576,200	636,806	735,417	892,880
Commodities	85,765	123,235	103,450	150,655
Capital Outlay	1,976	7,000	73,150	13,600
Capital Improvements	4,163,622	3,217,500	3,187,000	3,270,000
Total Water Production and Storage	4,990,349	4,176,666	4,280,113	4,495,242

Village of Lake Zurich
Fiscal Year 2008 - 2009 Adopted Budget

Expenditures by Program by Fund

	2006 - 2007 Actual	2007 - 2008		2008 - 2009 Approved
		Budget	Projected	
Expenditures:				
Water Distribution				
Personnel	243,143	253,189	265,893	236,081
Contractual	334,153	43,189	48,100	47,359
Commodities	31,739	55,530	54,114	62,130
Capital Outlay	132,827	25,200	25,080	220,000
Total Water Distribution	741,862	377,108	393,187	565,570
Meter Reading				
Personnel	120,073	144,504	120,151	144,521
Contractual	26,853	44,637	48,830	39,835
Commodities	49,995	266,156	226,014	253,070
Total Meter Reading	196,921	455,297	394,995	437,426
Industrial Monitoring				
Personnel	24,015	31,975	27,377	32,835
Contractual	5,198	12,568	9,059	11,764
Commodities	80	850	331	850
Total Industrial Monitoring	29,293	45,393	36,767	45,449
Interceptor Sewer				
Personnel	141,684	165,269	159,226	153,937
Contractual	20,122	69,827	37,181	56,387
Commodities	9,510	15,350	9,597	15,350
Capital Outlay	4,377	22,500	38,371	33,100
Total Interceptor Sewer	175,693	272,946	244,375	258,774
Lift Stations				
Personnel	152,579	182,737	171,155	174,045
Contractual	167,505	171,997	142,118	300,647
Commodities	8,166	18,500	20,195	19,000
Capital Outlay	79,743	18,200	14,500	63,600
Total Lift Stations	407,993	391,434	347,968	557,292
Collection System				
Personnel	155,942	171,997	160,031	170,405
Contractual	255,742	80,207	24,976	81,567
Commodities	8,465	24,350	21,777	24,350
Capital Outlay	123,824	18,200	14,500	118,600
Total Collection System	543,973	294,754	221,284	394,922
Total Public Works	8,288,073	8,121,826	8,038,046	10,026,833
Total Water and Wastewater Fund	8,288,073	8,121,826	8,038,046	10,026,833

Village of Lake Zurich
Fiscal Year 2008 - 2009 Adopted Budget

Expenditures by Program by Fund

Expenditures:	2006 - 2007 Actual	2007 - 2008		2008 - 2009 Approved
		Budget	Projected	
Medical Insurance Fund				
General Government				
Employee Health Insurance				
Contractual	2,285,182	2,441,800	2,763,540	2,648,372
Total Employee Health Insurance	2,285,182	2,441,800	2,763,540	2,648,372
Total Medical Insurance Fund	2,285,182	2,441,800	2,763,540	2,648,372
Vehicle Maintenance Fund				
Public Works				
Fleet Maintenance				
Personnel	234,435	269,428	268,001	278,544
Contractual	82,324	82,192	95,065	82,171
Commodities	447,086	440,150	570,620	525,150
Capital Outlay	8,246	12,000	11,800	-
Total Fleet Maintenance	772,091	803,770	945,486	885,865
Total Vehicle Maintenance Fund	772,091	803,770	945,486	885,865
Risk Management Insurance Fund				
General Government				
Risk Insurance				
Personnel	23,928	29,828	25,893	21,913
Contractual	526,900	482,063	523,631	482,063
Commodities	-	50	-	50
Total Risk Insurance	550,828	511,941	549,524	504,026
Total Risk Management Insurance Fund	550,828	511,941	549,524	504,026
Police Pension Fund				
General Government				
Risk Insurance				
Personnel				
Contractual				
Pension Benefits	441,770	419,631	413,931	420,953
Total Risk Insurance	441,770	419,631	413,931	420,953
Total Risk Management Insurance Fund	441,770	419,631	413,931	420,953
Total Expenditures	40,785,428	40,400,815	41,658,001	43,975,311

A landscape photograph of a lake surrounded by trees and tall grass in the foreground.

**Position
Control**



**Village of Lake Zurich
Position Control Master**

Full Time Positions	2007 - 2008		2008 - 2009	
	No.	Rate	No.	Rate
General Fund				
Village Administration				
Executive Secretary	1.00	65,850.00	1.00	67,496.00
Human Resources Manager	-	-	1.00	80,000.00
Village Administrator	1.00	135,000.00	1.00	141,750.00
Total Village Administration	<u>2.00</u>		<u>3.00</u>	
Finance Department				
Accounting Assistant	1.00	52,800.00	-	-
Accounting Clerk Supervisor	-	-	1.00	60,000.00
Accounts Payable Clerk	1.00	44,250.00	1.00	45,356.00
Accounts Receivable Clerk	1.00	39,520.00	1.00	40,508.00
Assistant Finance Director	1.00	68,680.00	1.00	70,397.00
Assistant MIS Coordinator	1.00	43,100.00	1.00	44,178.00
Finance Director	1.00	110,000.00	1.00	112,750.00
MIS Coordinator	1.00	78,925.00	1.00	80,898.00
Payroll/Personnel Clerk	1.00	58,400.00	1.00	59,860.00
Total Finance	<u>8.00</u>		<u>8.00</u>	
Police Department				
Communications Director	1.00	81,623.00	1.00	83,663.58
Communications Supervisor	1.00	63,180.00	1.00	63,180.00
Community Services Officer	1.00	48,569.00	1.00	49,783.23
Community Services Officer	1.00	48,569.00	1.00	49,783.23
Deputy Police Chief	1.00	104,613.00	1.00	107,228.33
Deputy Police Chief	1.00	104,613.00	1.00	107,228.33
Police Chief	1.00	112,825.00	1.00	115,645.63
Police Commander	1.00	96,631.00	0.33	99,046.78
Police Commander	1.00	96,631.00	1.00	99,046.78
Police Commander	1.00	96,631.00	1.00	99,046.78
Police Department Secretary	1.00	55,697.00	1.00	57,089.43
Patrol Officer	21.00	72,765.00	21.00	72,765.00
Patrol Officer	1.00	68,288.00	1.00	72,765.00
Patrol Officer	1.00	65,142.00	1.00	68,288.00
Patrol Officer	1.00	59,572.00	1.00	65,142.00
Patrol Officer	1.00	54,487.00	1.00	59,572.00
Patrol Officer	1.00	50,854.00	1.00	54,487.00
Records Clerk	1.00	47,220.00	1.00	48,400.50
Records Clerk	1.00	36,615.00	1.00	38,468.63
Records Supervisor	1.00	55,697.00	1.00	57,089.43
Sergeant	1.00	90,631.00	1.00	90,631.00
Sergeant	1.00	90,631.00	1.00	90,631.00
Sergeant	1.00	90,631.00	1.00	90,631.00
Sergeant	1.00	90,631.00	1.00	90,631.00
Sergeant	1.00	90,631.00	1.00	90,631.00
Sergeant	1.00	88,066.00	1.00	90,631.00
Telecommunicators	1.00	55,205.00	1.00	55,205.00
Telecommunicators	1.00	55,205.00	1.00	55,205.00

**Village of Lake Zurich
Position Control Master**

	2007 - 2008		2008 - 2009	
	No.	Rate	No.	Rate
Full Time Positions				
Telecommunicators	1.00	49,434.00	1.00	52,319.00
Telecommunicators	1.00	47,068.00	1.00	49,434.00
Telecommunicators	1.00	45,223.00	1.00	47,068.00
Telecommunicators	1.00	45,223.00	1.00	47,068.00
Telecommunicators	1.00	42,858.00	1.00	45,223.00
Telecommunicators	1.00	41,012.00	1.00	42,858.00
Telecommunicators	1.00	41,012.00	1.00	42,858.00
Telecommunicators	1.00	41,012.00	1.00	42,858.00
Telecommunicators	1.00	41,012.00	-	41,012.00
Total Police Department	58.00		56.33	
Fire/Rescue Department				
Assistant Fire Marshall	1.00	89,506.00	1.00	91,744.00
Captain	1.00	99,893.00	1.00	102,390.00
Captain	1.00	99,893.00	1.00	102,390.00
Captain	1.00	99,893.00	1.00	102,390.00
Captain - Days	1.00	99,893.00	1.00	102,390.00
Deputy Fire Chief	1.00	110,062.00	1.00	112,814.00
Fire Bureau Secretary	1.00	44,195.00	1.00	45,300.00
Fire Chief	1.00	118,288.00	1.00	121,245.00
Fire Department Secretary	1.00	53,240.42	1.00	54,571.00
Fire Inspector	1.00	62,592.00	1.00	64,157.00
Fire Inspector	1.00	49,753.00	1.00	50,997.00
Fire Lieutenant	12.00	84,771.00	12.00	84,771.00
Firefighter/Paramedic	34.00	71,258.00	33.00	71,258.00
Firefighter/Paramedic	1.00	57,798.00	1.00	61,909.00
Firefighter/Paramedic	1.00	57,798.00	1.00	61,909.00
Firefighter/Paramedic	1.00	53,946.00	1.00	57,798.00
Firefighter/Paramedic	1.00	53,946.00	1.00	57,798.00
Firefighter/Paramedic	1.00	49,450.00	1.00	53,946.00
Firefighter/Paramedic	-	49,450.00	1.00	49,450.00
Total Fire/Rescue Department	62.00		62.00	
Public Works Department - General Services				
Administrative Analyst	1.00	47,700.00	1.00	48,893.00
Arborist	1.00	59,544.00	1.00	59,544.00
Assistant to the Director of PW	1.00	41,267.00	1.00	42,299.00
Assistant to the Director of PW	1.00	46,800.00	1.00	47,970.00
Assistant Village Engineer	1.00	78,946.00	-	-
Cleaning Technician	1.00	37,238.00	1.00	39,269.00
Engineering Technician	1.00	45,240.00	1.00	46,371.00
Engineering Technician	1.00	40,040.00	1.00	41,041.00
General Services Superintendent	1.00	73,395.00	1.00	75,230.00
Maintenance Worker I	1.00	54,503.00	1.00	56,411.00
Maintenance Worker I	1.00	40,643.00	1.00	42,066.00
Maintenance Worker I	1.00	39,269.00	1.00	40,643.00
Maintenance Worker I	1.00	37,941.00	1.00	39,269.00

**Village of Lake Zurich
Position Control Master**

	2007 - 2008		2008 - 2009	
	No.	Rate	No.	Rate
Full Time Positions				
Maintenance Worker I	1.00	37,941.00	1.00	39,269.00
Maintenance Worker I	1.00	51,710.00	1.00	51,710.00
Maintenance Worker II	1.00	56,411.00	1.00	56,411.00
Maintenance Worker II	1.00	50,879.00	1.00	52,660.00
Maintenance Worker II	1.00	44,338.00	1.00	45,890.00
Operations Supervisor	1.00	65,895.00	1.00	65,895.00
Public Works Director	1.00	105,500.00	1.00	108,138.00
Total Public Works Department - General Service:	20.00		19.00	
Building and Zoning Department				
Building and Zoning Secretary	1.00	44,304.00	1.00	45,412.00
Building Inspector	1.00	65,474.00	1.00	67,111.00
Zoning Inspector	1.00	61,989.00	1.00	63,539.00
Building Inspector	1.00	49,165.00	1.00	50,394.00
Building Inspector	1.00	23,795.00	1.00	24,390.00
Director of Building and Zoning	1.00	90,000.00	1.00	105,000.00
Permit Coordinator	1.00	38,563.00	1.00	39,527.00
Plumbing Inspector	1.00	61,308.00	1.00	62,841.00
Village Planner	1.00	74,850.00	1.00	76,721.00
Construction Plan Reviewer	1.00	71,770.00	1.00	73,564.00
Total Building and Zoning	10.00		10.00	
Parks and Recreation Department				
Director - Parks and Recreation	1.00	81,900.00	1.00	90,000.00
Maintenance Worker I	1.00	42,066.00	1.00	43,538.00
Maintenance Worker I	1.00	37,941.00	-	-
Maintenance Worker II	1.00	47,496.00	1.00	49,159.00
Maintenance Worker II	1.00	45,890.00	1.00	47,496.00
Park Maintenance Supervisor	1.00	61,814.00	1.00	63,359.35
Receptionist	1.00	34,071.00	1.00	34,923.00
Recreation Supervisor	1.00	50,679.00	1.00	51,946.00
Recreation Supervisor	1.00	41,040.00	1.00	42,066.00
Recreation Supervisor	1.00	36,000.00	1.00	36,900.00
Secretary	1.00	44,576.00	1.00	45,690.00
Total Parks and Recreation	11.00		10.00	
General Fund Total	171.0		168.33	

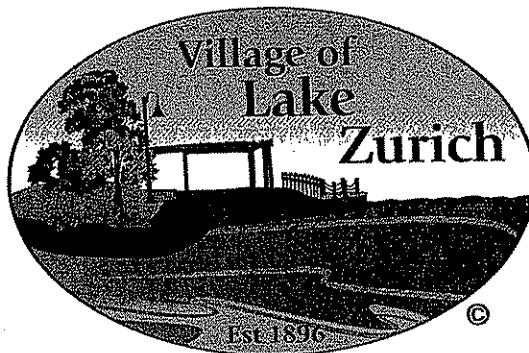
**Village of Lake Zurich
Position Control Master**

Full Time Positions	2007 - 2008		2008 - 2009	
	No.	Rate	No.	Rate
Water and Sewer Fund				
Public Works Department - Utility				
Assistant Public Works Director	1.00	90,537.00	1.00	92,800.00
Maintenance Worker I	1.00	46,639.00	1.00	48,272.00
Maintenance Worker I	1.00	42,066.00	1.00	43,538.00
Maintenance Worker I	1.00	40,741.00	-	-
Maintenance Worker II	1.00	45,414.00	1.00	47,004.00
Maintenance Worker II	1.00	56,411.00	1.00	56,411.00
Maintenance Worker II	1.00	56,411.00	1.00	56,411.00
Maintenance Worker II	1.00	56,411.00	1.00	56,411.00
Meter Reader	1.00	40,741.00	1.00	40,741.00
Operations Supervisor	1.00	68,645.00	1.00	68,645.00
Operator	1.00	59,802.00	1.00	61,895.00
Operator	1.00	55,826.00	1.00	57,780.00
Utility Superintendent	1.00	75,394.00	1.00	77,279.00
Total Water and Sewer Fund	13.00		12.00	
Vehicle Maintenance Fund				
Public Works Department - Vehicle Maintenance				
Vehicle Maintenance Supervisor	1.00	77,395.00	1.00	79,330.00
Mechanic II	1.00	61,895.00	1.00	61,895.00
Mechanic II	1.00	48,649.00	1.00	50,352.00
Total Vehicle Maintenance Fund	3.00		3.00	
Grand Total	187.00		183.33	



**Budget
Ordinance
No.
2008-04-557**





70 E. Main Street
Lake Zurich, IL 60047-3226

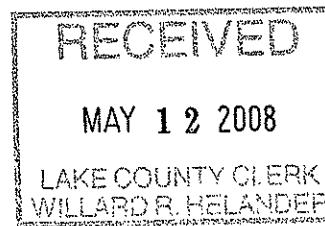
Phone: (847) 438-5141
Fax: (847) 540-1769
Web: www.volz.org

The undersigned, being Chief Fiscal Officer of the Village of Lake Zurich, hereby certifies that the attached 2008-2009 Annual Budget contains a true and exact copy of the estimate of revenues expected to be received by the Village of Lake Zurich during the fiscal year 2008-2009.

A handwritten signature in black ink, appearing to read "Al Zochowski".

Al Zochowski
Finance Director

Dated: May 6, 2008



STATE OF ILLINOIS)
)SS.
COUNTY OF LAKE)

CERTIFICATE

I, SUSAN T. RAGSDALE, certify that I am the duly appointed Deputy Village Clerk of the Village of Lake Zurich, Lake County, Illinois.

I DO HEREBY CERTIFY that as such Deputy Village Clerk I am keeper of Ordinances, Resolutions, Minutes, Entries, Orders, Books, Papers, Records and Seal of said Village.

I DO HEREBY CERTIFY that the attached is a true and correct copy of:

ORDINANCE NO. 2008-04-557

**AN ORDINANCE ADOPTING THE BUDGET OF THE VILLAGE
OF LAKE ZURICH, LAKE COUNTY, ILLINOIS FOR ALL CORPORATE
PURPOSES FOR THE FISCAL YEAR COMMENCING
ON THE FIRST DAY OF MAY 2008 AND ENDING
ON THE THIRTIETH DAY OF APRIL 2009.**

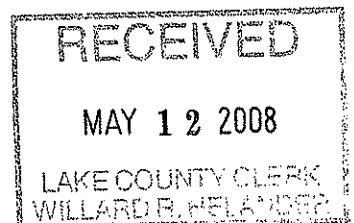
WITNESS my Hand and Corporate Seal of said Village of Lake Zurich, Illinois, this 25th day of April, 2008.

Susan T. Ragsdale
Susan T. Ragsdale
Deputy Village Clerk

After recording return to:



(SEAL)



ORDINANCE NO. 2008-04-557

AN ORDINANCE ADOPTING THE BUDGET OF THE VILLAGE OF
LAKE ZURICH, LAKE COUNTY, ILLINOIS FOR ALL CORPORATE
PURPOSES FOR THE FISCAL YEAR COMMENCING ON THE FIRST
DAY OF MAY 2008 AND ENDING ON THE
THIRTIETH DAY OF APRIL 2009.

Published in pamphlet form
by the authority of the President and Board of Trustees
of the
Village of Lake Zurich
Lake County, Illinois

Date of Publication: April 25, 2008

RECEIVED

MAY 12 2008

LAKE COUNTY CLERK
WILLARD R. HELANDER

RECEIVED

MAY 12 2008

LAKE COUNTY CLERK
WILLARD R. HELANDER

VILLAGE OF LAKE ZURICH, ILLINOIS

ORDINANCE NO. 2008-04-557

AN ORDINANCE ADOPTING THE BUDGET
OF THE VILLAGE OF LAKE ZURICH, LAKE COUNTY, ILLINOIS
FOR ALL CORPORATE PURPOSES
FOR THE FISCAL YEAR COMMENCING ON THE FIRST DAY OF MAY 2008
AND ENDING ON THE THIRTIETH DAY OF APRIL 2009

WHEREAS, a tentative annual budget for the Village of Lake Zurich, Lake County, Illinois, for the fiscal year ending April 30, 2009, on which this Budget Ordinance is based, was heretofore duly prepared and made conveniently available for at least 10 days prior to the adoption of this Budget Ordinance, in all accordance with the Budget Officer System adopted by Lake Zurich Ordinance No. 88-03-258; and

WHEREAS, the Board of Trustees of the Village of Lake Zurich, held a public hearing on April 7, 2008 at the Village Hall, 70 East Main Street, Lake Zurich, Illinois, for the purpose of hearing and considering testimony regarding said tentative annual budget, in accordance with Section 8-2-9.9 of the Illinois Municipal Code, 65 ILCS 5/8-2-9.9; and

WHEREAS, all required or necessary revisions, alterations, increases, or decreases in said tentative annual budget have since been made;

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of Lake Zurich, Lake County and State of Illinois, as follows:

Section 1. Recitals. The foregoing recitals are incorporated herein as findings of the President and Board of Trustees.

Section 2. Adoption Of Budget. The Budget for all corporate purposes of the Village of Lake Zurich, Lake County, Illinois, for the fiscal year commencing on the first day of May 2008 and ending on the thirtieth day of April 2009, as presented to the President and Board of Trustees of the Village of Lake Zurich on April 24, 2008 is incorporated herein by this reference and made a part hereof and is hereby adopted.

Section 3. Authority of Village Administrator. The Corporate authorities hereby delegate to the Village Administrator, in accordance with Section 8-2-9.6 of the Illinois Municipal Code, 65 ILCS 5/8-2-9.6, the authority to delete, add to, change, or create sub-classes within object classes budgeted previously within any department.

Section 4. Filing; Effective Date. The Village Clerk shall be, and hereby is, authorized and directed to file a certified copy of this Budget Ordinance, together with a full and complete copy of the Budget hereby adopted and the Chief Fiscal Officer's certified estimate of revenues by source, with the County Clerk of Lake County within 30 days after the adoption of this Budget Ordinance. This Budget Ordinance shall be in full force and effect upon passage, approval, and publication in pamphlet form in the manner required by law.

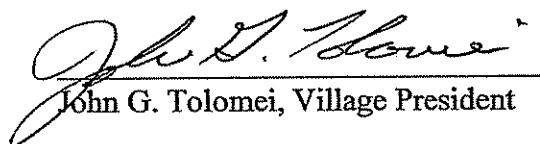
PASSED this 21st day of April 2008

AYES: 5 Trustees) Broadbent, Callahan, Johnson, Payton, and Taylor

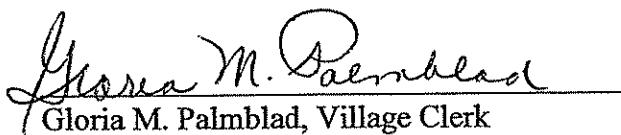
NAYS: 0

ABSENT: 1 Trustee McAvay

APPROVED this 21st day of April 2008


John G. Tolomei, Village President

ATTEST:


Gloria M. Palmlad, Village Clerk

Village of Lake Zurich

Budget Summary by Fund Group		Government Fund Types			Proprietary Fund Types			Trust Fund Types			Total All Funds		
		General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust and Agency	Recommended	2008 - 2009	2007 - 2008	Projected	2006 - 2007 Actual
Budget Year 2008 - 2009	\$ 3,172,847	\$ 682,083	\$ 794,894	\$ 953,168	\$ 2,478,591	\$ (362,368)	\$ 9,081,867	\$ 16,801,182	\$	\$	\$	\$	\$
Balance, May 1st	\$ 3,172,847	\$ 682,083	\$ 794,894	\$ 953,168	\$ 2,478,591	\$ (362,368)	\$ 9,081,867	\$ 16,801,182	\$	\$	\$	\$	\$
Sources:													
Revenues:													
Taxes	5,782,397	-	2,472,117	-	-	11,718	-	-	-	8,286,232	-	-	-
Licenses	1,550,750	-	-	-	-	-	-	-	-	1,550,750	-	-	-
Permits	788,945	-	-	-	-	-	-	-	-	788,945	-	-	-
Fines and Forfeitures	488,481	-	-	-	-	-	-	-	-	488,481	-	-	-
Charges for Services	5,103,812	553,089	-	-	1,400,000	5,120,018	3,996,455	-	-	14,773,374	-	-	-
Intergovernmental	8,226,261	-	-	89,000	82,800	185,000	93,700	-	150	9,720,111	-	-	-
Investment Income	295,500	3,035	-	-	250,000	1,000	-	-	514,000	1,169,335	-	-	-
All Other	433,523	-	-	-	-	-	-	-	486,820	1,171,343	-	-	-
Total Revenues	22,669,669	556,124	2,561,117	1,732,800	5,317,736	4,090,155	1,000,970	37,928,571	-	-	-	-	-
Transfers In	500,000	-	750,000	-	-	-	-	-	-	1,250,000	-	-	-
Loan Proceeds	-	-	-	-	-	-	-	-	-	2,972,000	-	-	-
Total Sources	23,169,669	556,124	3,311,117	1,732,800	8,289,736	4,090,155	1,000,970	42,150,571	-	-	-	-	-
Uses:													
Expenditures:													
Personnel	17,295,621	-	-	-	-	1,617,708	300,457	420,953	-	19,634,739	-	-	-
Contractual	3,656,478	503,000	477,606	10,000	-	1,907,147	3,212,606	-	-	9,766,837	-	-	-
Commodities	567,699	125,000	-	-	-	530,910	525,200	-	-	1,748,809	-	-	-
Total G&M Expenditures	21,519,798	628,000	477,606	10,000	4,055,765	4,038,263	420,953	31,150,385	-	-	-	-	-
Capital Outlay	1,184,536	22,000	-	28,000	458,750	-	-	-	-	1,695,286	-	-	-
Debt Service	266,412	-	3,220,743	-	992,318	-	-	-	-	4,479,473	-	-	-
Capital Improvements	-	432,167	-	1,700,000	3,270,000	-	-	-	-	5,402,167	-	-	-
Total Expenditures	22,970,746	1,082,167	3,698,349	1,738,000	8,776,833	4,038,263	420,953	42,725,311	-	-	-	-	-
Transfers Out	-	-	-	-	-	1,250,000	-	-	-	1,250,000	-	-	-
Total Uses	22,970,746	1,082,167	3,698,349	1,738,000	10,926,833	4,038,263	420,953	43,975,311	-	-	-	-	-
Balance, April 30th	\$ 3,371,770	\$ 156,040	\$ 407,662	\$ 947,968	\$ 741,594	\$ (310,476)	\$ 9,661,884	\$ 14,976,442	\$	\$	\$	\$	\$

A scenic landscape featuring a calm lake in the foreground, surrounded by tall grasses and reeds. In the middle ground, a bridge spans a river, with a road leading towards a forested hillside. The sky is overcast with soft, diffused light.

Tax Levy Worksheets



Property Tax Levy Worksheet

Tax Year 2007

Step #1

Estimate Property Tax EAV For Current Year Levy

Current year EAV	2006	\$ 769,562,132
<u>Estimated New Construction:</u>		
Provided by Village B&Z Department:		
Residential	\$ 6,271,702	3 2,090,567
Commercial-Industrial	<u>24,321,315</u>	3 8,107,105
Estimated EAV For Current Property Tax Levy		<u>\$ 779,759,804</u>

Step #2

Estimate Maximum Increase in Property Tax Levy, Excluding Debt Service:

Current Year Property Tax Extension, Exclusive of SSA	\$ 6,664,408
Less Debt Service Portion Of Above Property Tax Levy and SRA Levy	<u>(1,254,386)</u>
Adjusted Current Year Tax Levy	<u>\$ 5,410,022</u>
Apply IDOR Approved CPI Factor - Letter From County Estimated Increase In Property Tax Levy	2.5% <u>135,251</u>
Estimated Maximum New Property Tax Levy	<u>\$ 5,545,272</u>

Step #3

Estimate New Property Tax Levy, Excluding Debt Service

A	Estimated Maximum New Property Tax Levy	\$ 5,545,272
	Current EAV	<u>769,562,132</u>
	Calculated Limiting Factor (Divide New Property Tax Levy by Current EAV)	<u>0.720575</u>
	Estimated New EAV Calculated In Step 1 Above	<u>\$ 779,759,804</u>
B	Apply Limiting Factor Calculated In A Above	<u>0.720575</u>
	Calculated New Property tax Levy, Excluding Debt Service	<u>\$ 5,618,754</u>

Step #4

Calculate Estimated Change In Property Tax Levy, Excluding Debt Service

Estimated New Maximum Property Tax Levy	\$ 5,618,754
Current Property Tax Levy	<u>\$ 5,410,022</u>
Estimated Change In Property Tax Levy	<u>\$ 208,732</u> <u>3.858%</u>

Property Tax Levy Worksheet

Tax Year 2007

Step #5

Calculate Debt Service Property Tax Levy

Police Building Bond Series 2000		Last TL Yr. = 2019	523,371
General Obligation Refunding Bonds Series 2001		Last TL Yr. = 2008	466,851
General Obligation Bonds Series 2002	Abate Annually	245,776.00	Last TL Yr. = 2012
General Obligation Bonds Series 2003B	Abate Annually	268,953.00	Last TL Yr. = 2010
General Obligation Bonds Series 2003C			Last TL Yr. = 2008
Taxable General Obligation Bonds Series 2003D	Abate Annually	104,875.00	Last TL Yr. = 2010
TIF Bonds Series 2002		369,258.00	Last TL Yr. = 2021
TIF Bonds Series 2002A		161,316.00	Last TL Yr. = 2021
TIF Bonds Series 2003A	Abate Portion	353,290.00	Last TL Yr. = 2021
General Obligation Bonds Series 2005	Abate Annually	130,000.00	Last TL Yr. = 2013
Total Debt Service Property Tax Levy			\$ 1,030,822
Apply Debt Service Property Tax Estimated Loss Factor			101.022%
Estimated Debt Service Property Tax Levy			\$ 1,041,357

Step #6

Calculate New Estimated Property Tax Levy

Calculated New Property Tax Levy, Excluding Debt Service	\$ 5,618,754
Calculated New Debt Service Property Tax Levy	1,041,357
Calculated New SRA Tax Levy	178,300
Total New Property Tax Levy	\$ 6,838,411

Step #7

Comparison New To Current Property Tax Levy

	New	Current	Change
Property Tax Lev, Excluding Debt Service & SRA	\$ 5,618,754	\$ 5,410,022	\$ 208,732
%			3.8583%
Debt Service Property Tax Levy	\$ 1,041,357	\$ 1,077,386	\$ (36,029)
%			-3.344%
Special Recreation Levy	\$ 178,300	\$ 176,999	\$ 1,301
%			0.735%
Combined Total Property Tax Levy	\$ 6,838,411	\$ 6,664,407	\$ 174,004
%			2.611%



Glossary of Terms



GLOSSARY OF TERMS

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.

Abatement: A partial or complete cancellation of a levy imposed by the Village. Abatements usually apply to tax levies special assessments and service charges.

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.

Appropriation: A legal authorization granted by the Village Board to make expenditures and to incur obligations for specific purposes. An appropriation usually is limited in amount and time it may be expended.

Assessed Valuation: A value that is established for real or personal property for use as a basis for levying property taxes. (Note: Property values are established by the Township Assessor.)

Assets: Property owned by a government.

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 account system to determine whether the internal accounting controls are both available and being used.

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 either the case, modified accrual or the accrual method.

Bond: A written promise to pay a sum of money on a specific date at a specified interest rate. The interest payments and the repayment of the principal are detailed in a bond ordinance. The most common types of bonds are general obligation and revenue bonds. These are most frequently used for the financing of capital improvements.

Budget: A plan of Village financial operations which includes an estimate of proposed expenditures and a proposed means of financing them. The term used without any modifier usually indicates a financial plan for a single operating year. The budget is the primary means by which the expenditure and service levels of the Village are controlled.

Budget Message: The opening section of the budget which provides the Village Board and the public with a general summary of the most important aspects of the budget, changes from the current and previous fiscal years, and the views and recommendations of the Village Administrator.

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 activates 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.

Certificate of Deposit: A negotiable or non-negotiable receipt for monies deposited in a bank of financial institution for a specified period for a specified rate of interest.

Charges for Service: User charges for services provided by the Village to those specifically benefiting from those services.

Debt: A financial obligation resulting from the borrowing of money. Debts of government include bonds, notes, and land contracts.

Deficit: The excess of expenditures or expenses over revenues or income during a single accounting period.

Department: A major administrative division of the Village which indicates overall management responsibility for an operation.

Depreciation: The allocation of the cost of a fixed asset over the assets useful. Through this process the entire cost of this asset less any salvage value is ultimately charged off as an expense. This method of cost allocation is used in proprietary funds.

Enterprise Fund: A fund established to account for operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be 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.

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 Village services.

Fiscal Policy: 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: A 12 month period to which the Village's annual operating budget applies and at the end to which the Village determines its financial position and the results of its operation. The Village has specified May 1 to April 30 as its fiscal year.

Fixed Assets: Assets of a 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.

Fund: An accounting entity with a self-balancing set of accounts which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

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

Generally Accepted Accounting Principles (GAAP): 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 Obligation Bonds: Bonds that finance a variety of public projects such as streets, buildings, and improvements; the repayment of these bonds is usually made from the Debt Service Fund, and these bonds are backed by the full faith and credit of the issuing government.

Governmental Fund Types: Funds used to account for the acquisition, use and balances of expendable financial resources and the related current liabilities, except those accounted for in proprietary and trust funds. In essence, these funds are accounting segregation of financial resources. Expendable assets are assigned to a particular governmental fund type according to the purposes for which they may or must be used. Current liabilities are assigned to the fund type from which they are to be paid. The difference between the assets and the liabilities of governmental fund types is referred to as fund balance. The measurement focus in these fund types is on the determination of financial position and changes in financial position (sources, uses and balances of financial resources), rather than on net income determination. The statement of revenues, expenditures and changes in fund balance is the primary governmental fund type operating statement. It may be supported or supplemented by more detailed schedules of revenues, expenditures, transfers and other changes in fund balance. Under current GAAP, there are four governmental fund types: general, special revenue, debt service and capital projects.

Income: A term used in proprietary fund type accounting to represent (1) revenues, or (2) the excess of revenues over expenses.

IRMA (Intergovernmental Risk Management Agency): An organization of 50 municipalities in the six county collar areas around Chicago which joined together to pool insurance risk, cost, and coverage. IRMA, through its risk-sharing provisions, provides the Village with coverage for liability, property damage, automobile, and worker's compensation insurance.

Intergovernmental Revenue: Funds received from federal, state and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes.

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.

MFT: Motor Fuel Tax

Modified Accrual Basis: The accrual basis of accounting adapted to the governmental fund-type measurement focus. Under it, revenues and other financial resource increments (e.g., bond issue proceeds) are recognized when they become susceptible to accrual, which is when they become both "measurable" and "available" to financial expenditures of the current period: "Available means collectible in the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recognized when the fund liability is incurred except for (1) inventories of materials and supplies that may be considered expenditure either when purchased, or when used, and (2) prepaid insurance on similar items that may be considered expenditures either when paid for or when consumes. All governmental funds, expendable trust funds and agency funds are accounted for using the modified accrual basis of accounting.

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.

Property Tax: Property taxes are levied on real property according to the property's valuation and the tax rate.

Proprietary Fund Types: The classification used to account for a 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 GAAP 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 GASB has issued pronouncements applicable to those entities and activities, they should be guided by these pronouncements.

Retained Earnings: An equity account reflecting the accumulated earnings of the Village's Proprietary Funds.

Revenue: 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.

TIF: Tax Increment Financing

Tax Increment District: A legal entity created by local resolution to promote improvements, jobs, etc. The taxes generated from the assessed value "increment" above the base year is used to finance the costs of the improvements which generate the increased assessed valuation.

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.

Trust Funds: Funds used to account for assets held by a government in a trustee capacity for individuals, private organizations, other governments and/or other funds.

