



# Village of Algonquin, Illinois

Annual Budget  
Fiscal Year 2010-2011

John Schmitt, Village President  
William Ganek, Village Manager  
Gerald Kautz, Village Clerk

Brian Dianis, Village Trustee  
Jerry Glogowski, Village Trustee  
Robert Smith, Village Trustee  
Debby Sosine, Village Trustee  
John Spella, Village Trustee  
Jim Steigert, Village Trustee

Adopted April 6, 2010

# A Glimpse into Algonquin's History...

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*The Village of Algonquin was settled in 1834 with the arrival of Samuel Gillian, the first settler in McHenry County. Other early settlers were Dr. Cornish, Dr. Plumleigh, Eli Henderson, Alex Dawson, and William Jackson. The Village changed names several times in the early days; the names included Cornish Ferry, Cornishville, and Osceola. The name Algonquin was finally selected in 1847 as a suggestion from Samuel Edwards as a namesake for a ship he once owned.*

*The Village was incorporated in 1890 and witnessed both commercial and recreational trade. Algonquin was a favorite vacation spot for residents of Chicago. Nestled in the foothills of the Fox River Valley, Algonquin became known as the "Gem of the Fox River Valley."*

*The first Village Hall was constructed in 1906 at 2 South Main and throughout the years housed fire protection, library, and school services for the community as well as accommodating the municipal offices. The building served as Village Hall until the new Village Hall was completed in 1996. The original building is now called Historic Village Hall and serves as a community facility and meeting location.*

*A highlight in Algonquin's history was the period from 1906 to 1913, when the Algonquin Hill Climbs were held. The event was one of the earliest organized auto racing events held in the United States. Algonquin had a population of about 600 residents at that time and the annual hill climbs would bring crowds in excess of 25,000 to the Village.*

*Over the years, Algonquin has developed into a growing and thriving community, with its solid base of residential and commercial development as well as an expanding industrial/business sector. A tremendous commercial success was witnessed in the fall of 2004 with the opening of Algonquin Commons, the largest lifestyle center in Illinois.*

*Algonquin's population as of a special census in 2007 was 30,482, which has more than doubled since the 1990 census, which recorded a population of 11,663. The Village has grown from a small, rural, farming community to a vibrant urban leader in McHenry and Kane Counties.*

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## Department Directors

**William J. Ganek**  
Village Manager

**John R. Walde**  
Finance Director

**Russell B. Laine**  
Police Chief

**Robert G. Mitchard II**  
Public Works Director

**Todd A. Walker**  
Human Resources Director

**Craig E. Arps**  
Building Commissioner

**Russell W. Farnum**  
Community Development Director

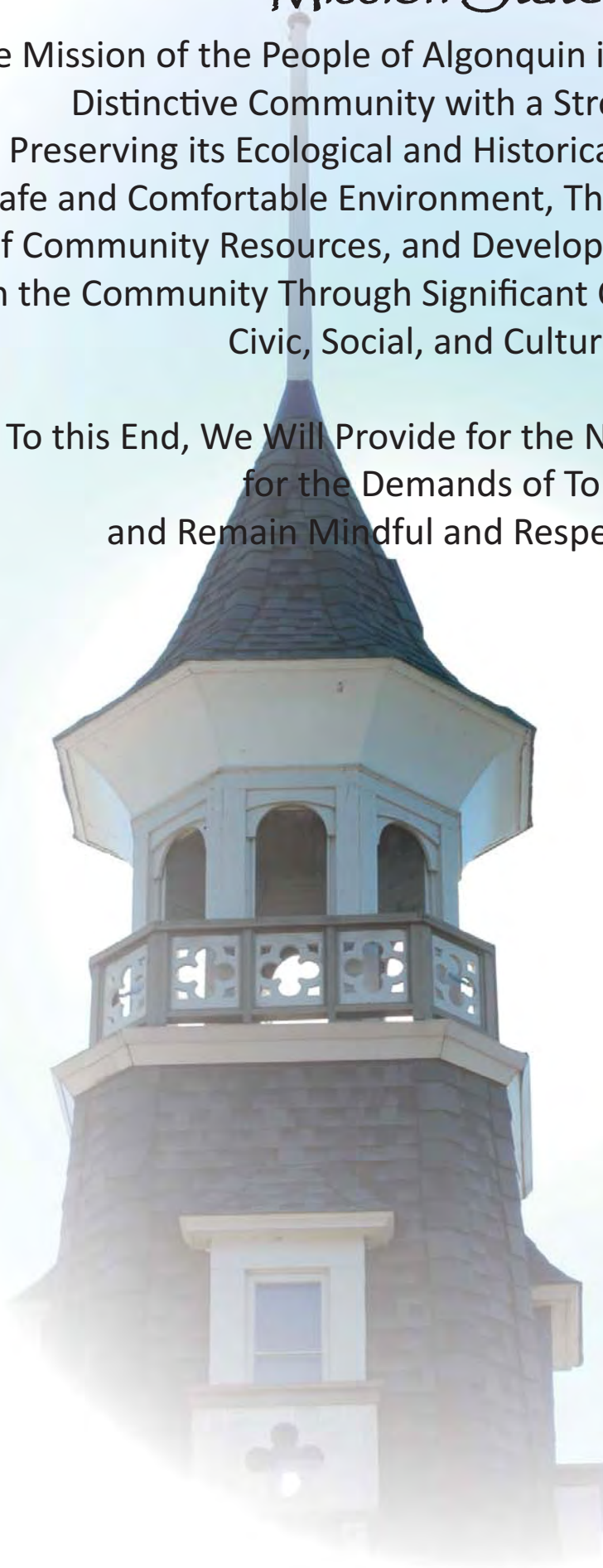
**Kevin D. Crook**  
Information Systems Director

# Village of Algonquin

## Mission Statement

The Mission of the People of Algonquin is to Foster a Harmonious, Distinctive Community with a Strong Sense of Place, Preserving its Ecological and Historical Richness, Providing a Safe and Comfortable Environment, Through a Responsible Use of Community Resources, and Developing Ownership and Pride in the Community Through Significant Citizen Involvement in all Civic, Social, and Cultural Affairs.

To this End, We Will Provide for the Needs of Today, Prepare for the Demands of Tomorrow, and Remain Mindful and Respectful of the Past.





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The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the Village of Algonquin, Illinois for its annual budget for the fiscal year beginning May 1, 2009. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

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



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**ORDINANCE NO. 2010-O- 14**  
**AN ORDINANCE APPROVING THE VILLAGE OF ALGONQUIN**  
**ANNUAL BUDGET FOR FISCAL YEAR 2010-2011**

**WHEREAS**, the Village of Algonquin, McHenry and Kane Counties, Illinois is a home rule municipality as contemplated under Article VII, Section 6, of the Constitution of the State of Illinois, and the passage of this Ordinance constitutes an exercise of the Village's home rule powers and functions as granted in the Constitution of the State of Illinois.

**WHEREAS**, the Village of Algonquin, McHenry and Kane Counties, Illinois, has adopted 65 ILCS 5/8-2-9.1 through 5/8-2-9.9 in lieu of passing an appropriation ordinance prior to the end of the first quarter of the fiscal year; and

**WHEREAS**, 65 ILCS 5/8-2-9.4 requires that the annual budget shall be adopted by the corporate authorities before the beginning of the fiscal year to which it applies; and

**WHEREAS**, Ordinance 92-O-82 requires the preparation of an annual budget Ordinance for approval by the Board of Trustees.

**NOW, THEREFORE, BE IT ORDAINED** by the President and Board of Trustees of the Village of Algonquin, McHenry and Kane Counties, Illinois, as follows:

**SECTION 1:** That the Village of Algonquin Annual Budget for Fiscal Year 2010-2011, attached hereto and made a part hereof, is hereby approved.

**SECTION 2:** If any section, paragraph, subdivision, clause, sentence or provision of this Ordinance shall be adjudged by any Court of competent jurisdiction to be invalid, such judgment shall not affect, impair, invalidate or nullify the remainder thereof, which remainder shall remain and continue in full force and effect.

**SECTION 3:** All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

**SECTION 4:** This Ordinance shall be in full force and effect upon its passage, approval and publication in pamphlet form (which publication is hereby authorized) as provided by law.

Voting Aye: *STEIGERT, SMITH, GLOGOWSKI, SESINE, DIANIS, SPILLA*

Voting Nay: *NONE*

Absent: *NONE*

Abstaining: *NONE*

Approved:

  
John C. Schmitt, Village President



ATTEST:   
Gerald S. Kautz, Village Clerk

Filed: 04-06-2010  
Approved: 04-06-2010  
Published: 04-07-2010

Prepared By:  
William J. Ganek, Budget Officer  
Village of Algonquin  
2200 Hamish Drive  
Algonquin, Illinois 60102



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# Village of Algonquin

The Gem of the Fox River Valley

April 6, 2010

The Village of Algonquin Residents,  
President and Board of Trustees

**RE:     *Fiscal Year 2010–2011 Annual Budget Message***

Honorable President and Board of Trustees:

I am pleased to present the Village of Algonquin's Annual Budget for Fiscal Year 2010-2011. The annual budget represents the single most important policy adopted each year in any municipal organization. This is particularly true in a village such as Algonquin, which offers a multitude of services and programs to its residents. The budget provides information that guides Village decision makers in making allocation choices based on anticipated revenue projections. The budget document is a planned program of expenditures based upon the revenue projections that carry out the Village's scope of services and goals established by the President and Board of Trustees. This budget document is a tool used to assist Village officials in making sound and rational choices regarding the provision of services to the public. The budget document demonstrates relationships among several fiscal entities: 1) revenues and operating programs; 2) taxes and services; 3) employment levels and costs; and 4) community priorities and practical constraints.

To this end, six "Guiding Principles" have been established to guide the budget's development and to measure the success of the recommended implementation of the budget.

## **Fiscal Year 2010-2011 Guiding Principles**

The Guiding Principles were originally established as part of the FY 05/06 budget process. They have been refined for the FY 10/11 budget as outlined in the list below. The Village aims to focus its time and resources in accomplishing the following objectives:

**(1) Maintain and/or Enhance Customer Service and Citizen Satisfaction**

- a. *In order to provide the most efficient and effective services to residents, staff should continually **evaluate operations**. Increase the consistent focus on customer service through efficiency studies, training of front-line staff, and evaluating roles and responsibilities.*

- b. *Employee satisfaction, growth, and development foster positive customer service. This is accomplished through many vehicles, including:*
  - i. *Training.*
  - ii. *Evaluating roles and responsibilities.*
- c. *Implement mechanisms for promoting effective internal and external communication.*

**(2) Continue to Promote and Foster Economic Development**

- a. *Economic development is instrumental in meeting the following initiatives:*
  - i. *Offering residents a community in which they can live, work, and play.*
  - ii. *Creating jobs and bringing visitors to our community.*
  - iii. *Providing revenue to fund needed capital projects and other operational programs.*
- b. *Allocate the necessary resources to **the continued development of the Village's economy**, focusing on the Algonquin Corporate Campus, downtown, Route 62 east corridor, and the mining operations.*

**(3) Evaluate, Plan for, and Implement Important Capital Improvement Projects in Order to Maintain the Village's Infrastructure and Uphold a High Quality of Life for Residents**

- a. ***Providing adequate infrastructure** throughout the Village is pertinent in order to ensure safe roadways, functional water and sewer systems, and top notch park facilities for residents, businesses, and visitors.*
- b. *Continue to develop and implement **multi-year plans**, including neighborhood capital improvements.*
- c. *Continue to develop and refine the Village's **transportation** network in order to provide accessibility and mobility via the Village's roadway and trail systems.*

**(4) Assess All Viable Options to Increase/Maintain the Village's Revenue Base**

- a. *Explore grants, operational efficiencies, and additional economic development opportunities.*
- b. *Obtain additional, dedicated revenue sources for funding capital projects.*
- c. *Evaluate projects and personnel functions to find opportunities for **cost savings**.*

**(5) Continue to Allocate the Necessary Resources for the Maintenance of the Public's Health, Safety, and Welfare through a Well Trained and Dedicated Staff**

- a. *Emphasize and focus on **public safety, emergency planning, and homeland security** as a priority in our daily operations.*
- b. *As the number of commercial establishments level off or are reduced in the Village, and the needs of the citizenry fluctuate, differing resources must be allocated to these important government functions*

**(6) Continue to Promote and Develop Programs with a Conservation Focus**

- a. *Promoting and adhering to a conservation mindset and lifestyle have been priorities for the Village over the past several years. Conservation is imperative in order to protect and conserve natural resources such as groundwater, wetlands, and natural water bodies.*
- b. *Promote and enforce the Village's **water conservation program**, and continue to work with other governments and agencies to address issues of water quality and quantity on a regional basis.*
- c. *Continue to promote the Village's **recycling** program through educational materials and other programs.*

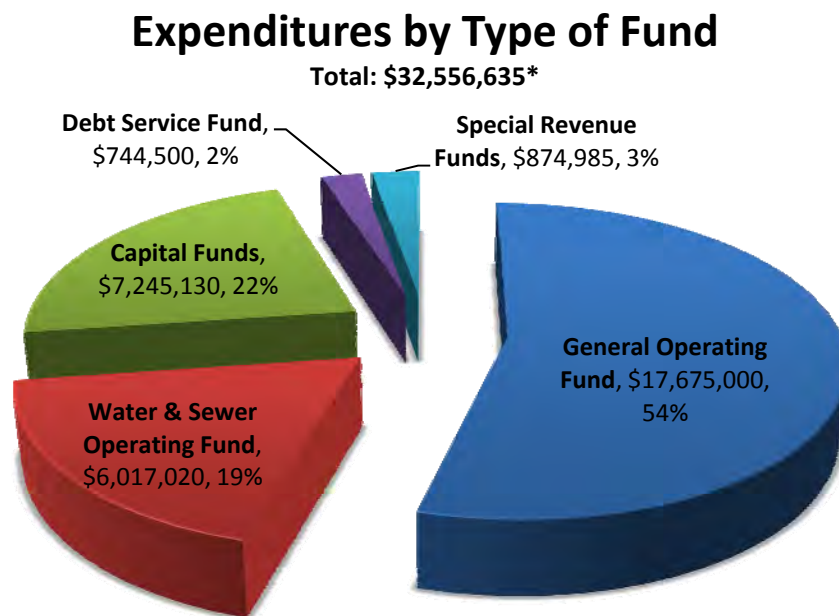
In addition to maintenance and advancement of services provided to our citizens during these difficult economic conditions as noted above, the proposed General Fund budget is on course to maintain at least a four-month cash reserve throughout the fiscal year.

## Budget Overview

The Village of Algonquin is currently operating under the budget system as provided for by Illinois State Statutes. This process was adopted in lieu of passing an appropriation ordinance since, under the budget system, its adoption more truly reflects anticipated receipts and disbursements. Under State Statutes, the annual budget must be adopted by the corporate authorities before the beginning of the fiscal year (May 1, 2010). The President and Board of Trustees of the Village of Algonquin adopted the annual budget for FY 10/11 on April 6, 2010.

The budget for the Village is comprised of several funds. The principal operating funds are the General Fund and the Water and Sewer Operating Fund. There are several other funds that can be classified as capital improvement project (CIP) funds, debt service funds, service funds, and special funds. Each fund has specific purposes, as defined throughout the budget document.

The FY 10/11 budget of the Village of Algonquin for all funds totals over \$34 million of expenditures, including transfers. The Village establishes a budget for fourteen separate funds. These funds can be further paired into five major funding groups as seen on the chart below.



\* Service fund expenditures are incorporated into the operating budgets. Certain funds were consolidated as part of the FY 09/10 budget process.



The largest fund is the General Operating Fund for the Village at approximately \$17.7 million in expenditures. These funds go toward the majority of services provided to the community by the various departments of the Village. The second largest category includes the capital improvement project funds which constitute \$7.2 million to be allocated toward improvements of the street system, water and sewer system, and parks. The Water and Sewer Operating Fund serves as an Enterprise Fund; this fund consists of over \$6 million of expenditures and facilitates the water and sewer distribution and treatment services used by Village residents. Due to their importance and the general operation of the Village, the Capital Funds, General, and Water and Sewer Operating funds will be discussed in depth later in this summary. Special Revenue Funds include a total just under \$900,000 and allocate dollars for pensions, school donations, cemetery, and other purposes. The last category is the Debt Service Fund, which is \$744,500 and is used to retire debt previously established by the Village.

The FY 10/11 budget as the previous seven budgets, utilized a “constraint budget process” (discussed in the next section) to ensure that expenditures do not exceed the projected revenues for the operating budget. Other funds, such as capital or debt funds, have reserves established to offset any shortfalls of revenue for any particular year where the expenses exceed the revenues in order to accomplish the purpose of those limited purpose funds. The overriding principle for the operation funds is to “live within our means.” This principle is followed closely with additional emphasis to enhance our cash reserves in excess of 33% (four months). Once this contingency was established in the base budget of the expenditure guidelines, the constraint budgeting process required each department to submit their individual budget maintaining the current level of service provided to our residents. This includes the maintenance of a competitive compensation and benefit package. Using this method of budgeting, the General Fund and Water Sewer Operating Fund budgets support the largest assets of the Village - its employees. Despite the challenges related to the decline in the economy, as described in more detail later in this letter, the Village is able to maintain the high quality of life for residents.

### Factors Contributing to Changes in the Budget

Many factors, including policy issues, legislative mandates, and economic conditions, have impacted this year’s budget. Several of these factors are highlighted below, and described in further detail throughout the budget document.

#### Economic Factors Impacting the Budget

It’s becoming more apparent that the current economic recession is not the normal ebb and flow of the business cycle, but a permanent change in consumer economics.

*“The shock of the recession has permanently altered consumer, investment and governmental behavior. As a result, the growth economy of 2010 and beyond offers opportunities, but no free rides. Consumers will switch from consumption to thrift...”*

*Public service providers and regulators, as well as businesses, must reset their practices in tune with the behavioral changes that will remain long after the recession in output is gone. To navigate the recovery successfully we will require adapting to the new, rather than return to past economic upturns.”*

Gruen Gruen + Associates

The aforementioned quote portrays the harsh reality facing many local governments and the response needed to emerge from this economic recession. The Village of Algonquin's response balances our old practices of fiscal conservancy with the new expectation that consumer economics may not be the same. During FY 10/11, the Village will take a three-phased approach to maintain quality community services without increasing any tax burden on our residents:

- Reset: The economy has changed and consumers have a higher propensity to save, which will impact various elastic revenues the Village uses to fund operations. The Village must continue to diversify its revenue sources and not overspend during periods of economic growth. High unemployment rates will result in decreased sales tax revenue as consumers have less disposable income.
- Retool: The Village will evaluate its operations and focus on core community services, ensuring alignment with the Guiding Principles and policy direction set forth by the Village Board. Village staff will become more versatile and provide services in multiple departments, thus meeting the demand for Village services while maintaining current full-time personnel. Furthermore, the Village's economic development strategy will be acclimated to the needs of business as a result of the economy.
- Reinvent: With Village revenues estimated to decrease 6 percent in FY 10/11, the Village will reinvent itself into a lean, efficient organization that is performance-driven and results-oriented without placing an additional tax burden on Village residents. The FY 10/11 budget document features performance measures that link to the Village's Guiding Principles, placing a stronger emphasis on obtaining desired results.

The Village approached the impact of the economy on the budget in a strategic and collaborative fashion. The Village's strategies for coping with the economic downturn are as follows:

- Pursue grants: Staff will continue to look for opportunities to supplement revenues with grants and opportunities through the state and federally funded programs.
- Reduce Seasonal/Internship Positions: These positions will operate at reduced levels, utilizing existing full-time personnel to maintain and supplement these services.
- Evaluate Vacant Positions: No new employees will be hired in this fiscal year. If a position opens, the Village will evaluate the need for that position and will either fill the position, eliminate the position, or delay the hiring process. Merit raises are capped at 2.5%. Union employees have salary increases per their respective contracts.
- No Capital Purchases: Vehicles, equipment, and computers will not be purchased in FY 10/11. The Water and Sewer Operating Fund, the Village's only enterprise fund does have revenue budgeted for capital purchases, but will delay until later in the fiscal year to ensure revenue projections are stable.
- Limit Overtime: Departments have developed plans to reduce overtime costs while maintaining core community services.
- Decrease Travel/Training/Dues: Overall budget target is a 50% reduction for this line item. Essential training for public safety or legally mandated will remain funded.
- Decrease Uniform Expenses: Overall budget target is a 30% reduction in uniform spending. Members of the Police and Public Works Department will receive funding pursuant to their respective collective bargaining agreements.

- Take Home Vehicle Fuel Reimbursement: Employees who have the benefit of a take-home vehicle will now be required to reimburse the Village for fuel expenses for the mileage for to/from home travel.
- Cash Reserves: The FY 10/11 budget as presented maintains the Village's four month cash reserve. Additionally, the Water & Sewer Operating fund has established a one month cash reserve for its operations.

Other economic influences are as follows:

- Although Algonquin's foreclosure rate is lower than other area municipalities, we do anticipate that foreclosures will continue to have an impact, not only on property tax revenues (modest), but also on demand for services.
- Minimal growth in residential and commercial development is expected in FY 10/11 as financing remains a challenge for real estate developers. This will result in decreased community development revenues.
- The Village's equalized assessed valuation (EAV) continues to grow, and the Village's portion of residents' overall tax rate is maintained at approximately the same rate.
- Income tax revenues distributed by the State of Illinois are projected to be at the lowest level since the FY 05/06 budget. High unemployment rates and state-wide economic challenges attribute to this decline. Further, the State of Illinois has delayed remitting payments to local municipalities and at the time the document was produced, the State was four months behind on payments to the Village.
- The need for additional costs within the Police Department for police pension as well as traffic control through neighborhoods is growing at a faster rate than revenue growth.
- Fuel, materials, health, pensions, and liability insurance costs continue to rise and are consuming larger portions of the budget each year.

### **Policy Issues Impacting the Budget**

The Village Board established many directives that led the design of the budget, including:

- Water and Sewer System Expansion: Continued emphasis on the Village's comprehensive water conservation program as well as expansion of the Village's water and sewer systems. Water Treatment Plant #3 came online in 2006, increasing the Village's capacity to provide water to residents. However, water conservation practices will continue. Funding is allocated for development of a deep well addition to Water Treatment Plant #3. Expansion of the plant to include the deep well is budgeted for construction in FY 10/11.
- Economic Development: Promotion and development of both the Village's Algonquin Corporate Campus and the Old Town District have been a continued goal of the Village Board. Downtown efforts have been expanded with the addition of Cornish Park along the Fox River, and design work is planned for expansion to streetscape improvements to support the downtown.
- 2010 Census: The Decennial Census will occur this year; however, additional revenue due to modest residential growth will not be realized until FY 11/12.
- Infrastructure Maintenance: Slow economic growth and higher energy and material costs continue to cause increased costs in the construction industry. Infrastructure needs in the Village are increasing due to the aging of streets and water and sewer lines. These factors are resulting in a growing gap between capital expenditures and revenues. The Village is moving forward cautiously with only the highest priority capital projects.

- Water and Sewer Rates: Recent increases in costs for fuel, electricity, gas, and other operational items continue to negatively impact the balance of revenues and expenditures in the water and sewer operating fund. Thus, the Village contracted with an engineering firm to update the Village's existing Water & Sewer Rate Study. In spring 2008, the Village Board passed an ordinance that adjusted water and sewer rates (which fund the Water and Sewer Operating Fund) and tap-on fees (which contribute to the Water and Sewer Improvement and Construction Fund). As always, it is the goal of the Village to provide high-quality water and environmentally responsible wastewater conveyance and treatment to our residents and businesses at a reasonable cost. Accommodating a phased-in increase to our rates will allow us to continue to provide this service to our residents without incurring significant debt, and with the assurance that we can maintain the high standards that our residents have come to expect. The third increase as part of this program is slated for this fiscal year.
- Administrative Adjudication: The Village's administrative adjudication program completed its first full year of operations in 2009. This program has proven to save money and time for both residents and staff, who no longer have to travel significant distance and spend time waiting for cases to be heard at the county level. It has also been successful in accelerating resolution of property maintenance violations. This program is able to pay for itself with support from the traffic light enforcement program. Revenues from this program will offset costs; additional revenue will fund traffic safety programs. The goal of this important program is to reduce traffic crashes and increase safety at critical intersections in the Village. Both programs impact the revenue and expenditure totals for the General Fund.
- Capital Project Financing: Expansion of the Village's water and wastewater treatment systems has been a priority over the past few years. Initially, to fund these aggressive projects (see Supplement 2 for more information), the Village allocated 100% of home rule sales tax revenues to the Water and Sewer Improvement and Construction fund. In FY 10/11, 60% of home rule sales tax receipts are dedicated to the Water and Sewer Improvement and Construction Fund, and 40% is allocated to the Street Improvement Fund.

### **Legislative Issues Impacting the Budget**

- Local Government Distributive Fund: At the time this document was produced, the State of Illinois has proposed to reduce the percentage of income tax due to municipalities under the Local Government Distributive Fund (LGDF) from 10 percent to 7 percent. For the Village of Algonquin, this would equate to an approximate \$700,000 (30%) decrease in income tax revenues. This proposed decrease will be partially offset by a proposed one percent increase in the State Income Tax Rate (3% to 4%). As the State of Illinois' fiscal year begins on July 1, these changes all remain proposed and the Village can only speculate on the outcomes of the State's FY 10/11 budget for our own budget planning. Should any funding changes occur during the fiscal year, the Village will be prepared to adjust accordingly.
- Freedom of Information Act Reform: On January 1, 2010, Public Act 96-0542 became law. The new law amends the Open Meetings Act, the Freedom of Information Act (FOIA), and the Attorney General Act. This unfunded mandate has required training of Village staff, consultation with the Village Attorney's office to ensure legal compliance with the amended state statutes, and increased office supplies and stationary. The FY 10/11 proposes expenditures for computer networking software to further ensure compliance with this statute.
- Red Light Camera Enforcement Legislation: At the time this document was produced, various Illinois House and Senate Bills were introduced modifying the statutes governing red light

camera enforcement. These bills have ranged from abolishment of the program to operational modifications on how the program is administered at the local level. The impacts on the FY 10/11 budget could range from a reduction in revenues to additional required expenditures. Village staff will continue to monitor during the course of the fiscal year.

- Pension Reforms: Various bills have been introduced at the State level seeking to reform public pensions. SB 1946 reforming the pensions of non-police personnel is awaiting the Governor's signature at the time that this document went to print. This legislation appears to have little impact on the short-term operations of the Village. Village staff will continue to monitor public safety pension legislation, however in the short-term, regulations have required increased expenditures dedicated to funding pensions.

## Conclusion

Overall, the Village is in sound financial condition. Due to adherence to the Village's Guiding Principles and use of constraint budgeting in previous years, the Village is in a stronger position than many other local communities dealing with the economic recession. We have a strong bond rating (AA+) and cash reserves, while maintaining low debt obligations. It is essential to carefully maintain the day-to-day operations but continue to pursue important capital improvement projects. In many cases, these capital improvement projects warrant significant attention in respect to their opportunity to yield future operational cost savings, which enhance the Village's ability to contend with the many pressures upon local government presented by state and federal mandates, tax caps, declining revenue sources, escalating insurance costs, and other demands for new or improved services from our residents and businesses.

This budget takes another step in affording the Village of Algonquin the opportunity and capability to initiate the projects tied to growth management of the Village, while maintaining a sound financial base for the benefit of the residents of the community and the improvement of its infrastructure. For further discussion on the budget, please review the following budget supplements: Supplement One: Executive Summary, Supplement Two: Capital Improvement Project Funds, and Supplement Three: Implementation of the Guiding Principles.

The combined leadership of the elected officials, support of the public, and experience and skills of Village staff will allow the Village of Algonquin to focus on the importance of delivering uninterrupted, high quality services to the public during these challenging fiscal times. With the support of the President and Board of Trustees, and the assistance of the Village staff, this budget can serve as a guide to maintaining efficient and effective municipal services and accomplishing the Village's financial objectives.

Respectfully submitted,



William J. Ganek  
Village Manager/Budget Officer

WJG:mjk



## Supplement 1: Executive Summary

### Budget Summary

The annual budget is a financial statement of the goals and objectives for the Village during the fiscal year. These goals and objectives have been assessed and reconfirmed over the past year regarding the delivery of basic Village services. The following table shows projected revenues, expenditures, and the net surplus/(deficit) by fund for the FY 10/11 budget:

Fund	Revenues	Expenditures	Surplus/(Deficit)
<b>GENERAL</b>			
General	17,675,000	17,675,000	-
Subtotal:	17,675,000	17,675,000	-
<b>CAPITAL PROJECTS</b>			
Motor Fuel Tax	817,000	1,509,250	(692,250) <sup>1</sup>
Park	2,050	110,600	(108,550) <sup>2</sup>
Street Improvement	2,758,000	3,831,180	(1,073,180) <sup>3</sup>
Water & Sewer Improvement & Construction	1,908,000	1,794,100	113,900
Village Construction	600	-	600
Subtotal:	5,485,650	7,245,130	(1,759,480)
<b>ENTERPRISE</b>			
Water & Sewer Operating	6,017,020	6,017,020	-
Subtotal:	6,017,020	6,017,020	-
<b>SPECIAL REVENUE</b>			
Cemetery	38,000	36,800	1,200
Swimming Pool	198,685	198,685	-
Special Revenue	318,000	305,000	13,000
Subtotal:	554,685	540,485	14,200
<b>DEBT</b>			
Debt Service	752,000	744,500	7,500
Subtotal:	752,000	744,500	7,500
<b>INTERNAL SERVICE</b>			
Vehicle Maintenance	1,168,700	1,168,700	-
Building Services	643,550	643,550	-
Subtotal:	1,812,250	1,812,250	-
<b>PENSION TRUST</b>			
Police Pension	1,774,000	334,500	1,439,500
Subtotal:	1,774,000	334,500	1,439,500
<b>TOTAL ALL FUNDS:</b>	<b>34,070,605</b>	<b>34,368,885</b>	<b>(298,280)</b>

**Notes:**

1 – Motor Fuel Tax projects are being partially funded from the fund balance

2 – Park projects are being partially funded from restricted fund balance

3 – Street projects are being partially funded from fund balance

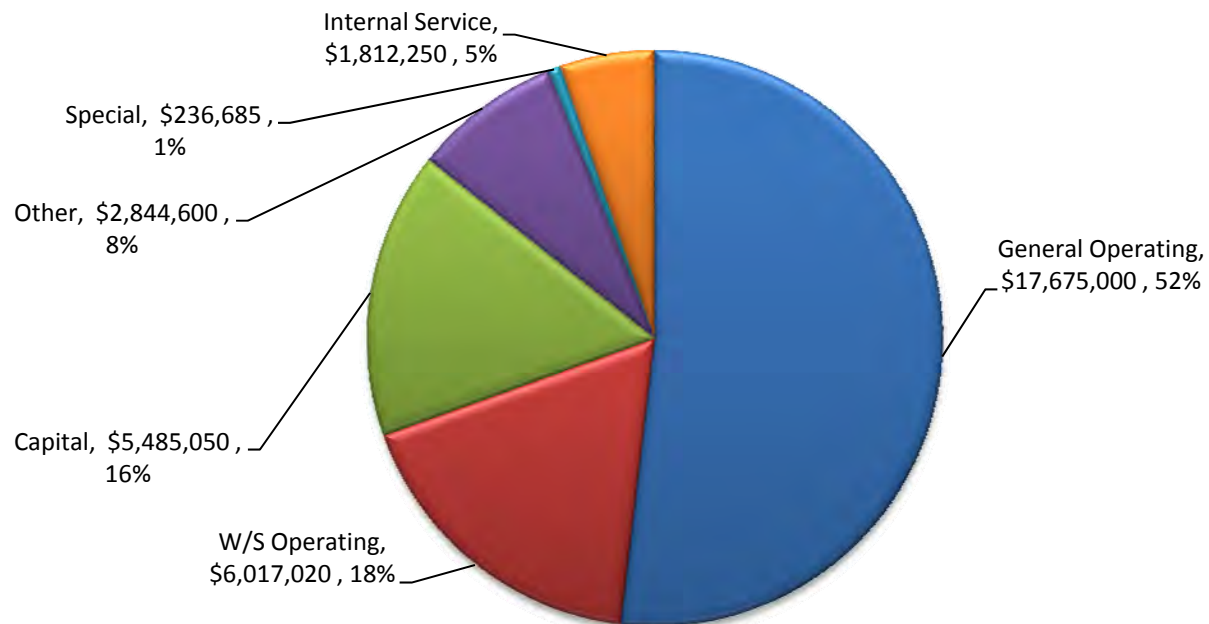
## Revenue Summary

The budget is prepared on a fund account basis. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities and outcomes. The following table presents actual fund revenues for FY 07/08 and FY 08/09, budgeted revenues for the current FY 09/10, and proposed budgeted revenues for FY 10/11:

### Total Revenues By Fund

	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
General Fund	\$ 18,127,544	\$ 17,939,899	\$ 18,759,800	\$ 17,675,000
Cemetery Fund	44,300	34,972	42,500	38,000
Motor Fuel Tax Fund	881,872	844,942	852,000	817,000
Street Improvement Fund	1,853,475	2,033,679	2,730,000	2,758,000
Swimming Pool Fund	206,207	184,469	209,000	198,685
Park Fund	504,926	472,774	230,000	2,050
Water/Sewer Operating Fund	14,652,682	7,233,436	5,501,760	6,017,020
Water/Sewer Construction Fund	5,167,610	4,264,068	3,035,000	1,908,000
Special Revenue Fund	226,301	208,208	715,000	318,000
Village Construction Fund	6,222	46,486	151,100	600
Building Services Fund	514,833	683,031	669,900	643,550
Vehicle Services Fund	1,097,451	1,152,585	1,095,250	1,168,700
Police Pension Fund	1,157,856	246,330	1,434,000	1,774,000
Debt Service Fund	751,246	732,433	747,000	752,000
<b>TOTAL</b>	<b>\$ 45,192,525</b>	<b>\$ 36,077,312</b>	<b>\$ 36,172,310</b>	<b>\$ 34,070,605</b>

The Village is projecting a total of \$34.1 million in revenues for FY 10/11, which includes inter-fund transfers. The funds receiving the largest revenues are the General Fund and Water & Sewer Operating Fund. These two funds make up over 70% of the Village's annual budget. Below is a graph displaying FY 10/11 revenues by fund type:



### Total Revenues By Category

	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
Taxes	\$ 21,085,430	\$ 20,728,872	\$ 21,332,000	\$ 20,085,000
Licenses & Permits	760,058	975,833	713,000	558,000
Donations & Grants	1,997,135	2,658,811	1,876,000	1,183,000
Charges for Services	7,763,178	7,891,044	8,344,160	8,268,520
Fines & Forfeitures	558,966	685,651	1,168,500	1,208,000
Investment Income	1,210,821	(383,807)	722,250	707,905
Other Income	1,092,873	1,473,796	1,177,000	1,326,000
Other Financing Sources (Transfers)	10,724,064	2,047,112	839,400	734,180
<b>TOTAL</b>	<b>\$ 45,192,525</b>	<b>\$ 36,077,312</b>	<b>\$ 36,172,310</b>	<b>\$ 34,070,605</b>

Taxes – Taxes are the largest and most stable revenue source for the Village, comprising of 59% of the revenues for the FY 10/11 budget. Taxes are largely comprised of sales, income, and real estate taxes. This source is projected to decrease \$1,247,000 (6%) from the FY 09/10 budget.

Licenses & Permits – Licenses and Permits is made up of primarily community development fees such as building permits and development fees. Additionally, liquor and other licenses make up this revenue source. Licenses and Permits revenues are projected to be down 22% from the FY 09/10 budget.

Donations & Grants – Donations and Grants are revenues applicable to specific capital or operational expenditures. Intergovernmental agreements with the Police Department also make up revenue in this category. Revenues in FY 10/11 are down 37% from FY 09/10 in this category.

Charges for Services – Charges for Services are comprised largely of user fees, fees only applicable to those who use the service. The largest revenue source in this category is water and sewer fees in the Water and Sewer Operating Fund. Additionally, a majority of the revenue from the internal service funds are derived from billings to other Village departments. This category is down approximately 1% from FY 09/10.

Fines & Forfeitures – Fine and Forfeiture revenues are generated primarily through police and court fines. This category is projected to increase approximately 3% from FY 09/10.

Investment Income – Continued low interest rates will result in a modest 2% decrease in the Investment Income category for FY 10/11.

Other Income – Other Income is predominately comprised of Police Pension contributions (employee and employer). This category is up 13% from FY 09/10 due to modest gains in investment income in the Police Pension Fund.

Other Financing Sources – Other Financing Sources include transfers, which is the method the Village uses to move monies between funds for expenditures such as debt service. This category has budgeted \$734,180 for FY 10/11.

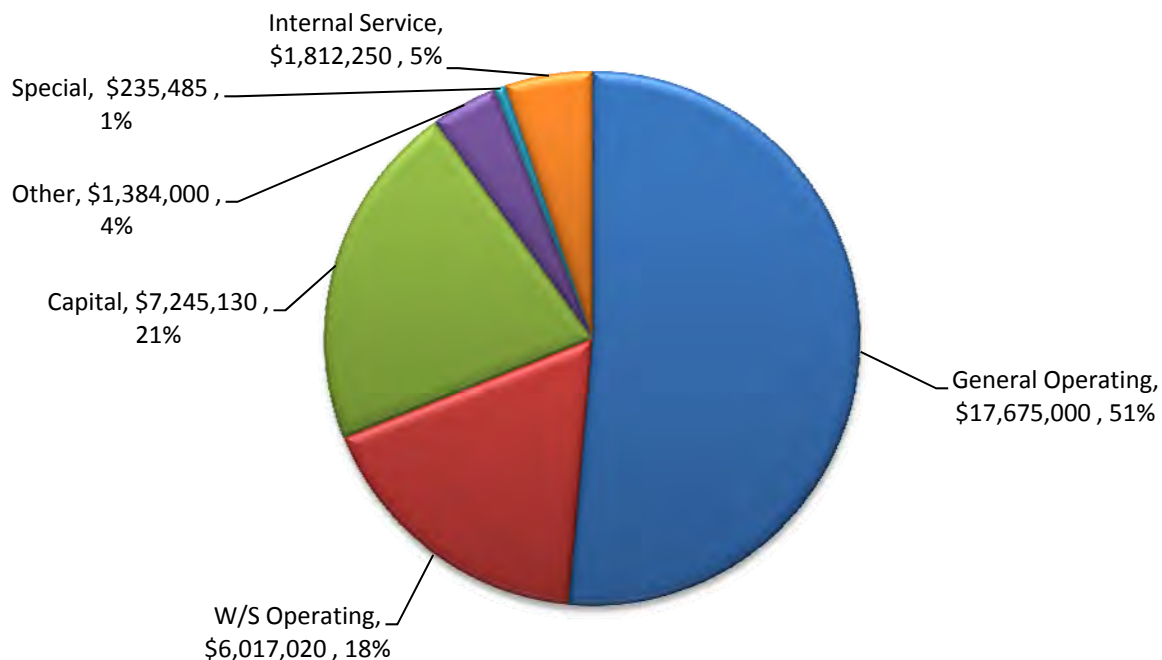
## Expenditure Summary

The Village is projecting a total of \$34.3 million in expenditures for FY 10/11, including inter-fund transfers. Similar to revenues, the funds with the largest expenditures are the General Fund and Water and Sewer Operating Fund. These funds account for the Village's costs of personnel and daily operations. The Motor Fuel Tax, Street Improvement, Park, and Water and Sewer Improvement and Construction Funds account for the Village's capital expenditures.

### Total Expenditures By Fund

	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
General Fund	\$ 17,083,297	\$ 17,327,081	\$ 18,759,800	\$ 17,675,000
Cemetery Fund	36,838	34,311	39,600	36,800
Motor Fuel Tax Fund	1,107,070	535,280	1,389,190	1,509,250
Street Improvement Fund	1,350,272	1,289,053	4,309,100	3,831,180
Swimming Pool Fund	195,377	199,453	209,000	198,685
Park Fund	1,251,317	271,902	170,500	\$110,600
Water/Sewer Operating Fund	7,615,721	8,626,034	5,501,760	6,017,020
Water/Sewer Construction Fund	9,626,343	1,460,544	2,896,000	1,794,100
Special Revenue Fund	185,376	106,652	715,000	305,000
Village Construction Fund	-	-	-	-
Building Services Fund	514,833	683,031	669,900	643,550
Vehicle Services Fund	1,097,451	1,152,585	1,095,250	1,168,700
Police Pension Fund	276,286	304,435	315,000	334,500
Debt Service Fund	709,448	721,660	730,000	744,500
<b>TOTAL</b>	<b>\$ 41,049,629</b>	<b>\$ 32,712,021</b>	<b>\$ 36,800,100</b>	<b>\$ 34,368,885</b>

Below is a graph displaying FY 10/11 revenues by fund type:



### Total Expenditures By Category

	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
Personnel	\$ 12,891,823	\$ 13,753,571	\$ 14,681,540	\$ 14,941,114
Contractual Services	3,667,429	3,995,652	5,439,785	5,158,800
Supplies & Materials	4,157,395	2,625,383	4,226,410	3,727,873
Maintenance	1,862,001	2,176,862	2,378,375	2,293,367
Capital Expenditures	2,641,545	2,363,176	5,343,160	3,897,000
Debt Services	1,304,635	1,190,330	1,658,000	1,646,500
Other Charges	3,797,736	4,559,935	2,233,430	1,970,051
Transfers	10,727,065	2,047,112	839,400	734,180
<b>TOTAL</b>	<b>\$ 41,049,629</b>	<b>\$ 32,712,021</b>	<b>\$ 36,800,100</b>	<b>\$ 34,368,885</b>

Personnel – Personnel costs account for salaries, health insurance, FICA, pension and other costs related to Village employees. This category modestly increased 2% from FY 09/10, due to reductions in part-time/seasonal personnel and overtime, as well as not filling certain full-time positions this fiscal year.

Contractual Services – Contractual Services is budgeted at \$5,158,800 for FY 10/11. This category includes utilities, contracted services, and equipment rental. A new natural gas franchise and reduced professional services expenditures help account for this reduction from FY 09/10.

Supplies & Materials – The Supplies and Materials category accounts for the daily items required for Village operations includes building and office supplies, fuel, tools, community programs, and other equipment. This category has been reduced in FY 10/11, budgeted at \$3,727,873.

Maintenance – Maintenance expenditures include costs for maintaining Village buildings, vehicles, and infrastructure. Maintenance costs are budgeted at \$2,293,367 for FY 10/11.

Capital Expenditures – Capital Expenditures are large dollar amount purchases of facilities and equipment. Capital Expenditures for FY 10/11 are down 27% from FY 09/10 with \$3,897,000 budgeted.

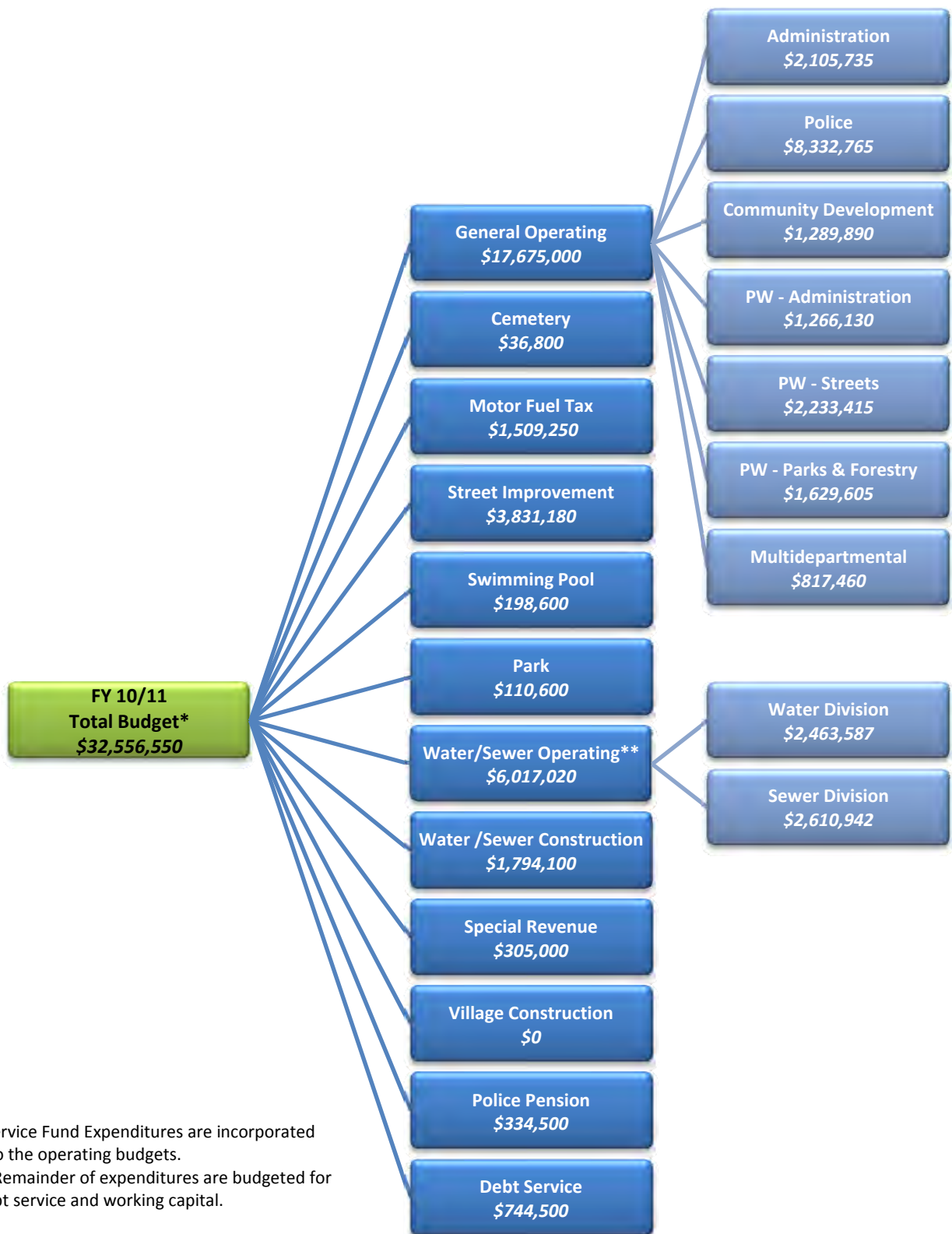
Transfers – Transfers includes monies that are transfer between accounts. The FY 10/11 budget includes \$734,180 worth of transfers.

Other Charges – Other charges include recreation programming, elected officials expenses, police pension expenses, and other training expenses. A reduction in travel, training, and dues for Village employees helps reduce this category 13% from FY 09/10.

A chart illustrating the allocation of the funds to individual cost centers are shown on the following page. Internal Service Funds are accounted for in the operating budgets.



## Fund Structure and FY 10/11 Budget Allocation



\*Service Fund Expenditures are incorporated into the operating budgets.

\*\*Remainder of expenditures are budgeted for debt service and working capital.

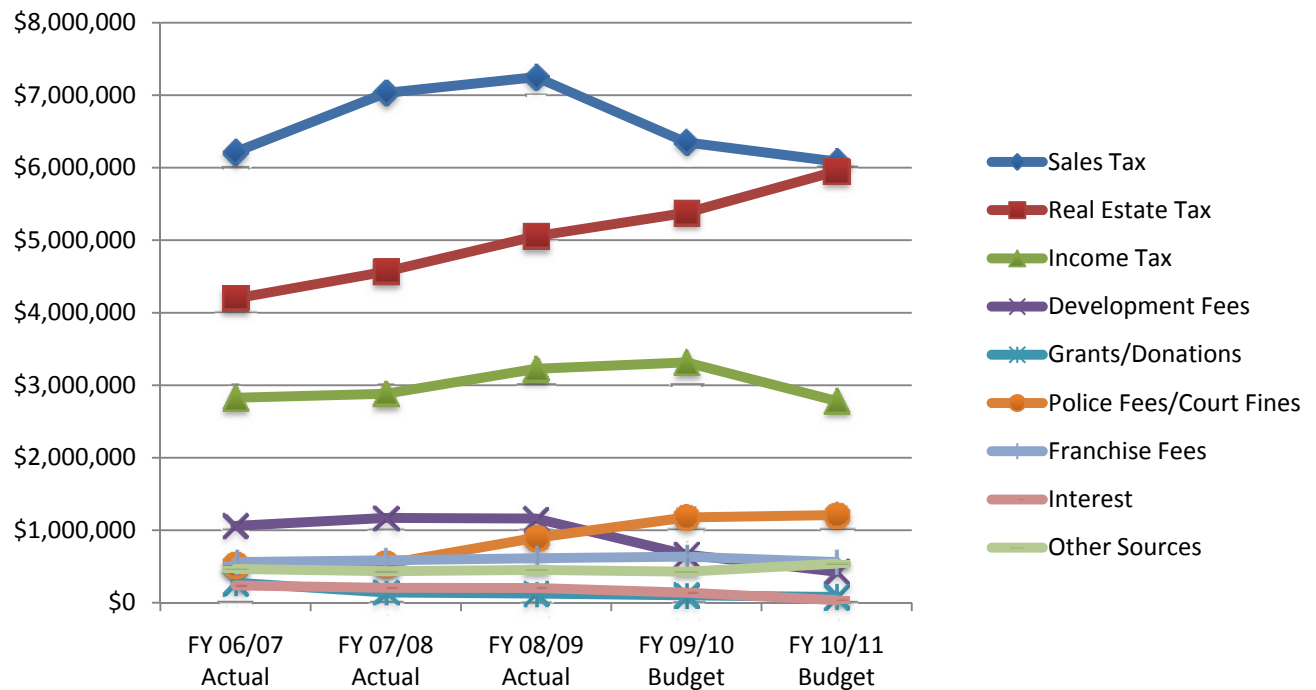
## General Fund Budget Overview

The General Fund budget maintains its conservative projections of revenues and expenditures, and attempts to solve some of the concerns for improved service delivery identified by elected officials, Village staff, and citizens of this community. The budget for the General Fund followed a “constraint budgeting” process to ensure maintenance of the existing services while enhancing budget goals by department and division in the allocation of the anticipated revenue growth for the Village. It is the overriding principle of the budget to deliver outstanding service to our citizens at a reasonable cost.

The FY 10/11 General Fund budget projects a 6% decrease in revenues and expenditures as compared to the budget for FY 09/10.

**General Fund Anticipated Revenue - \$17,675,000** - There are many sources of revenue needed to fund a \$17.7 million General Fund budget. Some of the revenue accounts are predictable based on past trends, while other revenues are more difficult to predict during the economic recession. This section will address the larger revenue accounts and those revenue accounts involving various assumptions and deviations from the FY 09/10 budget.

The following chart shows the budget trends for revenues that support the general fund, by category:



The major categories of revenue line items are as follows:

**Sales Tax - \$6,085,000** – Commercial development activities have continued to decrease during the previous year within the Village due to the economic recession. Projected sales tax contributes approximately 34% of the total anticipated revenue for the General Fund and is the largest revenue source in the General Fund. Projected sales tax is estimated to decrease approximately 4% from the

budget projection for FY 09/10. The reduction of sales tax is the principal reason for the declining revenue in the General Fund.

Sales tax is elastic and can fluctuate based upon competition from adjacent communities and external economic forces from year to year and should not be completely relied upon as the ever increasing revenue source. The timing of new commercial uses and predicting resulting sales taxes to be generated by these new and sometimes competing businesses make sales tax less predictable as a revenue source. A benefit to sales tax is that it is largely funded by non-residents who shop within the Village.

Real Estate Taxes - \$5,951,000 – The real estate tax revenues include the distribution of the real estate taxes as levied. The real estate tax revenue contributes approximately 34% to the General Fund Budget, up from 30% in FY 09/10, and is the second largest source of revenue next to sales tax. Real Estate Taxes are a more stable revenue source than sales tax and will increasingly be depended on for funding Village operations. Property assessments are expected to decrease because of the downturn in the real estate market.

Income Tax - \$2,784,000 – Income taxes received by the State are based upon the census of population and overall income tax collected by the State. The events of the past years have slowed employment growth, and subsequently, the income tax revenue collected by the State. However, the completion of the upcoming 2010 Census is expected to provide a modest increase in the income tax revenues to help offset the projected decrease due to the stagnant economy. The income tax revenue is projected to decrease 16% from the budget projection for FY 09/10. Income tax revenue consists of 16% of the total revenue for the General Fund.

Police and Court Fines - \$1,210,900 – This series of revenue accounts makes up the payments from fines, prosecution fees and forfeited funds related to police and court activities, plus any reimbursement for police training. The implementation of the towing and storage enforcement program is expected to increase the revenue in this category by 3%. Police and Court Fines account for 7% of the General Fund revenue.

Franchise Fees - \$560,000 – These items cover revenues provided to the Village by utility companies for use of the public rights of way through franchise agreements. This stable revenue source accounts for approximately 3% of the revenue in the General Fund and experienced a 12% decrease from the FY 09/10 budget. The decrease is attributed to a new franchise agreement with Nicor. The Village now receives a franchise term allocation for Village facilities in lieu of a franchise payment.

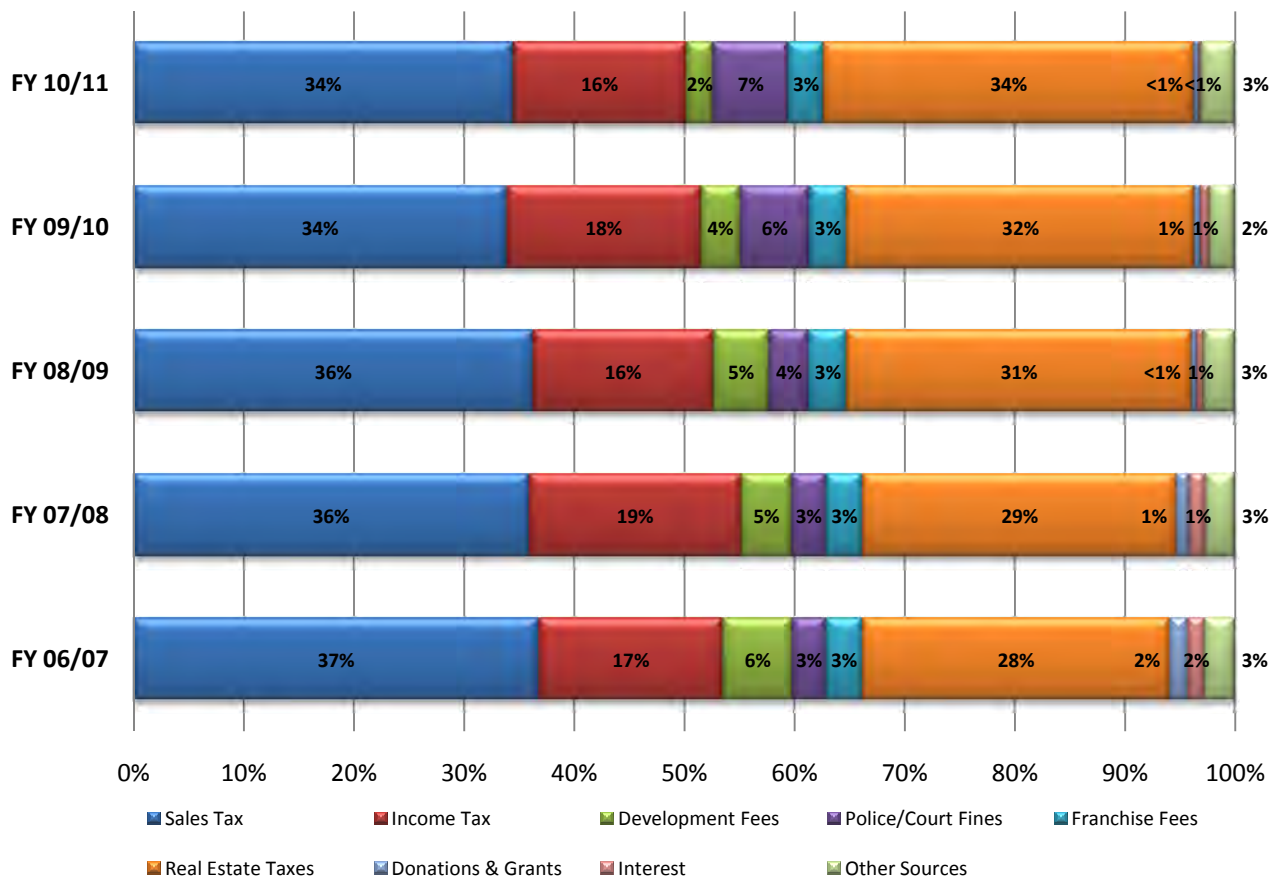
Community Development Fees - \$428,000 – The revenue from building permits, platting fees, and annexation may fluctuate based on the economy and the extent of building activity. The Village continues to experience a significant decline in residential building permits and slower commercial development. Accordingly, a 36% decrease from the current budget in overall community development fees is projected. Community development fees account for 2% of the General Fund revenue in this budget, down from 4% for FY 09/10.

Grants and Donations - \$80,000 – This line item recognizes the revenue anticipated under the traffic grant programs. Smaller contributions include the Meyer Material makeup fee from the annexation agreement. In previous budgets, various contributions were included, but no revenues from these sources are anticipated in this budget. The funds available for grants and donations have declined over the years to less than 1% of the General Fund revenues.

Interest - \$36,100 – These revenue line items include very modest interest received from the various investment institutions utilized by the Village. With stable cash reserves so far, and very low interest rates, this revenue source has decreased by 77%. Interest income accounts for less than 1% of the General Fund revenue.

Other Revenue - \$540,000 – Fifteen other revenue sources account for the balance of the total revenue stream for the General Fund. A 26% increase is expected in FY 10/11 from the prior year budget. The increase is primarily due to the \$81,700 increase in Recreation Programs. As recommended by the Events and Recreation Evaluation Plan (completed in 2009), the Events and Recreation Division will offer adult athletic leagues during FY 10/11. This program area will require additional recreation expenditures, but will be offset by the projected revenues. All of the smaller revenue accounts together make up 3% of the General Fund revenue.

The following chart shows the current and historical breakdown of revenue items that fund the General Fund budget:



## General Fund Expenditures

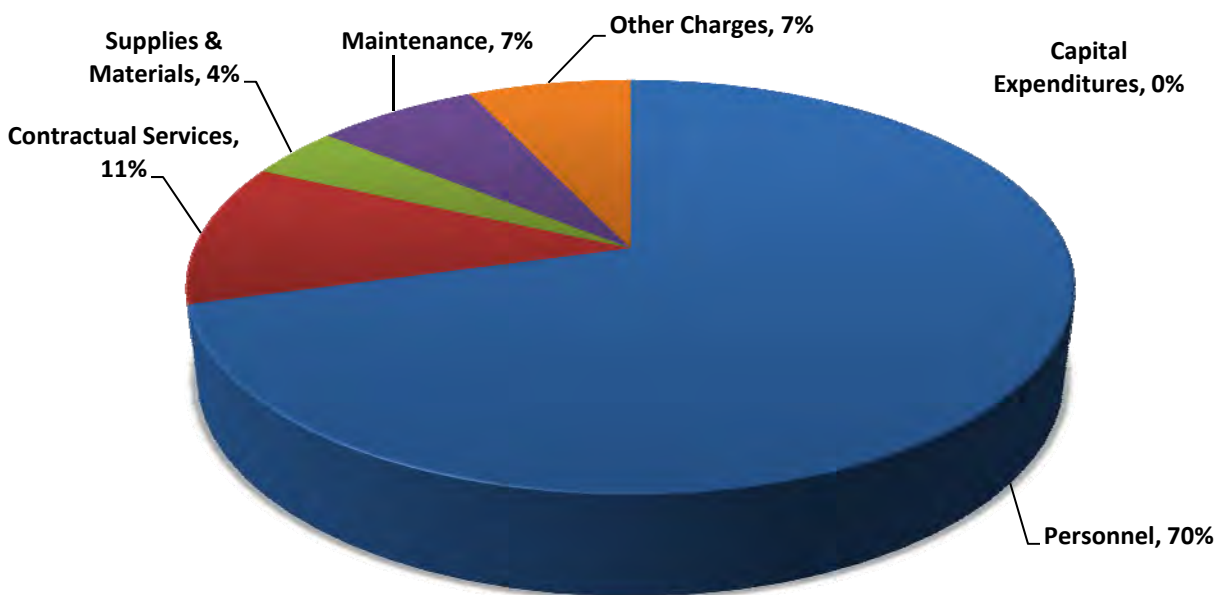
Administration, Police, Community Development, and Public Works are separate Departments funded by the General Fund. Public Works has three distinct divisions of responsibility covered under the General Fund: (1) Streets Division, (2) Parks & Forestry Division, and (3) Public Works Administration. The Water and Sewer Division is also under the Public Works Department, but is classified under the

Water and Sewer Operating Fund, and is considered a separate free-standing Enterprise Fund. The Vehicle Maintenance Service and Building Service Funds are administered through the Public Works Department, but receive their revenue from each department based upon the needs of vehicle and equipment maintenance.

### General Fund Expenditures by Department

Department	Expenditures	Percent of Total
General Services Administration	\$ 2,105,735	12%
Police	8,332,765	47%
Community Development	1,289,890	7%
Public Works - Administration	1,266,130	7%
Public Works - Streets	2,233,415	13%
Public Works - Parks and Forestry	1,629,605	9%
Multidepartmental	817,460	5%
<b>TOTAL:</b>	<b>\$ 17,675,000</b>	<b>100%</b>

### General Fund Expenditures by Category\*



*\*Does not include transfers to other funds (Debt Service, Pool, etc), long-term debt costs, working capital, or vehicle replacement.*

### Personnel

The overall employee headcount for the General Fund in FY 10/11 has been reduced by 17 employees. Two full-time positions (Assistant Village Manager and Patrol Officer) will not be filled this fiscal year. In addition, 15 part-time/seasonal personnel will not be filled. The Village will utilize existing staff to maintain core Village services and assign employees across departments in lieu of hiring additional staff.



The General Fund budget suggests modest salary increases for current personnel. The Village Board will be considering whether there will be any increases to the merit compensation plan for nonunion employees, which is examined annually. The plan provides that the department heads, with the advice and consent of the Village Manager, will review all nonunion employees for possible merit increases. Each department establishes a merit pool, so the proposed raises can reflect job performance rather than automatic across-the-board pay increases. For budget purposes, an approximate 2.5% merit pool increase is recommended at this time. Implementation of the merit compensation plan as established by the Committee of the Whole and the Village Board, by ordinance, will determine the appropriate merit pool increases for the employees during FY 10/11.

### **Water and Sewer Operating Fund**

The Water and Sewer Operating fund is a separate enterprise account that does not receive any tax income since revenue is derived solely from the use of the Village's water and sewer services. It is this reason the fund is classified as a true Enterprise Fund. The revenues and expenditures are directly related to the demand for these water and sewer services and are not supplemented by any other fund.

The FY 10/11 Water and Sewer Operating Fund budget is proposed to be balanced at \$6,017,020 (9% increase from FY 09/10). The budget accommodates an increase in water and sewer rates effective in February 2011. Hot and dry summers may produce increased revenue for water production, but it is better to be conservative in this budget and not depend on specific weather conditions.

Anticipated Revenue – Water and Sewer Operating Fund - \$6,017,020 – Approximately \$5.8 million is expected to be generated from water and sewer fees. This source alone accounts for 96% of the revenue needed to operate the water and sewer system of the Village. Other revenue sources are generated from interest on cash reserves, service charges, late charges, wireless service provider rental fees, and new meter sales.

Proposed Expenditures – Water and Sewer Operating Fund - \$6,017,020– The expenditure format for the Water and Sewer Operating Fund separates the Water and Sewer Divisions; however, many of the expenditure items are split evenly between the two Divisions' line items.

With regard to personnel for the Utilities Division, this budget proposes no additional full-time personnel and reduced five (5) seasonal personnel for FY 10/11. Existing utility staff (22 full-time employees) will focus on operations of the expanded Wastewater Treatment Plant, maintaining water and sewer distribution lines, and operation of the Water Treatment Plants. The priority of this year's water and sewer operating budget is continued maintenance of the existing system and environmental protection of our water and sewer utility system.

### **Internal Service Funds**

Vehicle Maintenance Service Fund – \$1,168,700 - The Vehicle Maintenance Service Fund is established to account for all the vehicle and equipment maintenance necessary across all departments of the Village. All parts and labor expenses incurred as part of the Village's annual vehicle maintenance are estimated and then allocated to each department based on service needed for the maintenance of vehicles and equipment. In addition, this service fund has similar overhead expenditures of "contractual services," "supplies," "maintenance," and "training," as do other department budgets. The Vehicle

Maintenance Fund coordinates the daily maintenance of over 300 vehicles and other pieces of equipment (chain saws, weed whips, etc.) that comprise the Village's fleet. The Vehicle Maintenance Service Fund is proposed with a 7% increase in expenditures from FY 09/10.

**Building Services Fund – \$643,550** – Building Services is a division in Public Works and its fund functions in the same way as the Vehicle Maintenance Service Fund. The Building Services Fund is established to allow the building maintenance staff to plan routine maintenance procedures, generate more accurate staffing levels, and provide budgeting information reflective of the demand placed on each department and division of the Village for building supplies and maintenance. All equipment, supplies and labor incurred with the maintenance of municipal buildings are estimated and then allocated to each department based on the facilities used by each department or division. Previously, these costs were absorbed by the Public Works Administration Division. This inter-service fund more accurately reflects the true costs of operating each department and division of the Village by including what is commonly called "overhead" in each of the departments' respective budgets. The Building Services Fund is proposed with a 4% decrease from FY 09/10.

### **Capital Improvement Project Funds**

These funds are discussed in detail in Supplement 2 to the Budget Message, following this document.

### **Debt Fund**

The Village has five bond series with covenants that require debt service. Two of the bonds are related to the Water and Sewer Utility as follows:

- The 2001A Series refunded the 1993 Series which had been issued to finance extensions and improvements in the water and sewer systems.
- Series 2005A partially financed the Phase 6 expansion of the Sewer Treatment Plant.

All of the Water and Sewer bonds were covered under the Water & Sewer Operating and Water & Sewer Improvement & Construction funds.

The remaining bonds pertain to construction of the Public Works Facility, as follows:

- Series 2002A was issued to finance the construction and equipping of the Public Works Facility.
- Series 2005B refunded Series 2002B which was also issued to finance the construction and equipping of the Public Works Facility.

The debt service on the Public Works Facility is the only bond issuance addressed here. Series 2001B refunded a portion of the 1995 Series which financed the construction of Village Hall. The final payment on this series was made in FY 10/11.

### **Debt Service**

The Debt Service Fund is used for the payment of principal and interest related to the 2002A and 2005B bond series. As previously mentioned, the final payment for series 2001B was made in FY 10/11. Future scheduled payments will increase the amount of principal and interest of the 2002A and 2005B series, so the overall budget will remain consistent.

The revenues of \$752,000 include a \$627,000 transfer from the General Fund and investment income of \$125,000. Expenditures for debt service include \$500,000 for reduction of principal, \$241,500 for payment of interest expense, and \$3,000 for payment of bond fees or total expenditures of \$744,500.

### **Pension Trust**

Police Pension - Revenues for the Police Pension Fund total \$1,774,000 including employee contributions of \$395,000, investment income of \$462,000 and employer contributions of \$917,000. Expenditures for pension benefits/contribution refunds are \$240,000 and administration expenses are \$94,500 for total expenditures of \$334,500.

### **Special Revenue Fund**

This Special Revenue Fund was created in FY 09/10 to consolidate line items for the Hotel Tax, School Donations, Cul De Sac, and Community Development revolving loan, described below:

Community Development Revolving Loan - This is a revolving loan program for development of small business. There are no loans at present and the only revenue is investment income of \$1,000. There are no loans proposed at this time.

School Donation - Revenues are budgeted at \$202,000 including \$200,000 for impact fees (per ordinance) and investment income of \$2,000. The expenditures for this fund include impact fee payments to the two school districts totaling \$200,000. Please note that the amount collected and released is dependent on construction and is a direct reflection of development fees. For budgeting purposes, the amounts included here are consistent with the current fiscal year, but we estimate that these amounts are on the high end based on recent decline in construction in the Village.

Cul De Sac - Revenues are due to investment income of \$15,000. Expenditures of \$15,000 are for contractual snow plowing.

Hotel Tax - Revenues result from taxes on hotel room billings pursuant to the municipal ordinance. The budget for revenues includes hotel tax receipts of \$90,000 and investment income of \$10,000. Expenditures are \$90,000 including \$45,000 for regional marketing and a transfer to the General Fund of \$45,000.

The total revenues for the Special Revenue Fund are \$318,000 with expenditures of \$305,000. The difference will be applied to the fund balance.



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## Supplement 2: Capital Improvement Project Funds

The FY 10/11 budget maintains the Village's commitment to important infrastructure improvements throughout the community. This effort is critical, particularly during the economic climate that our nation is currently facing, for the following reasons:

- Capital projects can serve as a local "stimulus," bringing work and jobs to the community.
- Postponing important capital projects only places an additional burden on future budgets. In addition, the projects can become more costly if the infrastructure is allowed to decline.

The Village accumulates cash reserves in capital funds in order to save money over several years to fund more expensive projects as well as to have funding available during times of slow or declined revenue collection.

Capital improvements over the past several years have been accelerated to satisfy the multi-year capital plans for streets, parks, and water and sewer improvements. As these plans are reviewed and updated each year, it was determined that the improvements are beginning to exceed our capabilities to provide necessary funding. In 2006, upon analysis of the Village's detailed updated five-year capital plan for streets, water and sewer facilities, and parks, the Village Board enacted a home rule sales tax of three quarters of a percent to be applied towards capital facilities and infrastructure identified in the capital plans. To offset the impact of the sales tax on our residents, the utility tax for natural gas was reduced from 4% to 1%.

Capital expenditures are defined as "expenditures made to acquire, add to, or improve property, plant, and equipment, including land, structures, machinery, equipment, special tools, and other depreciable property; construction in progress; and tangible and intangible exploration and development costs. In accounting, a capital expenditure is added to an asset account (i.e. capitalized), thus increasing the asset's basis." Following is a discussion of the capital funds as well as an outline of major capital projects planned for FY 10/11.

### Capital Funds

The capital funds are an important element of the Village's overall budget. These particular funds cannot be co-mingled with other funds. They pay for major, one-time capital cost projects such as street reconstruction, water towers, and park development. Revenue for these projects is generated from a variety of sources, including the motor fuel tax, developer impact fees, grants, and the home rule sales tax. The Village considers these funds "special revenue." In other words, revenues are not used for any purpose other than capital projects. In the capital funds, we define capital projects as falling within one of the two categories described below:

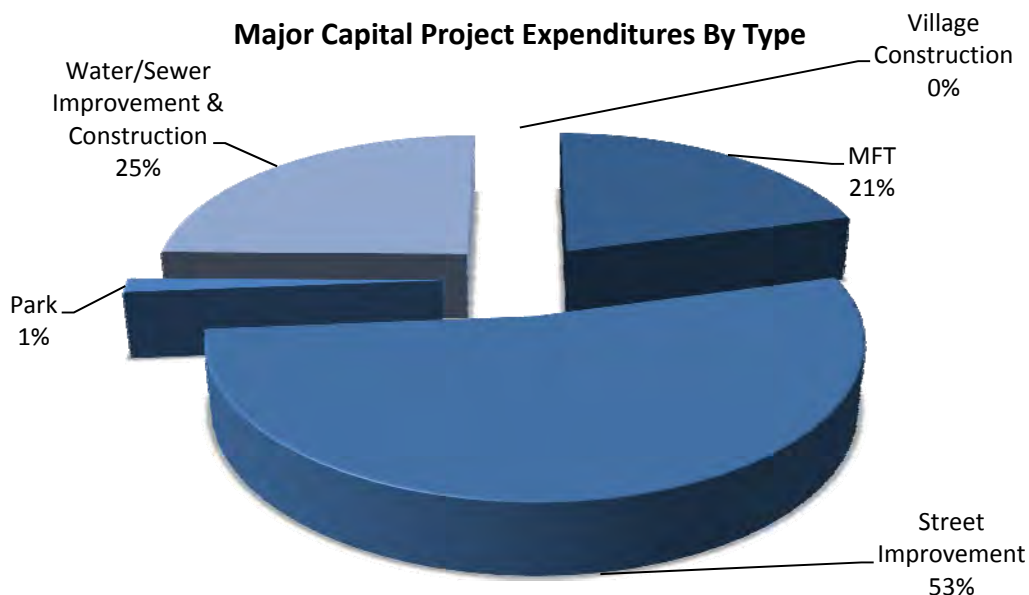
Capital Improvements – Capital improvements are expenditures which are usually construction projects designed to improve the value of government assets and approved as part of the annual budget. Capital improvements can also be defined as acquisition or improvement of capital assets such as buildings, equipment, streets and water/sewer service lines.

Infrastructure Maintenance – Infrastructure maintenance involves materials or contract expenditures for the repair and upkeep of the entity's roads, bridges, water and/or sewer systems.

The chart below summarizes capital fund spending for fiscal year 2010-2011.

	Motor Fuel Tax Fund	Street Improvement Fund	Park Fund	Water/Sewer Improvement & Construction Fund	Village Construction Fund	Totals
Revenues	\$817,000	\$2,758,000	\$2,050	\$1,908,000	\$600	\$5,485,650
Expenditures	\$1,509,250	\$3,831,180	\$110,600	\$1,794,100	\$ -	\$7,245,130
Difference*	\$ (692,250)	\$ (1,073,180)	\$ (108,550)	\$113,900	\$600	\$ (1,759,480)
Revenue Sources:	<ul style="list-style-type: none"> <li>•State Motor Fuel Tax</li> </ul>	<ul style="list-style-type: none"> <li>•Utility Taxes</li> <li>•Home Rule Sales Tax</li> <li>•Telecommunications Tax</li> </ul>	<ul style="list-style-type: none"> <li>•Impact Fees</li> <li>•Grants</li> <li>•Donations</li> </ul>	<ul style="list-style-type: none"> <li>•Tap-On Fees</li> <li>•Home Rule Sales Tax</li> </ul>	<ul style="list-style-type: none"> <li>•Transfers</li> <li>•Donations</li> </ul>	

\* Any shortfalls between revenues and expenditures are made up with cash reserves/fund balance.



### Motor Fuel Tax (MFT) and Street Improvement Funds

These two funds have separate sources of revenue collection and expenditure requirements. The projects recommended in these two funds continue the Village's commitment to implement its multi-year street improvement program. Cash reserves within these two funds have been utilized in the past few years in an attempt to accelerate road repairs. There are modest reserves within the MFT fund to continue accelerating road improvements. The Street Improvement Fund has also built some cash reserves, allowing expenditures to exceed revenues for this year. The revenue for these two funds is estimated at \$3.6 million dollars. The expenditures proposed for engineering and road construction projects covered by the two funds total almost \$5.3 million, utilizing limited cash reserves in both funds to ensure fully funded projects.

For FY 10/11, the Motor Fuel Tax Fund has anticipated expenditures in excess of anticipated proposed revenues of \$817,000. During previous fiscal years, cash reserves were accumulated to fund larger projects this year, including the reconstruction of roads in the Old Oak subdivision.

The Street Improvement Fund budget shows proposed expenditures exceeding projected revenues by \$1,073,180 due to significant cash reserves accumulated in previous years. In addition, a larger percentage of the home rules sales tax (40% versus 33.3% in previous fiscal year) is allocated to the Street Improvement Fund to facilitate completion of important road projects. The larger projects within the Street Improvement Fund include the Hanson Road reconstruction completion, Algonquin Hills (North Harrison Street) reconstruction, and Edgewood Road/Drive engineering.

#### **Park Fund**

This fund is used for the acquisition of parklands, development of new parks and wetlands/native area enhancements. Due to the very limited development recently, only interest income is projected in FY 10/11 in this fund. This year's Park Fund reflects routine costs for reforestation, wetland mitigation, and maintenance of open space. Funds are also included for the restoration of Willoughby Farms Park Wetland as well as the maintenance of Gaslight Park, Winding Creek, High Hill Park, and Spell Park naturalized areas.

#### **Water and Sewer Improvement and Construction Fund**

This fund is intended for the larger capital improvements such as expansion of the water and sewer treatment plants, distribution systems, and smaller expenditures that improve or enhance the existing water and sewer systems overall. The Water and Sewer Improvement and Construction Fund is a capital account with cash reserves that can be accumulated from year to year. Major expenditures include engineering services, painting and maintenance of Jacobs Water Tower, SCADA system improvements, Well No. 14 construction, the abandonment of Well No. 6, and Well No. 14 raw water line construction.

Due to slower development, the major source of revenue for the Water and Sewer Improvement and Construction Fund (98%) is derived from the home rule sales tax. This percentage is up from 76% last year primarily due to no tap-on fee revenue projected for FY 10/11. Additionally, the percentage of home rule sales tax revenue is allocated at 60% (down from 66.7% in FY 09/10). The remaining percentage (40%) is allocated to the Street Improvement Fund. No other tax revenue or water/sewer user fees are used for the construction improvements proposed in the fund. Other minor sources of revenue include interest, which again is limited due to the reduction of the cash reserves used for the Wastewater Treatment Plant 6 expansion, and small transfers from two Water and Sewer Bonds issues.

#### **Village Construction Fund**

The Village Construction Fund is used to account for construction costs of municipal buildings other than those used in the waterworks and wastewater utility. Modest revenues of \$600 include only interest income. There are no planned expenditures for this fiscal year.

#### **Capital Project Planning**

The Village of Algonquin undergoes a comprehensive review and update of the Capital Improvement Plans (CIP) each fall prior to the start of the budget process. CIPs are developed for Streets (funded through the MFT and Street Improvement Funds), Parks, and Water and Sewer projects (budgeted through the Water and Sewer Improvement and Construction Fund). Streets Division staff has a maintenance tracking program that allows them to continually monitor and evaluate the condition of all of the roads in the Village. This information is presented during the review of the capital improvement plans and factored into the prioritization process for scheduling capital improvement projects. The Capital Improvement Plans are all available for review at the Public Works Department Facility.



Below is an outline of both major capital projects and significant capital purchases included in FY 10/11. In most cases, capital spending in the general fund less than previous years. This is directly related to the budget decrease related to the economic decline and increased material costs.

### Operating Funds - Major Capital Projects and Purchases

#### General Services Administration (100)

The General Services Administration Department has no capital items budgeted for FY 10/11.

Impact on Operations:	Not Applicable
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#### Police (200)

The Police Department has no capital items budgeted for FY 10/11.

Impact on Operations:	Not Applicable
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#### Community Development (300)

The Community Development Department has no capital items budgeted for FY 10/11.

Impact on Operations:	Not Applicable
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#### Public Works Administration (400)

The Public Works Administration Division has no capital items budgeted for FY 10/11.

Impact on Operations:	Not Applicable
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#### Public Works Streets (500)

The Public Works Streets Division has no capital items budgeted for FY 10/11.

Impact on Operations:	Not Applicable
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#### Public Works Parks and Forestry (600)

The Public Works Parks and Forestry Division has no capital items budgeted for FY 10/11.

Impact on Operations:	Not Applicable
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#### Multidepartmental (900)

The Multidepartmental budget has no capital items budgeted for FY 10/11.

Impact on Operations:	Not Applicable
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#### Vehicle #815 – Water Division (700)




Capital Purchase:	\$21,000
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<b>FY 10/11 Total:</b>	<b>\$21,000</b>
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#### Project Description:

The Public Works Utilities (Water and Sewer) Division will purchase a four-wheel drive pickup truck with snow plow attachment. This purchase will replace an existing vehicle has exceeded its useful life. The costs are split 50/50 with Sewer (800).

Impact on Operations:	The new vehicle will reduce costs in the Vehicle Maintenance (44420) and Fuel (43340) line-items. New vehicles are less susceptible to mechanical failures and are more fuel-efficient.
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Vehicle #815 – Sewer Division (800)		
	Capital Purchase:	\$21,000
	<b>FY 10/11 Total:</b>	<b>\$21,000</b>
	Project Description:	
	<p>The Public Works Utilities (Water and Sewer) Division will purchase a four-wheel drive pickup truck with snow plow attachment. This purchase will replace an existing vehicle has exceeded its useful life. The costs are split 50/50 with Sewer (800).</p>	
Impact on Operations:	<p>The new vehicle will reduce costs in the Vehicle Maintenance (44420) and Fuel (43340) line-items. New vehicles are less susceptible to mechanical failures and are more fuel-efficient.</p>	

Camera Equipment – Sewer Division (800)		
	Capital Purchase:	\$22,000
	<b>FY 10/11 Total:</b>	<b>\$22,000</b>
	Project Description:	
	<p>The requested funds will start upgrading our camera system. Our current hardware (camera, tractor) is mechanically sound. The software is in need of replacement. We currently record to VHS tapes and need to convert to DVD. The equipment to convert to DVDs is failing and becoming obsolete as VHS tapes are not commonly used. The first phase will update our computer side to newer digital format that will be easier to manage and allow the end user to quickly search for lines and will be compatible with our GIS program.</p>	
Impact on Operations:	<p>Reduction in staff time to complete aforementioned processes.</p>	


Digester #3 Cover – Sewer Division (800)		
	Capital Purchase:	\$70,000
	<b>FY 10/11 Total:</b>	<b>\$70,000</b>
	Project Description:	
	<p>The digester cover is a replacement on an existing anaerobic digester, Digester #3. The new cover will be a fixed cover, constructed of precast concrete panels. With changes in the anaerobic digestion process produced in the recent expansion, digester gas will not produce in the same quantity as previously seen. Considering the production of digester gas being minimal, the need for a cover to collect/store digester gas is unwarranted. The scope of the project includes installation to precast concrete panels to create a flat roof. Piping is limited to a roof drain and that necessary to allow the installation of a pressure relief valve and flame arrestor.</p>	
Impact on Operations:	<p>No impacts on operations in FY 10/11.</p>	


<b>Building Service (28)</b>	
The Public Works Internal Services Division has no capital items budgeted for FY 10/11.	
Impact on Operations:	Not Applicable


<b>Vehicle Maintenance Service (29)</b>	
The Public Works Parks Internal Services Division has no capital items budgeted for FY 10/11.	
Impact on Operations:	Not Applicable

## Motor Fuel Tax and Street Improvement Funds

<b>Bunker Hill Drive – Section 2</b>		
	Engineering/Design Services:	\$45,000
	Infrastructure Maintenance:	\$453,750
	<b>FY 10/11 Total:</b>	<b>\$498,750</b>
	Project Description: The project involves the resurfacing of Bunker Hill from Square Barn Road to Saratoga Circle. The project also includes the repair of the brick traffic calming measures, misc. curb repair, and a variety of other small repairs to the infrastructure. Implementation of this project is contingent on federal funding through the American Recovery and Reinvestment Act.	
Impact on Operations:	Reduction in Street Maintenance line item due to reconstruction of street segment.	


<b>Old Oak – Section 2</b>		
	Engineering/Design Services:	\$22,500
	Infrastructure Maintenance:	\$660,000
	<b>FY 10/11 Total:</b>	<b>\$682,500</b>
	Project Description: Old Oak Circle, Plymouth Court, Maplewood Lane, & Kingsbury Court will be resurfaced as part of roadway restoration project. A small amount of curb work, sidewalk, and apron will also be included in the project that is schedule to start in the spring. Oxford Court is not included as it is a private roadway.	
Impact on Operations:	Reduction in Street Maintenance line item due to reconstruction of street segment.	


Hanson Road – Phase 2		
	Engineering/Design Services:	\$50,000
	Capital Improvements:	\$856,000
	<b>FY 10/11 Total:</b>	<b>\$906,000</b>
	Project Description:	
	This project will receive 80% FAU funding for construction costs and services through the McHenry County Council of Mayors. It involves reconstruction of Hanson Road to an urban cross section between Edgewood and Huntington Drive. This project will provide storm drainage improvements, curb and gutter, bike path on the west side, new driving surface, landscape restoration and enhancement, and reforestation where feasible.	
Impact on Operations:	Reduction in Street Maintenance line item due to reconstruction of street segment.	


Ratt Creek Tributary Restoration – Phase 2		
	Engineering/Design Services:	\$3,000
	Capital Improvements:	\$12,000
	<b>FY 10/11 Total:</b>	<b>\$682,500</b>
	Project Description:	
	The Ratt Creek Tributary restoration project involves pulling back creek banks, installing emergent and wet prairie plantings to reinforce the creek bed and side slopes, and implementation of bioengineering measures such as soil lifts, cross vanes in the creek channel, and boulder placement. This is necessary to prevent the channel from eroding and undermining Edgewood Road as well as eliminate further encroaching on adjoining properties.	
Impact on Operations:	Reduction in maintenance line items due to reconstruction of street segment and delays urgency for Edgewood Road reconstruction.	


Algonquin Hills – Phase 4		
	Engineering/Design Services:	\$120,000
	Capital Improvements:	\$2,000,000
	<b>FY 10/11 Total:</b>	<b>\$2,120,000</b>
	Project Description:	
	This project will rebuild North Harrison Street from just north of Ericson Marina to just north of Deerpath Road at the Village limits. The project will remove the existing roadway, and install a new pavement cross section. The project also includes, curb & gutter, sidewalk on the West side of the roadway, and an upgraded storm water collection system	
Impact on Operations:	Reduction in Street Maintenance line item due to reconstruction of street segment.	




Grand Reserve Subdivision		
	Engineering/Design Services:	\$6,000
	Capital Improvements:	\$125,180
	<b>FY 10/11 Total:</b>	<b>\$131,180</b>
	Project Description:	
	The Village will finalize construction of bike path connections, wetland mitigation, and grading in the Grand Reserve Subdivision. This project is being funded from a letter of credit.	
Impact on Operations:	No impacts on operations in FY 10/11.	

Edgewood Road – Federal Aid Urban (FAU)		
	Engineering/Design Services:	\$250,000
	<b>FY 10/11 Total:</b>	<b>\$250,000</b>
	Project Description:	
	Funding is provided for Phase 2 engineering of Edgewood Road Sections 1 and 2 between Hanson Road and Illinois Route 31. Section 1 (Hanson Road to Cardinal Drive) involves construction of an urban cross section roadway designed to handle significant traffic volumes, reconstruction of a culvert bridge, installation of a bike/pedestrian path on the north side of the road, and all on extreme grades in both dimensions of the road cross section. Section 2 (Cardinal Drive to Illinois Route 31) involves the reconstruction of a bridge deck, grind and overlay of the roadway driving surface and patching of curb and driveways.	
	Impact on Operations:	
No impacts on operations in FY 10/11.		


South River Road		
	Engineering/Design Services:	\$40,000
	<b>FY 10/11 Total:</b>	<b>\$40,000</b>
	Project Description:	
	Money is provided to due accelerated Phase 1 and Phase 2 Engineering on a road replacement project and slope stabilization along a failing section of South River Road. The bank of the Fox River is eroding and subsiding badly and is taking the road bed, curb and gutter and guard rail with it. This project with remove and replace the failed road section, narrow the profile of the road, install shoring along the west side of the road contiguous to the river, and reinstall guard rail.	
	Impact on Operations:	
No impacts on operations in FY 10/11.		


Indian Shores		
	Engineering/Design Services:	\$63,000
	<b>FY 10/11 Total:</b>	<b>\$63,000</b>
	Project Description:	
	Phase 2 engineering on the Indian Shores project. This project rehabilitates the South Hubbard roadway from Algonquin Road to the regional bike path, and reconstructs the village-owned roads in the Indian Shores subdivision. The reconstruction project in Indian Shores will remove the existing rural roads and replace them with urban cross sections, including closed storm sewers, curb and gutter, sidewalks on one side of the roadway, and new asphalt surfaces. S. Hubbard will have the existing curb patched, driveways and sidewalks repaired where needed, storm sewers repaired or replaced where needed, and reestablishment of proper road beds and new asphalt driving surfaces.	
Impact on Operations:	No impacts on operations in FY 10/11.	


  

Royal Hill Rehabilitation – Section 1		
	Engineering/Design Services:	\$52,000
	<b>FY 10/11 Total:</b>	<b>\$52,000</b>
	Project Description:	
	Phase 1 engineering of the Royal Hill Rehab Section 1 project. The project will entail grinding of the existing surface and binder, assessment and repair of any failed granular subbase, patching of curb and gutter where needed, replacement of driveway aprons as necessary, replacement of failed sidewalk and repair of storm sewer structures, and installation of a new asphalt driving surface.	
Impact on Operations:	No impacts on operations in FY 10/11.	


  

Lawndale Park Creek		
	Engineering/Design Services:	\$40,000
	<b>FY 10/11 Total:</b>	<b>\$40,000</b>
	Project Description:	
	First phase of the Lawndale Park Creek restoration project. This is the creek that runs along the properties on Springhill Drive that back up to Lawndale Park. As with other creek restorations, this will involve pulling back the creek banks, installing emergent and wet prairie plantings to reinforce the creek bed as well as the side slopes, and will also involve bioengineering measures such as soil lifts, cross vanes in the creek channel, and boulder placement. This is needed to prevent the channel from eroding and undermining the adjacent resident's property.	
Impact on Operations:	No impacts on operations in FY 10/11.	


The Highlands (Edgewood Drive) – Phase 1		
	Engineering/Design Services:	\$126,000
	<b>FY 10/11 Total:</b>	<b>\$126,000</b>
	Project Description:	
	Phase 1 engineering of the Edgewood Drive (The Highlands Subdivision) project. This subdivision consists of single family homes and multi-family townhomes. The project will entail grinding of the existing surface and binder, assessment and repair of any failed granular subbase, patching of curb and gutter where needed, replacement of driveway aprons as necessary, replacement of failed sidewalk and repair of storm sewer structures, and installation of a new asphalt driving surface.	
Impact on Operations:	No impacts on operations in FY 10/11.	


Spring Creek – Section 3		
	Engineering/Design Services:	\$80,000
	<b>FY 10/11 Total:</b>	<b>\$80,000</b>
	Project Description:	
	Phase 2 engineering services are budgeted for the third section of the Spring Creek Subdivision. The project, tentatively scheduled for fiscal year 2013-2014, will entail grinding of the existing surface and binder, assessment and repair of any failed granular sub-base, patching of curb and gutter where needed, replacement of driveway aprons as necessary, replacement of failed sidewalk and repair of storm sewer structures, and installation of a new asphalt driving surface.	
Impact on Operations:	No impacts on operations in FY 10/11.	


## Park Fund


Reforestation		
	Reforestation:	\$20,000
	<b>FY 10/11 Total:</b>	<b>\$20,000</b>
	Project Description:	
	Funding is provided for reforestation of parkway planting areas within the Village that have not previously possessed a tree. This funding is provided by the reforestation fee assessed to developers for mitigation of tree loss during development as prescribed in Chapter 5, Section 15 of Village Code.	
Impact on Operations:	Increase in Tree Planting and Tree Trimming/Removal line items.	





Gaslight Park Bird & Butterfly Sanctuary & Detention Naturalization		
	Wetland Mitigation:	\$5,100
	<b>FY 10/11 Total:</b>	<b>\$5,100</b>
	Project Description:	
	This basin serves as a natural area for water quality improvements by filtering pollutants from the storm water as it is detained. A large amount of turf at this site was also converted to native prairie. These plantings are geared towards specific birds and butterflies that are uncommon due to habitat loss. The project was constructed in its entirety last fiscal year so the amount shown here is for the first year monitoring and includes money for and assessment, over-seeding or plant re-establishment. It also includes herbicide applications to any invasives that become opportunistic during the establishment period.	
Impact on Operations:	Increased line item expenditures for maintenance. Avoids larger capital expenditures by funding smaller maintenance expenditures.	

Willoughby Farms Park Wetland		
	Wetland Mitigation:	\$15,000
	<b>FY 10/11 Total:</b>	<b>\$15,000</b>
	Project Description:	
	Money has been provided to restore the Willoughby Farms wetland. The Village will perform a full restoration of this site and Westfield Elementary students will assist with some of the seeding, planting, and learning and watching the controlled burn that will happen as part of the restoration efforts.	
Impact on Operations:	Increased line item expenditures for maintenance. Avoids larger capital expenditures by funding smaller maintenance expenditures.	

Winding Creek Riparian Corridor		
	Wetland Mitigation:	\$20,000
	<b>FY 10/11 Total:</b>	<b>\$20,000</b>
	Project Description:	
	The Winding Creek Riparian Corridor contains a rare fen and sedge meadow and is the Village's most ecologically important natural area because of this. Invasive tree species such as buckthorn and box elder are slowly encroaching on the fen, threatening some of the rare plants that are found in this area. This will be the first year in a series to perform measure to protect the fen and sedge meadow and properly restore the upland area to prevent future encroachment by invasive species.	
Impact on Operations:	Increased line item expenditures for maintenance. Avoids larger capital expenditures by funding smaller maintenance expenditures.	

High Hill Park and Nature Preserve		
	Wetland Mitigation:	\$8,000
	<b>FY 10/11 Total:</b>	<b>\$8,000</b>
	Project Description:	
	<p>High Hill Park and Nature Preserve is the Village's second largest riparian area. This corridor is quickly losing its ecological, stormwater, and groundwater importance due to invasion of non-native species, the majority of this being phragmites. We need to begin to take steps to restore this area because, as non-native aggressive species become more dominant here, they are destroying habitat and crowding out volume needed to accept stormwater for storage and groundwater recharge.</p>	
Impact on Operations:	Increased line item expenditures for maintenance. Avoids larger capital expenditures by funding smaller maintenance expenditures.	

Spella Park Wetland Mitigation – Phase 2		
	Wetland Mitigation:	\$21,000
	<b>FY 10/11 Total:</b>	<b>\$21,000</b>
	Project Description:	
	<p>Money is provided to final out the Spella Park Wetland planting as required by the US Army Corp of Engineers as part of the Village's wetland bank. The wetland was planted in summer of 2008 but the contract is for three years to include maintenance and monitoring for the establishment of the site. This will be the second year of the maintenance period. Activities that will be required in this year of maintenance are 1-2 trips for mowing the entire site, spot herbiciding to control the onset of invasive species and a prescribed burn.</p>	
Impact on Operations:	Increased line item expenditures for maintenance. Avoids larger capital expenditures by funding smaller maintenance expenditures.	

Woods Creek Riparian Corridor Maintenance		
	Wetland Mitigation:	\$20,000
	<b>FY 10/11 Total:</b>	<b>\$20,000</b>
	Project Description:	
	<p>Funding for these projects comes from the Woods Creek Ecosystem revenue fund for enhancement of wetlands and uplands. Management and maintenance activities include reduction and elimination of weedy and invasive species, reestablishment and seeding of the buffer areas, burning, and herbicide treatments.</p>	
Impact on Operations:	Increased line item expenditures for maintenance. Avoids larger capital expenditures by funding smaller maintenance expenditures.	

## Water and Sewer Improvement and Construction Fund

### Jacobs Water Tower



Engineering/Design Services:	\$27,000
Infrastructure Maintenance:	\$250,000
<b>FY 10/11 Total:</b>	<b>\$277,000</b>

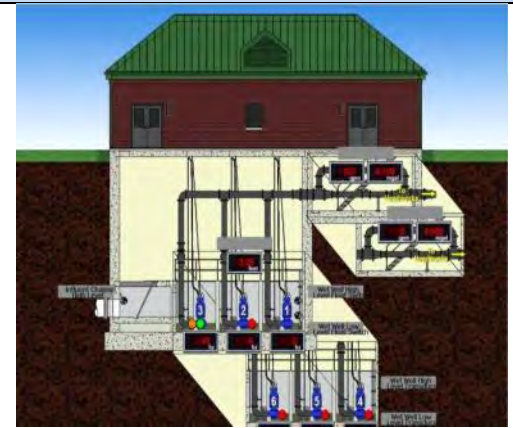
#### Project Description:

This project includes sandblasting clean, priming, painting, and spot repair of Jacobs Water Tower that serves the Village. The tank, originally built and painted over twenty years ago, is displaying signs of metal and paint coating system failure. This work is essential to protect and maintain this critical water tower.

Impact on Operations:

Reduction in Maintenance line items related to the operation of water facilities.

### SCADA System Improvements



Infrastructure Maintenance:	\$12,000
<b>FY 10/11 Total:</b>	<b>\$12,000</b>

#### Project Description:

This project involves upgrading existing control panel and SCADA system to improve functionality of the return activated sludge pumps at the Wastewater Treatment Facility (WWTF).

Impact on Operations:

This improvement will provide for better technology and functionality pertaining to WWTF operations.

### Well 14 Construction



Engineering/Design Services:	\$64,100
Well Improvements	\$725,000
Water Main:	\$170,000
<b>FY 10/11 Total:</b>	<b>\$959,100</b>


#### Project Description:


Well 14 will be a new shallow well to augment the supply of water to Water Treatment Plant No. 1, which serves Zone 4. Well No. 6 will be abandoned, filled, and capped once Well No. 14 is in service. The water line is necessary to connect the well with the water treatment plant.

Impact on Operations:

Increased maintenance and operation costs to supply Village with adequate water supply.



Oceola Drive Watermain Replacement		
	Engineering/Design Services:	\$18,000
	<b>FY 10/11 Total:</b>	<b>\$18,000</b>
	Project Description:	
	Funding is provided to design the replacement of a thirty year old cast iron water main on Oceola Drive. Water main life cycle will better main the life of the road.	
Impact on Operations:	No impacts on operations in FY 10/11.	

Water Treatment Plant #3 Ion Exchange Expansion		
	Engineering/Design Services:	\$50,000
	<b>FY 10/11 Total:</b>	<b>\$50,000</b>
	Project Description:	
	This money will fund engineering services to complete the design and construction documents for the future expansion of Water Treatment Plant #3. This includes design of selective ion exchange equipment and expansion of the existing facility to incorporate the new equipment and process.	
Impact on Operations:	No impacts on operations in FY 10/11.	

## Multi-Year Planning

The following tables summarize current multi-year plans, including projected costs and revenues which were presented to and endorsed for implementation by the Village Board, as outlined in the Public Works Department's Multi-Year Capital Plans.

Motor Fuel Tax and Street Improvement Funds Projects					
Project	FY 10/11	FY 11/12	FY 12/13	FY 13/14	FY 14/15
Ratt Creek Tributary	\$ 12,000	\$ -	\$ -	\$ -	\$ -
Hanson Road	\$ 856,000	\$ -	\$ -	\$ -	\$ -
Algonquin Hills Phase 4	\$ 2,000,000	\$ -	\$ -	\$ -	\$ -
Grand Reserve	\$ 125,180	\$ -	\$ -	\$ -	\$ -
South River Road	\$ -	\$ 250,000	\$ -	\$ -	\$ -
Edgewood Drive Section 1 & 2	\$ -	\$ 2,027,700	\$ -	\$ -	\$ -
South Hubbard/Indian Shores	\$ -	\$ -	\$ 1,488,450	\$ -	\$ -
Royal Hills Section 1	\$ -	\$ -	\$ 661,300	\$ -	\$ -
The Highlands (Edgewood)	\$ -	\$ -	\$ 2,181,700	\$ -	\$ -
Spring Creek Section 2	\$ -	\$ -	\$ 1,701,865	\$ -	\$ -
Lawndale Park Creek	\$ -	\$ -	\$ 230,000	\$ -	\$ -

Spring Creek Section 3	\$ -	\$ -	\$ -	\$ 2,258,150	\$ -
Old Oak Section 2	\$ 660,000	\$ -	\$ -	\$ -	\$ -
Bunker Hill Section 2	\$ 453,750	\$ -	\$ -	\$ -	\$ -
Highland Avenue Section 2	\$ -	\$ -	\$ -	\$ 2,321,230	\$ -
Fieldcrest Farms Section 1 & 2	\$ -	\$ -	\$ -	\$ -	\$ 1,226,535
Engineering Costs	\$ 1,056,600	\$ 430,000	\$ 472,000	\$ 522,000	\$ 100,000
Projected Expenditures	\$ 5,163,530	\$ 2,707,700	\$ 6,735,315	\$ 5,101,380	\$ 1,326,535
Projected Revenues	\$ 3,575,000	\$ 5,504,970	\$ 4,237,200	\$ 5,985,365	\$ 2,728,085
<b>Projected Surplus/(Deficit)</b>	<b>\$ (1,588,530)</b>	<b>\$ 2,797,270</b>	<b>\$ (2,498,115)</b>	<b>\$ 883,985</b>	<b>\$ 1,401,550</b>

Park Fund Projects					
Project	FY 10/11	FY 11/12	FY 12/13	FY 13/14	FY 14/15
Gaslight Park Detention	\$ 5,100	\$ -	\$ -	\$ -	\$ -
Willoughby Farms Park Wetland	\$ 15,000	\$ -	\$ -	\$ -	\$ -
Winding Creek Riparian Corridor	\$ 20,000	\$ -	\$ -	\$ -	\$ -
High Hill Park/Nature Preserve	\$ 8,000	\$ -	\$ -	\$ -	\$ -
Woods Creek Riparian Corridor	\$ 20,000	\$ -	\$ -	\$ -	\$ -
Spella Park Wetland	\$ 21,000	\$ 5,000	\$ -	\$ -	\$ -
Coves Park Development	\$ -	\$ -	\$ -	\$ 225,000	\$ -
Towne Park Improvements	\$ -	\$ -	\$ -	\$ -	\$ 400,000
Projected Expenditures	\$ 89,100	\$ 5,000	\$ -	\$ 225,000	\$ 400,000
Projected Revenues	\$ 110,600	\$ 125,000	\$ 175,000	\$ 225,000	\$ 300,000
<b>Projected Surplus/(Deficit)</b>	<b>\$ 21,500</b>	<b>\$ 120,000</b>	<b>\$ 175,000</b>	<b>\$ -</b>	<b>\$ (100,000)</b>

Water and Sewer Improvement and Construction Fund Projects					
Project	FY 10/11	FY 11/12	FY 12/13	FY 13/14	FY 14/15
Jacobs Water Tower	\$ 250,000	\$ -	\$ -	\$ -	\$ -
WWTF – RAS	\$ 12,000	\$ -	\$ -	\$ -	\$ -
Well 6 - Abandonment	\$ 30,000	\$ -	\$ -	\$ -	\$ -
Well 14	\$ 695,000	\$ -	\$ -	\$ -	\$ -
Well 14 – Raw Water Line	\$ 170,000	\$ -	\$ -	\$ -	\$ -
Well 12	\$ -	\$ 1,300,000	\$ -	\$ -	\$ -
WTP #3 - Expansion	\$ -	\$ 2,275,000	\$ 3,050,000	\$ -	\$ -
Osceola Drive – Water Main	\$ -	\$ -	\$ 250,000	\$ -	\$ -
Algonquin Lakes Elevated Tank	\$ -	\$ -	\$ 1,200,000	\$ -	\$ -
Cary Booster Station	\$ -	\$ -	\$ 50,000	\$ -	\$ -
Copper Oaks Tower	\$ -	\$ -	\$ -	\$ 350,000	\$ -
WWTF – Influent PS	\$ -	\$ -	\$ -	\$ -	\$ 4,500,000
Engineering	\$ 159,100	\$ 120,000	\$ 60,000	\$ 315,000	\$ 330,000
Projected Expenditures	\$ 1,316,100	\$ 3,695,000	\$ 4,610,000	\$ 665,000	\$ 4,830,000
Projected Revenues	\$ 1,908,000	\$ 3,633,375	\$ 3,847,375	\$ 4,038,530	\$ 3,910,000
<b>Projected Surplus/(Deficit)</b>	<b>\$ 591,900</b>	<b>\$ (61,625)</b>	<b>\$ (762,625)</b>	<b>\$ 3,373,530</b>	<b>\$ (920,000)</b>

### Capital Project Trends and Initiatives

As a result of significant cash shortfalls for capital project funding, due in part to increased cost of construction materials and labor as well as stagnation of revenue sources (as discussed further in the “Revenue Assumptions” section of this budget document), the Village Board approved a long term solution in mid-2006 which will reduce the gap between revenues and proposed expenditures over the coming years in the capital funds. The solution was a new revenue source that would not overly burden residents and businesses yet will meet the needs of Village capital projects. A combination of ordinances was designed to substantially relieve Village residents and businesses of the tax burden on natural gas

while placing a substantial portion of the cost of capital improvements on non-residents as they shop in Algonquin.

### **Home Rule Sales Tax and Utility Tax Changes**

On March 7, 2006, the Village Board passed an ordinance that eliminated the utility tax on natural gas and delivery charges for Village residents and businesses. The 4% Utility Tax related to natural gas no longer applied as of July 1, 2006. A use tax fee of \$0.0103 was implemented as a charge per therm and was designed to be revenue neutral to 1% of natural gas charges. This action did two things: 1) it deleted the 4% utility tax charges that residents and businesses paid on natural gas and delivery charges and, 2) it implemented a use tax of \$0.0103 to be calculated on therms used rather than the volatile energy costs that have been experienced these past winters. The result was a substantial reduction of fees paid relative to natural gas for users located within the corporate limits of the Village of Algonquin. The change in billing was effective July 1, 2006. The revenues from the “per therm” tax are allocated to the Street Improvement fund as a partial replacement for the discontinued utility tax.

A home rule retailers' occupation tax and service occupation tax of three-quarters percent (3/4%) was also passed by ordinance. The Village is empowered to impose a tax upon all persons engaged in the business of selling tangible personal property at retail in the Village of Algonquin. This tax applies to retail and service sales and was implemented as of July 1, 2006. It does not apply to sales of food for human consumption off the premises where it is sold (i.e., groceries but not food which has been prepared for immediate consumption), prescription and non-prescription medicines, or other medical supplies. In addition, it does not apply to sales of tangible personal property that is titled or registered with an agency of this state's government (e.g., cars, trucks, motorcycles, etc.). As noted above, day-to-day shopping needs for necessities such as groceries and medical items are exempt from the home rule sales tax. It is estimated that 60% to 70% of the sales tax generated in Village businesses comes from non-residents. The 3/4% tax translates to \$0.75 per \$100.00 of goods purchased.

This year, the home rule sales tax will be dedicated for capital needs and infrastructure improvements, with 60% allocated to the Water and Sewer Improvement and Construction Fund, and 40% allocated to the Street Improvement Fund. As water and sewer projects are completed, a higher portion of the home rule sales tax will be directed to the street capital fund. Because the home rule sales tax is a relatively new initiative, there are limited trends or patterns on which to base revenue projections; therefore, the home rule sales tax revenue figures in these funds are conservative estimates of receipts.

In addition to the above, the Village Board passed a bond measure in December 2005 (fiscal year 2005-2006) in the amount of \$9 million to partially fund the expansion of the Wastewater Treatment Plant. This plant has reached capacity, and expansion is necessary in order to support the continued commercial, industrial, and residential expansion of the Village. Additional costs for this \$15 million project (which includes engineering, construction manager costs, and consultant fees) will come from this enhanced revenue.

### **Water and Sewer Tap-On Fee Changes**

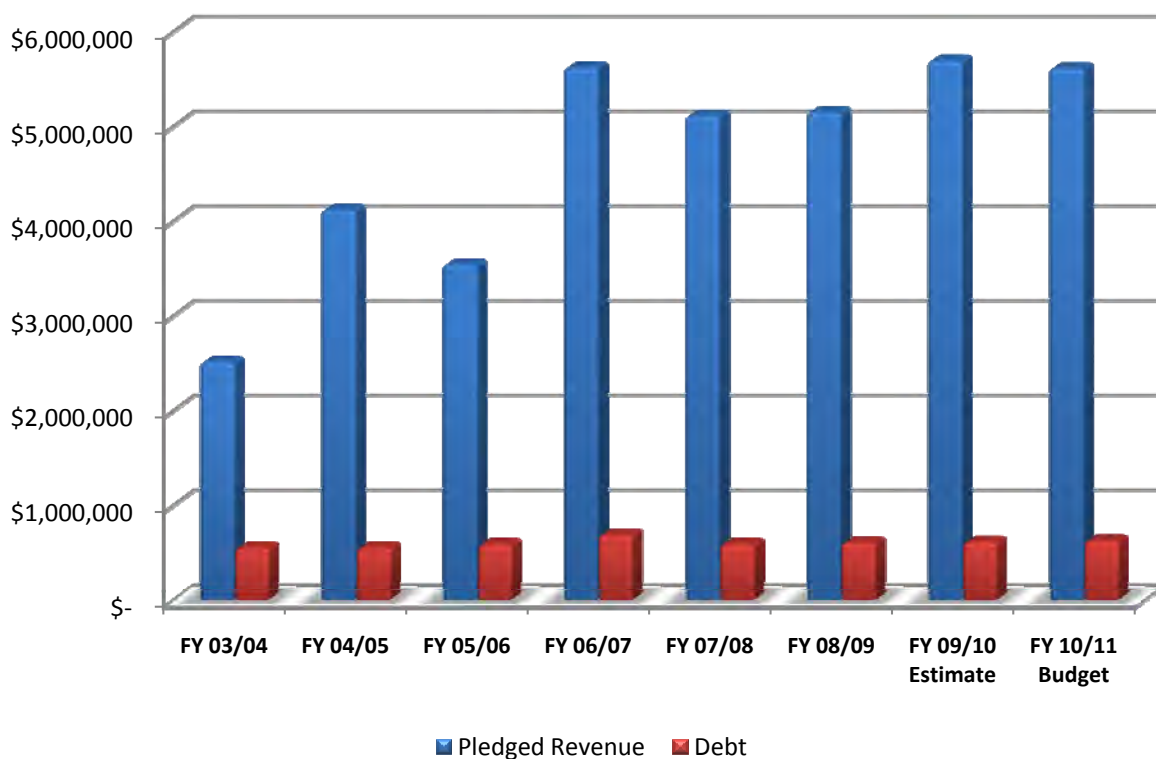
As described earlier in the budget message, in February 2008, the Board passed an ordinance increasing tap-on fees charged to developers. Developer connection fees subsidize major capital projects relating to expansion of the system (plant expansions, new lift stations and wells, etc.) funded through the Water and Sewer Improvement and Construction Fund. Tap-on fees are designated to offset major capital improvement costs necessary to accommodate growth in the community. Because major expansion projects remain on the radar over the next several years, specifically the expansion of Water

Treatment Plant No. 3 to allow for ion exchange, construction of new wells, construction of new storage tanks, etc., the Village, with assistance from consultants, reviewed the current connection fees charged to developers. The goal was to implement an increase that remains manageable for new residents and businesses but also decreases the need for a bond issuance to fund major capital projects. Water tap-on fees will increase 5% each year, which began in February 2008 and will continue through February 2013. The sewer tap-on fee increased 20% in February 2008, and will increase 5% each year thereafter through February 2013.

#### Impact of Capital Debt Obligations on Capital Funds

Water and Sewer Improvement and Construction Fund revenues are pledged to offset the debt initiatives as described above as well as existing debt. The debt coverage from the Pledged Revenues is required to be a minimum ratio of 1.25 of revenues to debt (as established in the bond ordinance). The actual, estimated actual and budgeted coverage for FY 03/04 to FY 10/11 is shown below:

**Water & Sewer Pledged Revenue vs. Debt Requirement**

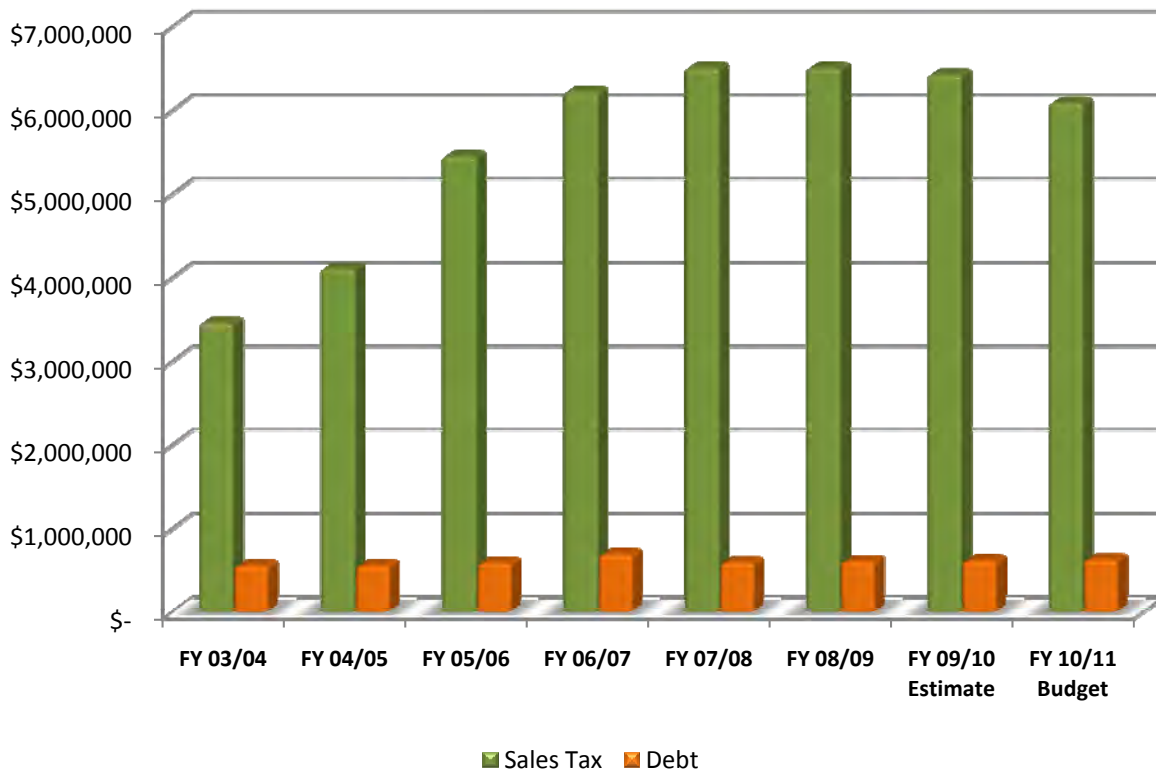


#### Impact of Capital Debt Obligations on General Fund

General sales tax revenues are pledged to offset the debt obligations incurred for construction of the Public Works facility (completed in 2003). The debt coverage from sales tax revenues is required to be a minimum ratio of 1.25 of revenues to debt (as established in the bond ordinance). The actual, estimated actual, and budgeted coverage for FY 03/04 to FY 10/11 is as follows:



## Sales Tax Revenue vs. Debt Requirement



Thus, the Village has ample funds to offset debt obligations.

### Summary

In conclusion, through sound financial planning, the Village is able to plan for capital purchases with minimal impact on operations. In the capital funds, the Village has established known and, for the most part, predictable revenue sources to provide a stable source of funding for major capital projects as outlined in the multi-year plans. Regarding vehicle purchases, the Village is smoothing the cost impact through establishment of a designated cash fund. Where necessary, the Village does utilize bonds for major capital improvements. Village leaders feel that, through these important planning steps, the Village of Algonquin can ensure that funding will be available for continued maintenance of existing infrastructure, and addition of resources and infrastructure to meet the needs of our growing citizenry.

## Supplement 3: Implementation of the Guiding Principles & Planning Processes

### Prioritizing Needs in Accordance with Guiding Principles

For the past seven years, including this fiscal year, the Village has focused on constraint budgeting, a process that requires department heads to scrutinize their operations and prioritize needs as they put together their budget requests. Each budget item was evaluated to ensure that it met the priorities of the residents and elected officials, as outlined in the Guiding Principles. This process was particularly useful this fiscal year, since the general fund revenues were down 6% due to the economic downturn and costs were increasing.

The Village of Algonquin's goal and priority setting process tends to be less formal, defined through Village Board discussions at both the Committee and Board level, staff discussion at staff meetings and goal-setting sessions, resident requests and input, focus groups, public hearings, and the like. The budget team relied on the above input to formulate the following list of guiding principles. The term "guiding principles" reflects those values that have and will continue to define Village operations.

In addition to our goal setting, we have completed the following projects in FY 09/10 that will assist the Village in linking budgetary decisions to our Guiding Principles:

- **Performance Measurement Program.** In 2009, individual departments were challenged to identify tangible performance measures to help evaluate how their department's core services relate to the Village's Guiding Principles. The FY 10/11 budget document features these measures and contains targets for the upcoming fiscal year. These targets are designed to challenge staff to continuously improve service delivery in the most cost-effective manner possible. It is the goal of the Village to expand this practice in future fiscal years.
- **Recreation Program Evaluation.** In December 2009, PROS Consulting provided the Village with a formal report of the Events and Recreation Division. The evaluation assessed the overall effectiveness and efficiency of Village programming and identified community satisfaction with this service. The final evaluation report provided staff with short, mid, and long term goals to enhance customer satisfaction in a fiscally sustainable manner.

These processes will aid in budget development for many years to come. Our ultimate goal is to demonstrate to our residents and the public at large that we have compiled a budget that provides the most results at the most efficient price.

### Guiding Principles

The principles listed below are, for the most part, timeless, and will be part of the fabric of the Village's direction for the coming years, if not forever. However, the means in which we meet or work towards these principles may change from year to year. This document intends to not only describe the guiding principles, but also to highlight some of the major programs and other purchases that have been included in this year's budget in order to support the guiding principles. Many programs and services can fit into more than one category; we have placed the programs in the category where they fit best.

The Guiding Principles were originally established as part of the 2005-2006 budget year process, as defined in the Budget Message (see the Budget Message for additional description of each guiding principle). They have been refined for the FY 10/11 budget as outlined in the list below. The Village aims to focus its time and resources in accomplishing the following objectives:

**(1) MAINTAIN AND/OR ENHANCE CUSTOMER SERVICE AND CITIZEN SATISFACTION**

- a. Provide 2010 Annual Report/2011 Calendar to all Village households.
- b. Provide 'The Algonquin Citizen' newsletter quarterly to Village residents.
- c. Increase the number of Algonquin e-News subscribers to at least 600 in 2010.
- d. Increase the number of visitors per day to [www.algonquin.org](http://www.algonquin.org) to at least 325.
- e. Increase the number of visits per day to [www.algonquin.org](http://www.algonquin.org) to at least 525.
- f. Respond to Freedom of Information Act requests in 4 or less days.
- g. Develop webpage for new resident information.
- h. Resolve Information Systems Division Help Desk Requests within 24 hours at least 91% of the time and within 7 days at least 97% of the time.
- i. Implement online Events and Recreation registration program.
- j. Provide J.U.L.I.E. utility location service.
- k. Provide funding for reimbursement to Village residents participating in NISRA programming.
- l. Expand GIS mapping system for the public.
- m. Maximize the percentage of property maintenance violations resolved without court action to at least 90%.
- n. Provide various Events and Recreation programming consistent with the demand of Village residents.
- o. Continue funding for the Historic Commission and their various community services.
- p. Maintain funding for Village staff certifications to ensure qualified staff are performing core Village operations.
- q. Implement recommendations of the Events and Recreation Evaluation Plan.

**(2) CONTINUE TO PROMOTE AND FOSTER ECONOMIC DEVELOPMENT**

- a. Maintain employment rate above Kane and McHenry Counties.
- b. Recruit new businesses to the Algonquin Corporate Campus.
- c. Continue Downtown Revitalization activities.
- d. Continue retail marketing activities.
- e. Promote business retention program.

**(3) EVALUATE, PLAN FOR, AND IMPLEMENT IMPORTANT CAPITAL IMPROVEMENT PROJECTS IN ORDER TO MAINTAIN THE VILLAGE'S INFRASTRUCTURE AND UPHOLD A HIGH QUALITY OF LIFE FOR RESIDENTS**

- a. Integrate GIS for monitoring and assessing Village operations and infrastructure.
- b. Complete projects identified in Park Fund.
- c. Complete projects identified in Motor Fuel Tax Fund.
- d. Complete projects identified in Street Improvement Fund.
- e. Complete projects identified in Water & Sewer Improvement and Construction Fund.

**(4) ASSESS ALL VIABLE OPTIONS TO INCREASE/MAINTAIN THE VILLAGE'S REVENUE BASE**

- a. Maintain or increase Village's bond rating of AA+.
- b. Obtain GFOA Distinguished Budget Presentation Award for the FY 10/11 annual budget.

- c. Obtain GFOA Certificate of Achievement for Excellence in Financial Reporting for the FY 09/10 Comprehensive Annual Financial Report.
- d. Minimize costs per water billing transaction to at least \$0.30/transaction.
- e. Maximize the percentage of water billing payments made using ACH to at least 21%.
- f. Promote 2010 Census to ensure Village receives its fair share of state and federal funding.
- g. Apply for grant funding for alcohol enforcement and occupant restraint violations.
- h. Continue to build the Village's working capital reserve.
- i. Promote Village assets for co-location of wireless service antennas to increase rental income paid to the Village.
- j. Continue to have Events and Recreation programming revenues offset all expenses of programming.
- k. Implement credit card payment options for Village services.

**(5) CONTINUE TO ALLOCATE THE NECESSARY RESOURCES FOR THE MAINTENANCE OF THE PUBLIC'S HEALTH, SAFETY, AND WELFARE THROUGH A WELL TRAINED AND DEDICATED STAFF**

- a. Conduct a Citizen's Police Academy in 2010.
- b. Complete Illinois Law Enforcement Accreditation Program (ILEAP) process by the end of the fiscal year.
- c. Provide funding to Southeast Emergency Communications (SEECOM), the Village's consolidated dispatch center.
- d. Reduce traffic crashes at controlled intersections.
- e. Offer community safety programs such as D.A.R.E. and Neighborhood Watch.
- f. Maintain participation in various specialized task forces including: Major Investigations Assistance Team (McHenry County), Kane County Major Crimes Task Force, North Central Narcotics Task Force, and McHenry County Gang Task Force.

**(6) CONTINUE TO PROMOTE AND DEVELOP PROGRAMS WITH A CONSERVATION FOCUS**

*Please refer to the Village of Algonquin Environmental Action Plan 2009-2010 for detailed information on the Village's environmental efforts.*

- a. Organize "Conservation Community Day" event in June 2010.
- b. Review and update the Village's Environmental Action Plan.
- c. Increase the Village's waste diversion rate to at least 50%.
- d. Collect at least 40,000 pounds of electronic waste at Village's e-Waste Recycling event.
- e. Complete carbon emissions inventory for Village operations.
- f. Obtain a Tree City USA award for 2010.
- g. Provide public education for Village's water conservation program.
- h. Provide funding for 50/50 tree replacement program.
- i. Maintain public outreach for Arbor Day activities.
- j. Continue maintenance of natural areas.
- k. Develop a bicycle master plan for the Village.
- l. Continue funding for mosquito abatement services.



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# The Budget Process

The budget process is an essential procedure that requires a substantial amount of staff time and dedication. It serves many important purposes, including the following:

- The budget process allows staff and elected officials the opportunity to scrutinize and evaluate existing processes and weigh alternatives for increased efficiencies and effectiveness.
- It is an opportunity to compare the actions of the Village to the plans and goals that are guiding the Village.
- Through the budget process, staff confirms that all legal and statutory requirements are being met.
- The budget process is a means for elected officials and staff to set the course of action for the future operations of the Village.

## Budgeting Philosophies

### Constraint Budgeting

We continued to follow a constraint budgeting process for the FY 10/11 budget. In 2002, in response to fiscal challenges, such as a struggling economy, increasing liability and medical insurance costs, union contract obligations, and other financial barriers, and increasing demand for municipal services, the Village of Algonquin followed a new method for budgeting, which was originally adopted for FY 03/04. This method was modeled after a budget process outlined in a May 2002 article on “*constraint budgeting*” that appeared in the International City/County Management Association (ICMA)’s Public Management magazine. With the fiscal challenges that emerged in 2008 and continue to this day, our regular practice of following constraint budgeting has allowed us to continue to budget effectively and “weather the storm” so to speak.

The constraint budgeting methodology allows department heads to know in advance their bottom-line budget amount. This gives them the flexibility to prioritize their needs, with items that were cut or postponed placed on their enhanced budget request. We feel that, in the words of the ICMA article authors MacReynold and Fuhrer, “the system is simple, promotes fiscally responsible behavior, and is an effective aid in the decision-making process.”

### Guiding Principles

The main tenets that guide the Village and its operations are crystallized in the Guiding Principles, core standards that serve as the guideposts for decision-making in the Village of Algonquin. The Guiding Principles were formulated based on several informal planning processes that occur regularly in the Village on an on-going basis, such as at Board meetings, staff brainstorm sessions, focus groups, and so on. The Guiding Principles are outlined in a separate document in this budget.

### Preparation for Government Finance Officer’s Association Budget Awards Program

Each year, the budget team sets out to improve a specific section of the budget document, often to respond to recommendations made by GFOA reviewers as well as to changes in the financial industry and best practices. The Village was originally awarded GFOA’s Distinguished Budget Presentation Award for the FY 04/05 budget, and has been honored to receive this distinction for the fiscal years ending 2006, 2007, 2008, 2009, and 2010. The requirements of the award program are significant, requiring additional input from department heads and the Budget Team. Adding information to our budget as required by GFOA also enriches it as a communications tool with elected officials and residents.

## Participants, Roles, and Responsibilities – The Budget Team

The Budget Team consists of the Budget Officer, Finance Director, Assistant Finance Director, and the Management Assistant. Department Heads, Village Board, and Village residents also play crucial roles in the budgeting process. Department Heads are responsible for evaluating the needs of their department/divisions, soliciting input from staff, and compiling those needs and priorities into a cohesive and straightforward budget request. The Village Board is critical in evaluating the budget as proposed by the Budget Officer, asking questions, and, eventually, approving the budget. Residents and their needs are, of course, the driving force behind the budget process. In addition, residents have opportunities to view the budget proposal and attend the Committee meetings, Board meetings, and public hearings when the budget is addressed.

## Budget Development Timeline

The timing of the budget process is critical, for two reasons. One, we operate under the system of “constraint budgeting,” which requires more up front work, as described below; second, we continue to alter and enhance the budget document in preparation for submittal to the Government Finance Officer’s Association’s (GFOA) Distinguished Budget Awards Program. Below is the timeline that we adhered to in preparing our budget.

### August to October, 2009

- *Initial Budget Meetings – Budget Officer and Finance Director:* These preparatory meetings took place from August to October 2009, in order to assess the budget process, consider altering it to meet the Village’s financial situation as well as the global financial crisis, and determine a method for implementing the budget process.

### November 2009

- *Preliminary Revenue Analysis:* As a part of the constraint budgeting philosophy, the Finance Director established revenue estimates for the General Fund in advance of distributing the worksheets to the Department Heads. Once the revenues were calculated, bottom line, constraint budget figures were established for each division’s budget. This step in the process was completed in November 2009. At this time, the Budget Team recognized that we would see a continued decline in revenues due to the declining economy. Through much dialogue, several budget parameters were set to guide staff through the budget process; guidelines were developed to assist department heads in defining realistic budgets in response to decreased revenues. These parameters included such measures as no new personnel.
- *Redistribution Account Submittal and Review and Entering Fixed Costs:* Prior to releasing the General Fund budget worksheets for completion, any and all redistribution accounts were budgeted and dispersed to the individual budgets. This allowed Department Heads to be aware of up front costs before they determined the rest of their request. Redistribution accounts include those for building supplies and maintenance, grounds maintenance, and vehicle and equipment maintenance. In addition, the Finance Director projected personnel costs, and those figures were entered into the worksheets. All other fixed costs (human resources training, most transfers, audit costs, and so forth) were entered up front as well. This step of the process took place in November 2009.
- *Capital Improvement Plan Review:* The Public Works Director reviewed and evaluated the Capital Improvement Plans, which include Streets, Water and Sewer, and Parks.



- *Budget Worksheets Distributed to Department Heads:* Once the fixed costs had been added to each division's budget, the worksheets were distributed to Department Heads for review and completion.

#### **January 2010**

- *Budget Submissions by Department Heads:* Throughout December, the Department Heads analyzed and prioritized the needs for their division, and budgeted those necessary items and costs into their budget requests. They submitted their budget proposals over a staggered schedule throughout January 2009.

#### **January to February 2010**

- *Review of Submittals and Budget Meetings:* The Budget Team met with each Department Head to review budget proposals. Adjustments were made, as necessary, to ensure a balanced budget (in the case of the General Fund), and that the goals and priorities of the Village Board and staff were being met through the budget. These meetings took place throughout January and February 2009.
- *Board Review:* The Committee of the Whole met on January 26, 2010, to review the Capital Funds (MFT, Street Improvement, Park, and Water and Sewer Improvement and Construction Funds).
- *Board Review:* The Committee of the Whole met on February 9, 2010, to review the Enterprise Funds (Water and Sewer Operating, Cemetery, and Swimming Pool funds) and the Building Services and Vehicle Maintenance Service Funds.

#### **March 2010**

- *Board Review:* On March 9, 2010, the Committee of the Whole met to review the General Fund and the remaining ("Other") funds.
- *Public Hearing:* A public hearing was held on March 16, 2010, to allow for citizen comment on the budget document. No comments were received.

#### **April 2010**

- *Official Adoption by the Village Board:* The Village Board officially adopted the Fiscal Year 2010-2011 budget on April 6, 2010.
- *Printing and Distribution of the Budget Document:* The budget document was compiled, printed, and distributed in April/May 2010. In addition, budget documents were filed with the Kane and McHenry County Clerks.
- *Finalization of Capital Improvement Plans:* The Public Works Director finalizes the Capital Improvement Plans based on available funding and discussions held throughout the budget process.

#### **May 2010**

- *Submittal to GFOA:* The budget will be submitted to the Government Finance Officer's Association for their consideration as part of GFOA's Distinguished Budget Awards program.
- *Implementation:* Throughout the May 1, 2010 to April 30, 2011 fiscal year, Village staff will focus on implementation of the budget. The Village Manager, Finance Director, and Department Heads all work together to ensure sound financial practices and consistent adherence to the budget.

A summary of the budget calendar in table format appears on the following page:

## Summary Calendar

Task	Assigned Staff	2009					2010						
		August	September	October	November	December	January	February	March	April	May	June	July
Citizen Input													
Initial Budget Meetings	Budget Team												
Preliminary Revenue Analysis	FD												
Redistribution Account Submittal	DH, FD, MA												
Review and Enter Fixed Costs	FD, MA												
Capital Improvement Plan Development and Review	Public Works Director, BO, MA												
Budget Worksheets Distributed	MA												
Budget Proposals Due	DH, MA, FD												
Performance Measurement Reports Due	DH, MA												
Review of Submittals	DH, Budget Team												
Presentations of Budgets to Elected Officials/Public	BO, MA, FD, COTW												
Budget Public Hearing	BO, MA, FD, COTW												
Budget Adopted by Village Board	VB												
Finalization of Capital Improvement Plans	DH, BO, MA												
Filing Budgets with Counties	FD, MA												
Printing of Budget Documents	MA												
Budget Implementation Begins	Budget Team, DH, VB												
Submittal of Budget to GFOA	MA												
Review GFOA Comments and Begin FY 11/12 Budget													

\*BO=Budget Officer/Village Manager  
 MA=Management Assistant  
 COTW=Committee of the Whole

FD=Finance Director  
 VB=Village Board  
 DH=Department Heads

\*\*Formal citizen input is scheduled for January through budget approval in April. However, we welcome citizen input on the budget at any time throughout the year.

# Revenue Assumptions and Trends

## Budgeted Revenues – All Funds

Budgeted revenue in all funds for fiscal year (FY) 10/11 is \$34,070,605 which is a decrease of \$2,101,705 (5.8%) from the comparable budget for FY 09/10. The decrease is attributable to Sales Tax, State Income Tax, Building Permits and Platting Fees in the General Fund. In other funds, revenues earmarked for capital projects have decreased 21.6% from FY 09/10, but expenditures are higher than revenues as fund balances are being utilized where necessary. Investment income in all funds is projected to decrease due to the federal funds rate which impacts the yield on certificates of deposit and other interest bearing accounts. The following discussion of revenue assumptions and trends represents 92.2% of the total revenue budget.

## Common Assumptions

1. Interest Income Rate – 0.25% in the state investment pool and operating accounts.
2. The cash basis of accounting is used for budget purposes.
3. Trend analysis with historical information is used to project the budget unless another method is indicated.

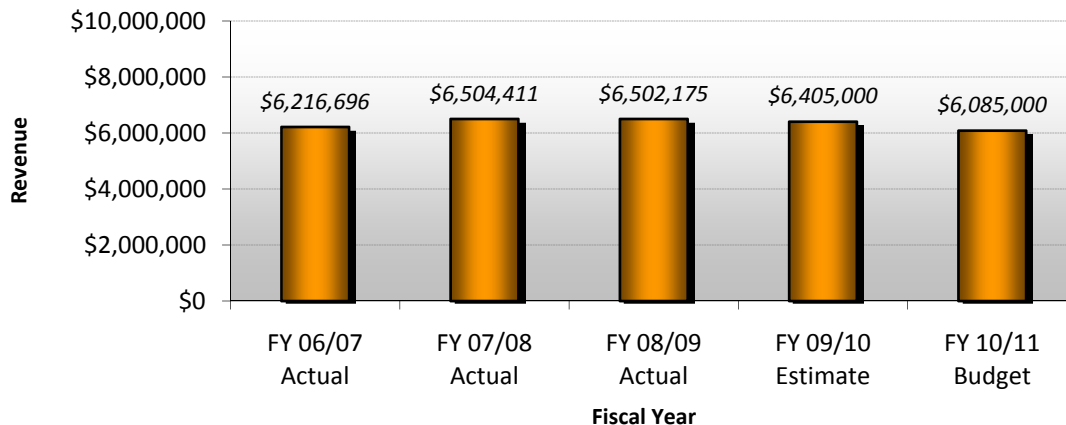
## General Fund

### 1. Sales Tax

The budget assumes that the State of Illinois will continue to timely remit the municipal portion (1%) of the State Sales Tax to the Village on point of sales basis.

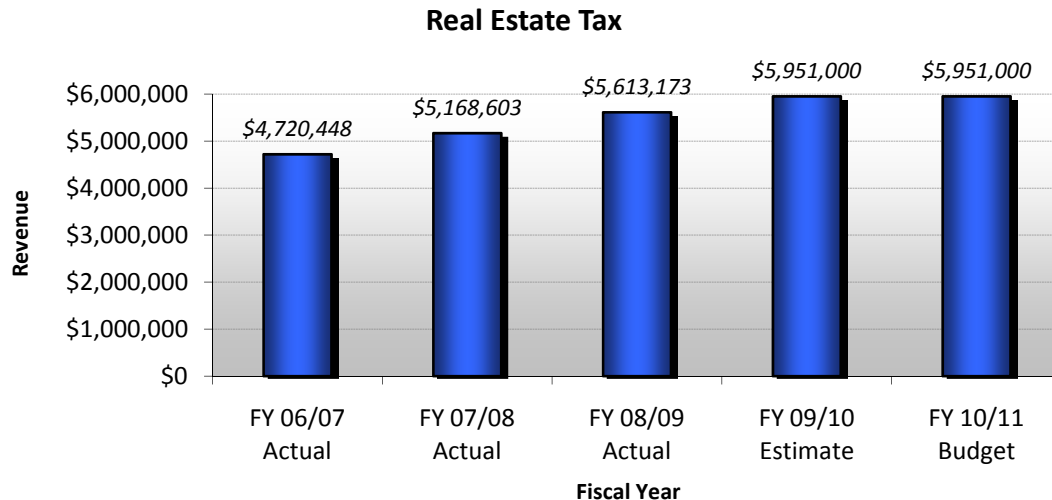
The FY 10/11 budget for sales tax is \$6,085,000 or 4% less than the FY 09/10 budget and 5% less than the FY 09/10 estimated actual. The economy has impacted the Village as evidenced by the softening of sales tax receipts and the high level of unemployment rates in the village. The 2009 unemployment rate in the village averaged 8.5% and continues to rise this year. For comparison, the 2008 average was 5.3%. Residential and commercial construction in the Village has softened substantially since FY 08/09.

### Sales Tax



## 2. Real Estate Tax

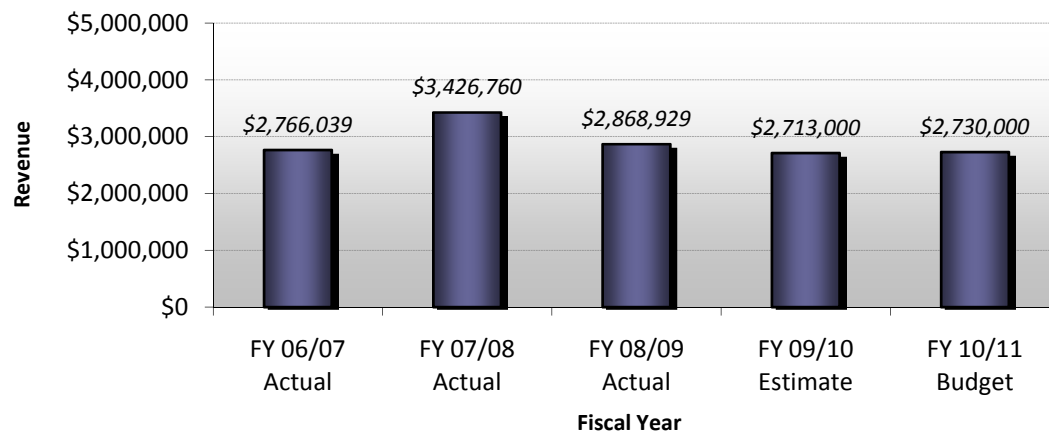
The FY 10/11 budget for real estate taxes in the General Fund is \$5,951,000 which is equal to the FY 09/10 estimated actual. The village attempts to maintain the tax rate at the prior year level (0.485). The actual tax rate will be .484 as EAV increased slightly above our estimate. Algonquin experienced significant increases in EAV since 1999 attributable to growth in both residential and commercial property. During this period, EAV increased from \$0.463 million to \$1.155 billion, or an increase of 149%. The current EAV, however, has flattened due to the soft economy and real estate prices that have begun to decline. The village's tax rate declined from .492 in 1999 to the 2009 rate of 0.484. The Village attained home rule status in 2003 and the Property Tax Limitation Act no longer inhibits the tax extensions.



### 3. State Income Tax

The State of Illinois allocates a portion of State Income Tax and Use Tax revenues to local governments with the distribution amounts for each government based upon population. The budgeted allocation for FY 10/11 is \$2,730,000 using per capita estimates determined by the Illinois Municipal League (IML) and our population of 30,482. The FY 10/11 estimated actual is \$2,713,000 or 16% less than the FY 09/10 budget and 5% less than FY 08/09 actual. The estimated actual includes four months of allocations that have not been paid as yet due to the cash flow problems of the state of Illinois. The decrease is attributable to the worsening economy in the state as indicated by the 12/31/2009 state unemployment rate of 11.1% vs. 7.2% one year prior. A partial census conducted in 2007 resulted in a population increase of 9%.

**State Income Tax**



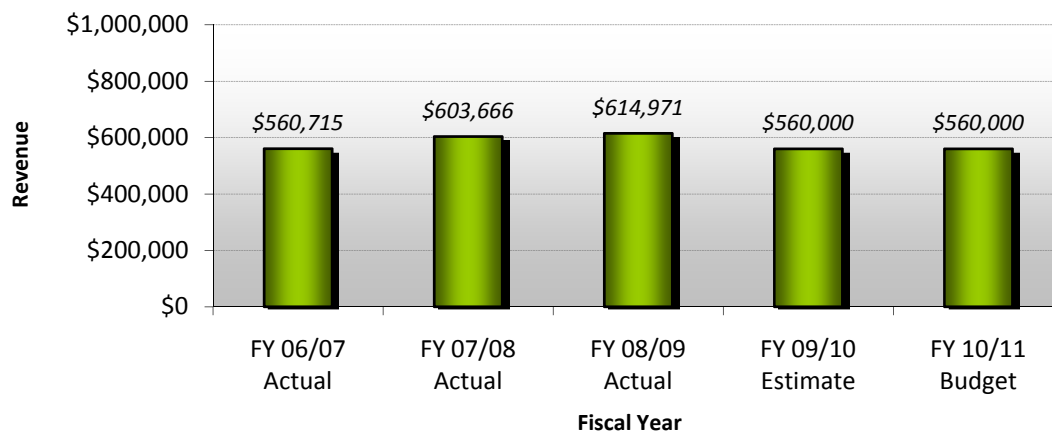
#### 4. Franchise & Telecommunication Fees

Video Television Franchise Fees are based on 5% of the gross revenues collected by the local cable service provider and new video service provider. For FY 10/11 \$360,000 is projected for Cable Television Franchise Fees reflecting historical receipts. The FY 09/10 estimated actual is \$360,000 or equal to the budget and the same as FY 08/09 actual.

Natural Gas Franchise Fees are no longer budgeted as a revenue item since the new franchise agreement allocates free therms to the village rather than a cash payment. We expect to use the free therms by December 2010. This will result in lower expenditures for natural gas of approximately \$65,000.

Telecommunication Fees were implemented as a Simplified Municipal Telecommunications Tax as of January 1, 2003. This tax is administered by the State of Illinois Department of Revenue and collections are remitted by the state to the village. The receipts have been relatively flat since FY 05/06. It appears that competition is reducing pricing but there is no information available for analysis. The current budget of \$200,000 is 4.8% less than the FY 09/10 budget but equal to the estimated actual for FY 09/10.

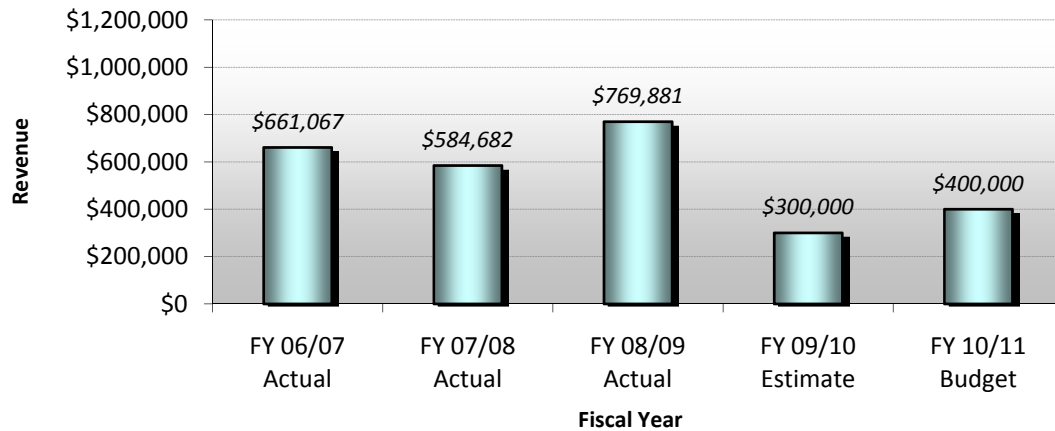
**Franchise & Telecommunication Fees**



### 5. Building Permit Fees

Permit fees were budgeted at \$400,000 using our building fee schedule and anticipated growth. The FY 09/10 estimated actual for building permits is \$300,000 or 45% less than budget due to a slowing of permit issuance for residential and commercial developments. The FY 10/11 budget is 33% higher than the FY 09/10 estimated actual as it appears that some development is obtaining necessary credit lines from lenders.

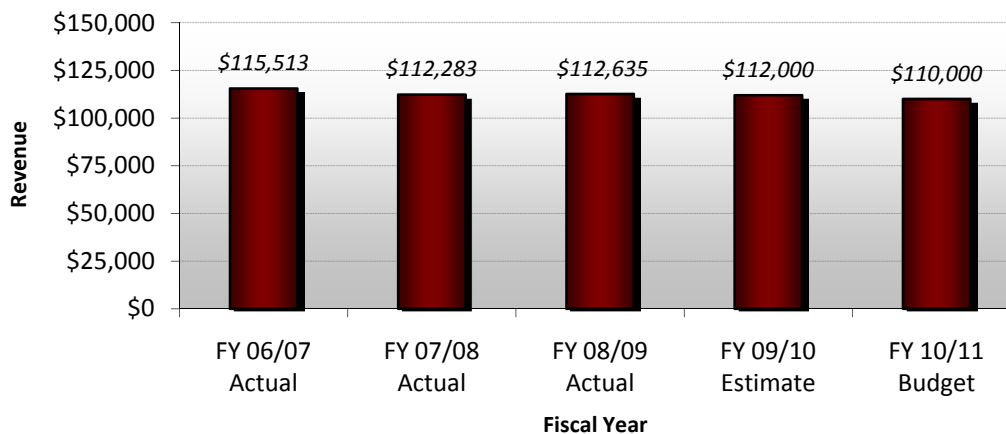
**Building Permit Fees**



### 6. Liquor License Fees

The FY 10/11 budget of \$110,000 for liquor licenses reflects the fee schedules associated with the authorized licenses as well as fees for new owners. This is equal to the estimated actual for FY 09/10, and the FY 08/09 actual.

**Liquor License Fees**

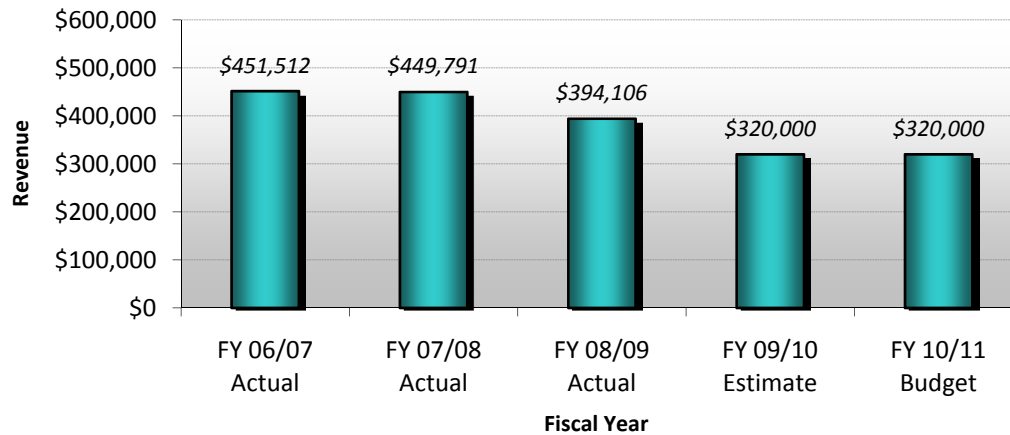




## 7. Court Fines

Court fines are collected by McHenry County and forwarded to the Village based on ticket violations issued by the Village. The FY 10/11 budget of \$320,000 is 9% less than the FY 09/10 budget but equal to the estimated actual for FY 09/10. Other fines collected by the county are budgeted at \$26,500 which is 10% less than the FY 09/10 budget but equal to the estimated actual.

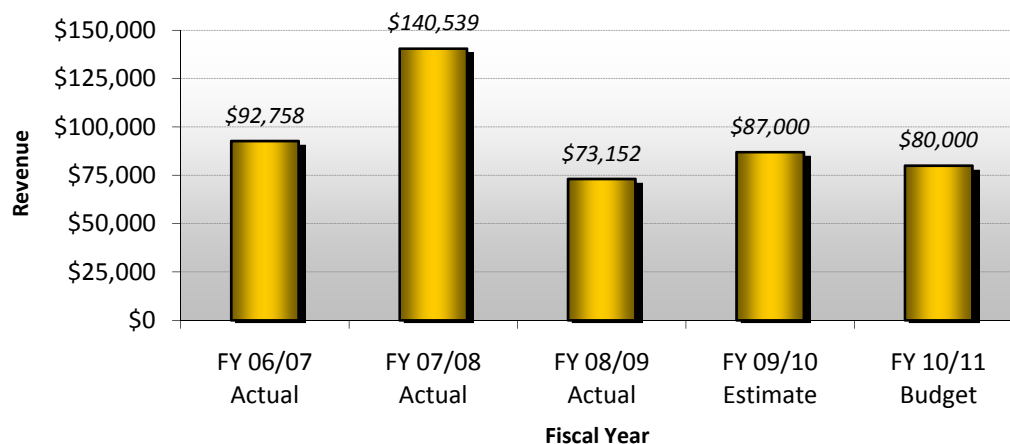
**Court Fines**



## 8. Intergovernmental Agreements

This line item accounts for payments received from other units of government pursuant to agreements for the use of police officers from the Algonquin Police Department. This includes a liaison officer assigned to Community Unit School District 300. Pursuant to this agreement, \$80,000 has been budgeted for FY 10/11. The estimated actual for FY 09/10 is \$87,000 which is 14% over the FY 09/10 budget.

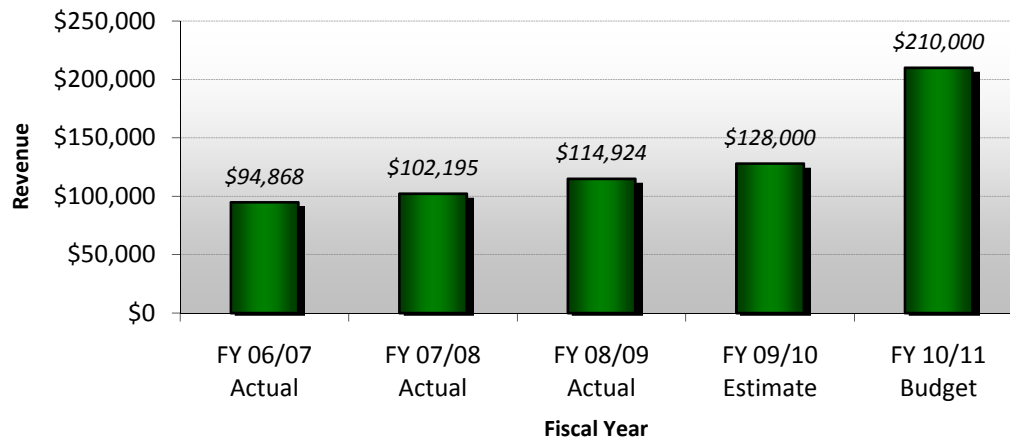
**Intergovernmental Agreements**



### 9. Recreation Programs

This line item accounts for registrations for events and recreation programs. Revenues are projected at \$210,000 which is 64% more than the budget and estimated actual for FY 09/10. The increase is due to the introduction of adult athletic leagues and other continued development for this relatively new program with changes each year.

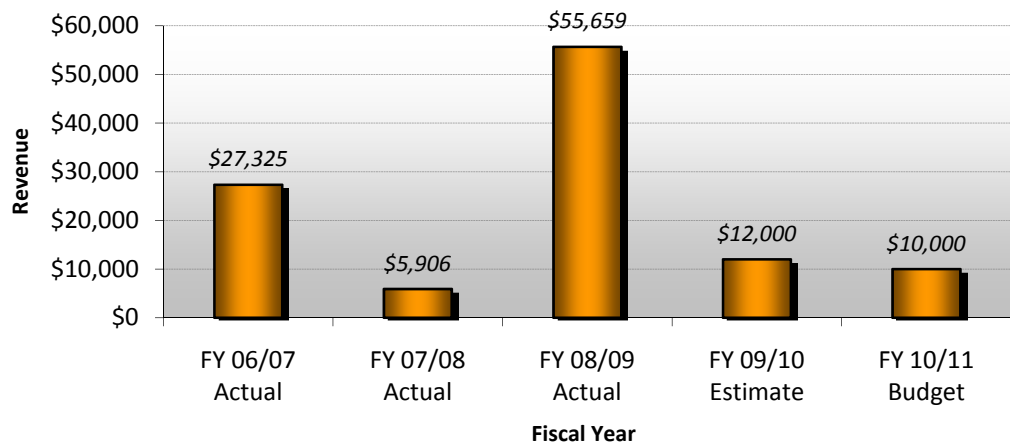
**Recreation Programs**



### 10. Sale of Surplus Equipment

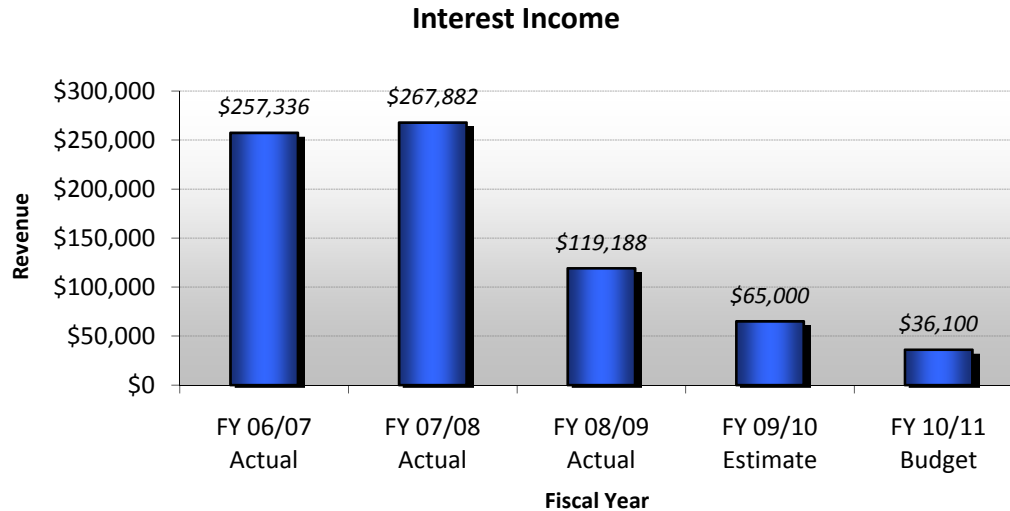
Surplus property that is approved for sale through auction includes motor vehicles, outdated computer equipment and other equipment. A total of \$10,000 is projected to be received in FY 10/11 which is equal to the FY 09/10 budget but 20% less than the estimated actual of \$12,000 in FY 09/10.

**Sale of Surplus Equipment**



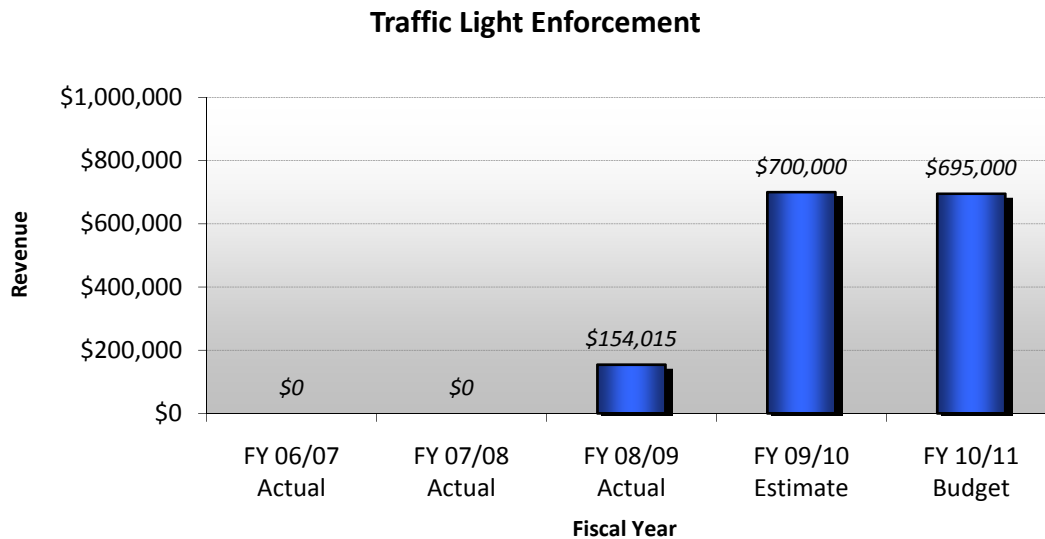
### 11. Interest Income

Interest income in the General Fund is budgeted at \$36,100 which is significantly less than the FY 09/10 budget of \$155,000 due to the lowering of the Federal Funds Rate which unfavorably impacts our investment yield rate for certificates of deposit and other interest bearing accounts. The FY 09/10 estimated actual of \$65,000 is 58% less than the FY 09/10 budget.



### 12. Traffic Light Enforcement

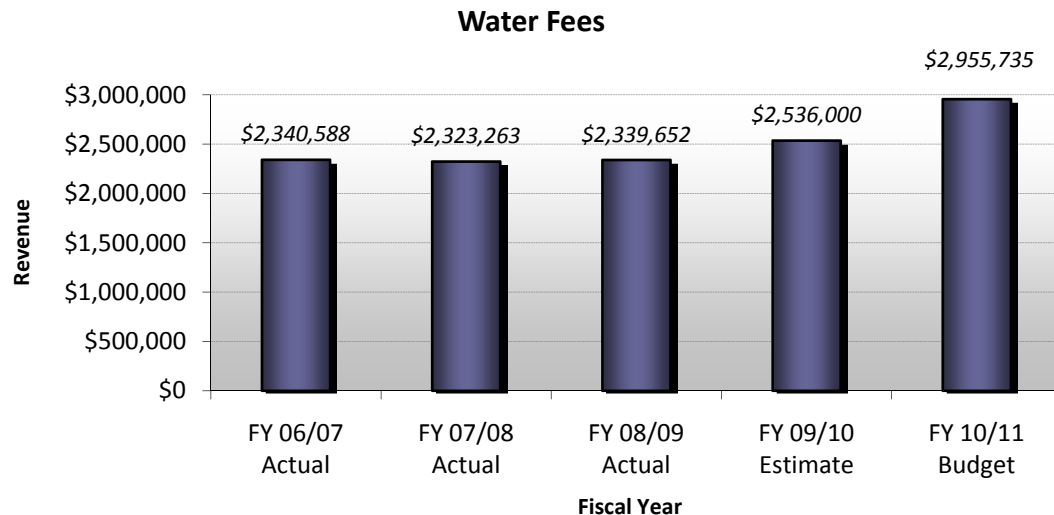
The red light camera enforcement program was implemented in the fall of 2009 and is designed to improve public safety at intersections with a history of high accident and traffic light violations. Citations are issued based on camera and video evidence of violations that exceed the standard set by the Police Department. The program was initiated later than originally planned and the actual revenues were only \$154,000. The budget and estimated actual for FY 09/10 is \$700,000. The FY 10/11 budget is slightly less at \$695,000.



## Water and Sewer Fund

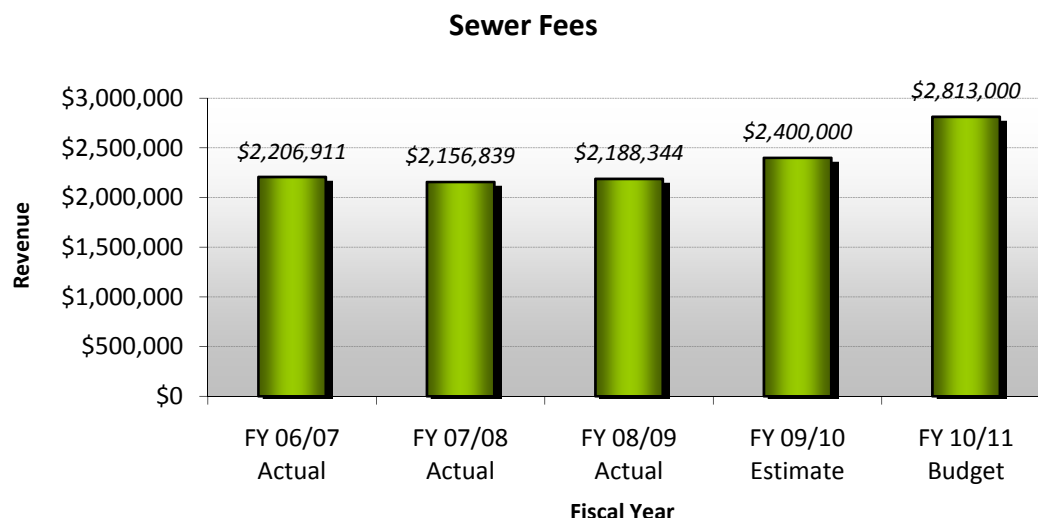
### 1. Water Fees

The current rate of \$3.27 per 1,000 gallons became effective on February 1, 2010 and is an increase of 7% over the previous rate. The rate is scheduled to increase again by 7% on February 1, 2011 as step 3 of a 5 step scheduled rate adjustment. The FY 10/11 budget of \$2,955,735 is 8% higher than the FY 09/10 budget while the estimated actual for FY 09/10 is 7% less than the budget. The decrease is believed to be attributable to the slowing economy with its impact on family budgets and some home foreclosures which will result in lower water usage in the Village.



### 2. Sewer Fees

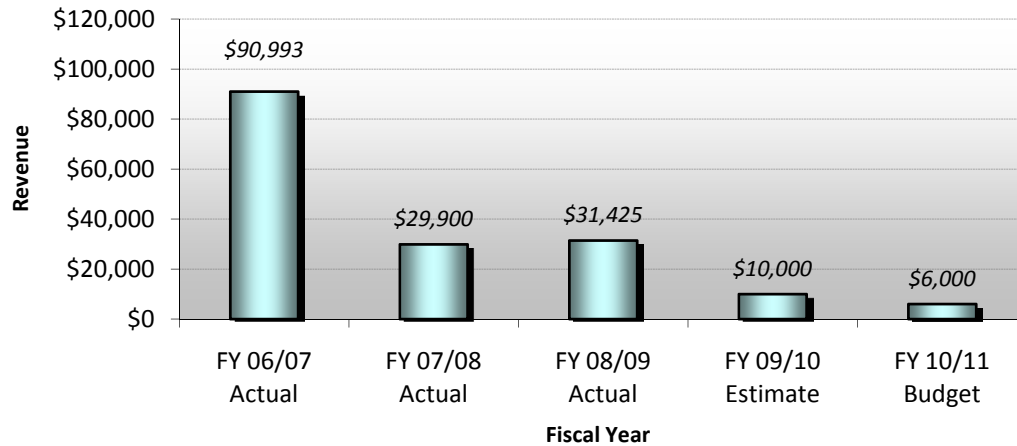
The current rate of \$3.11 per 1,000 gallons is an increase of 7.25% over last year's rate. The rate is scheduled to increase again by 6.7% on February 1, 2011 as step 3 of a scheduled 5 step rate adjustment. The FY 10/11 budget for sewer fees of \$2,813,000 is 11.4% higher than the FY 09/10 budget while FY 09/10 estimated actual is 5% less than the budget for the same reasons explained for water fees.



### 3. Meter Sales

The FY 10/11 budget of \$6,000 is 40% less than the estimated actual for FY 09/10 and is based on new building permits issued and the appropriate fee schedule. FY 09/10 estimated actual will be approximately 33% of FY 09/10 budget as construction permits for new homes are slowing from previous levels.

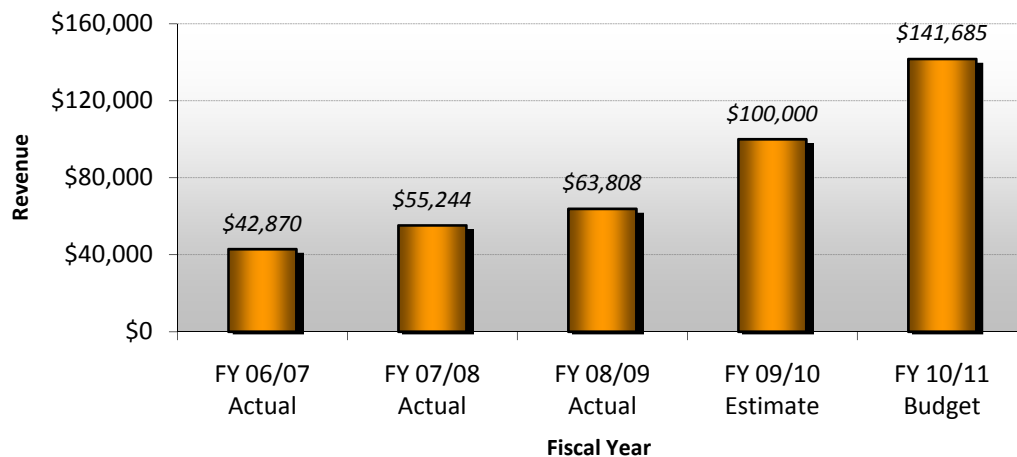
**Meter Sales**



### 4. Rental Income

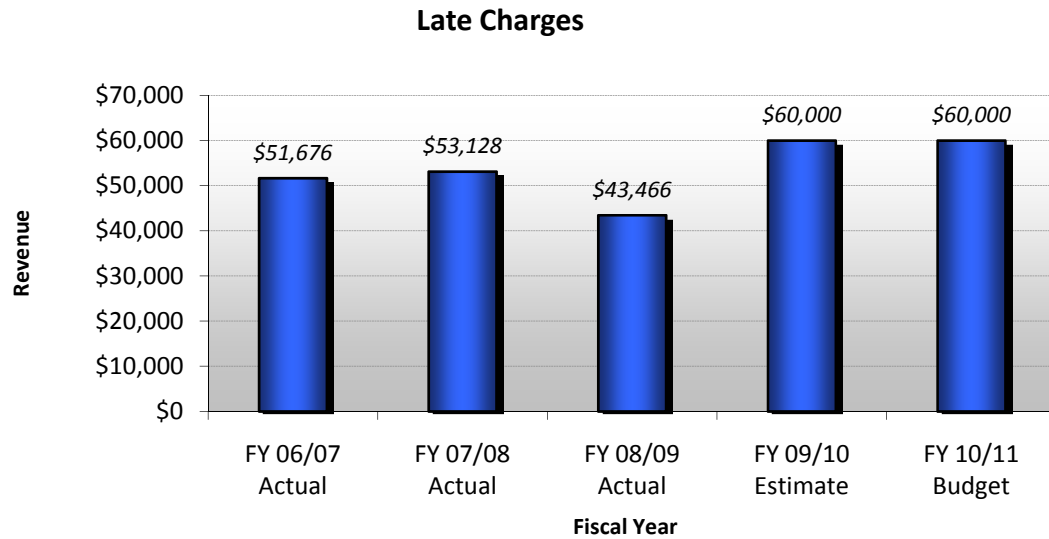
The FY 10/11 budget of \$141,685 is 121% higher than the FY 09/10 budget and 41% higher than the estimated actual for the same period. The rental income is fees paid annually by wireless service providers for antenna placed on Village property. The increase is due to additional agreements.

**Rental Income**



##### 5. Late Charges

The FY 10/11 budget of \$60,000 is equal to the budget and estimated actual for FY 09/10. The fees are assessed when utility bill payments are received after the due date.





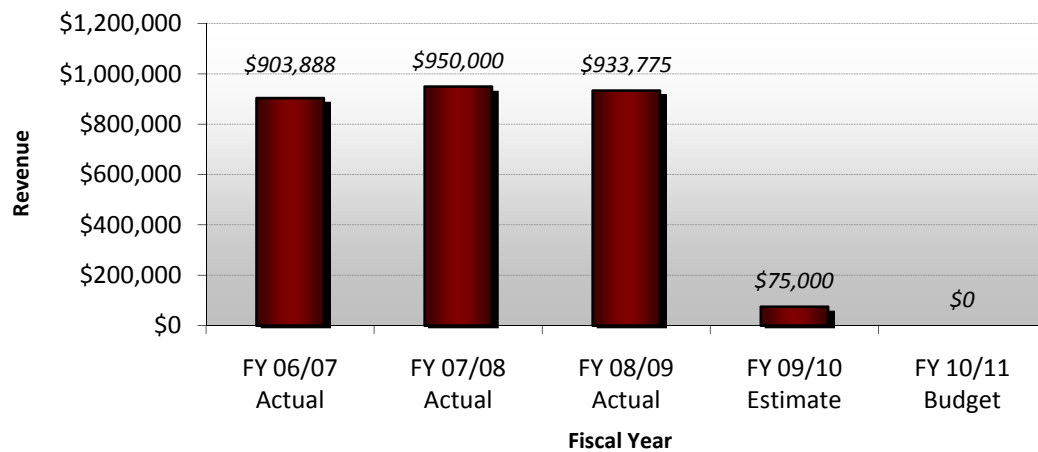
## Water and Sewer Improvement and Construction Fund

### 1. Connection Fees

Water Tapping Fees for homes connecting to the Village's water mains are assessed fees based on the number of bedrooms in the dwelling unit. The FY 10/11 budget is \$-0- in the Water & Sewer Improvement and Construction Fund this year as there are no plans for new home construction at this time. The FY 09/10 budget is \$350,000 and the estimated actual is \$40,000. The reduction is due to the lack of commercial permits and reflects the lack of building activity expected in residential subdivisions.

Sewer Tapping Fees for homes connecting to the Village's sewer mains are assessed fees based on the number of bedrooms in the dwelling unit. The FY 10/11 budget is \$-0- in the Water & Sewer Improvement and Construction Fund this year as there are no plans for new home construction at this time. The FY 09/10 budget is \$300,000 and the estimated actual is \$25,000. The reduction is due to the lack of commercial permits and reflects the lack of building activity expected in residential subdivisions.

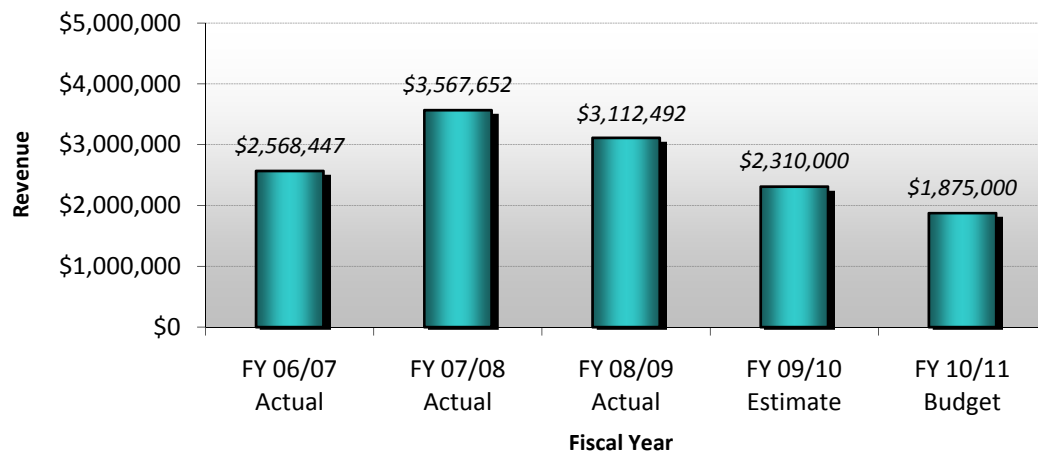
**Connection Fees**



## 2. Home Rule Sales Tax

The Village of Algonquin is a home rule municipality. State statutes allow home rule municipalities the ability to impose an additional sales tax on all retail sale items except certain food, drugs and licensed vehicles. As of July 1, 2006, a home rule sales tax of 0.75% was implemented in the Village. For FY 10/11, a portion of these revenues will be allocated to the Water & Sewer Improvement and Construction Fund to partially finance the construction of Well 14 and related raw water line and other capital projects. The budget this year is \$1,875,000 which is 19% less than the FY 09/10 budget as the allocation to this fund is being reduced from 66.7% to 60.0% as other fund's infrastructure projects are being emphasized. Estimated actual for FY 09/10 is \$2,310,000.

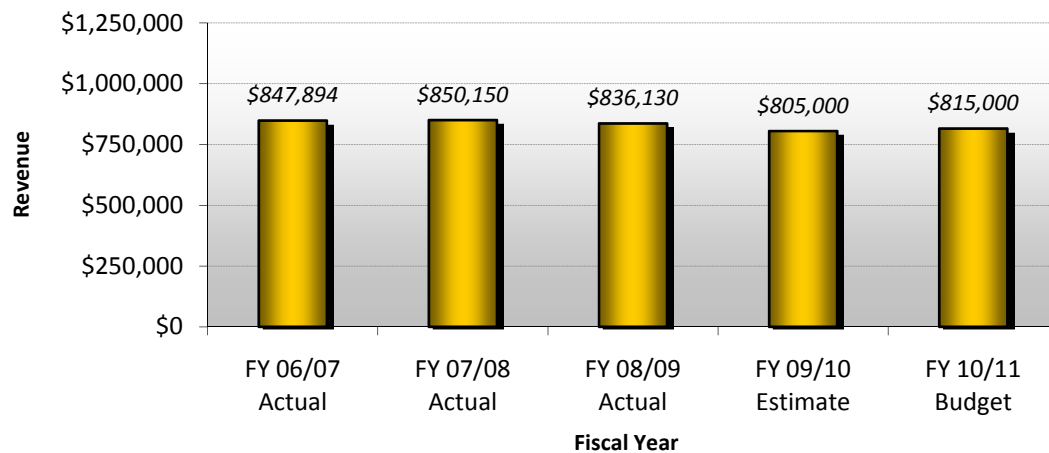
**Home Rule Sales Tax**



## Motor Fuel Tax Fund

This is a state shared revenue source that is based on state taxes collected on gasoline and diesel fuels. The revenue is affected by the consumption of motor fuels and is sensitive to fluctuation in fuel prices when increasing prices may curtail the use of motor vehicles. The state distribution to municipalities is based on population and the funds can be used for the construction, maintenance, and extension of municipal streets as well as other authorized uses. The Village must comply with strict standards and regulations for the use of these funds. The IML monitors collections and distributions received by local governments from the Illinois Department of Transportation. The department also provides local governments with a per capita estimate of the future distributions for their planning purposes. The FY 10/11 per capita amount has been estimated at \$25.60 which is 2.7% less than the FY 09/10 budget. The Village also participates in the state's High Growth City Distribution which will result in additional funds of approximately \$34,660 and total budgeted distributions of \$815,000. This would be a decrease of 3.2% from the FY 09/10 budget and 1% more than estimated actual for FY 09/10.

**Motor Fuel Tax Fund**

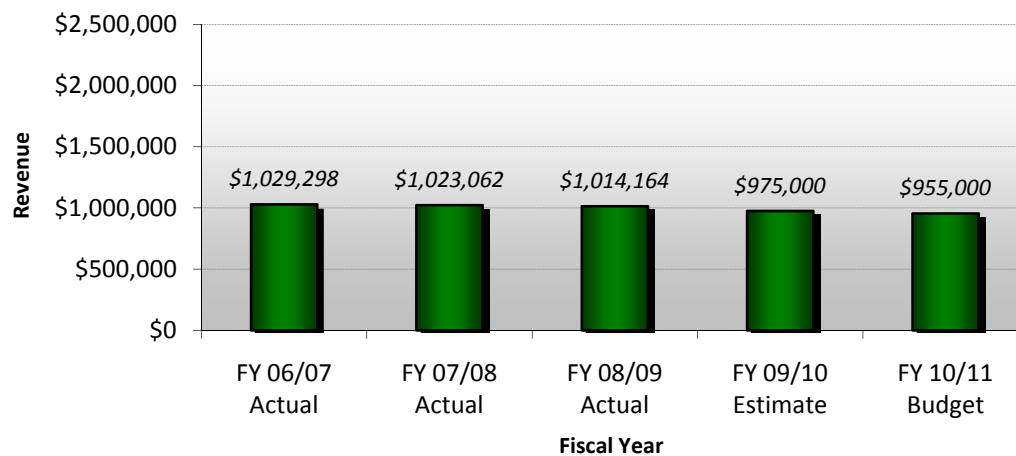


## Street Improvement Fund

### 1. Utility Tax Receipts

The FY 10/11 budget for Utility Tax is \$955,000 attributable to the 4% tax on electric kilowatt usage and a 1% use tax billed on natural gas therm usage. Since growth in the Village has slowed, changes in the Utility Tax revenues depend on energy usage by existing customers and extreme temperatures. The utility tax budget is \$955,000 and 2% less than the budget and estimated actual for FY 09/10.

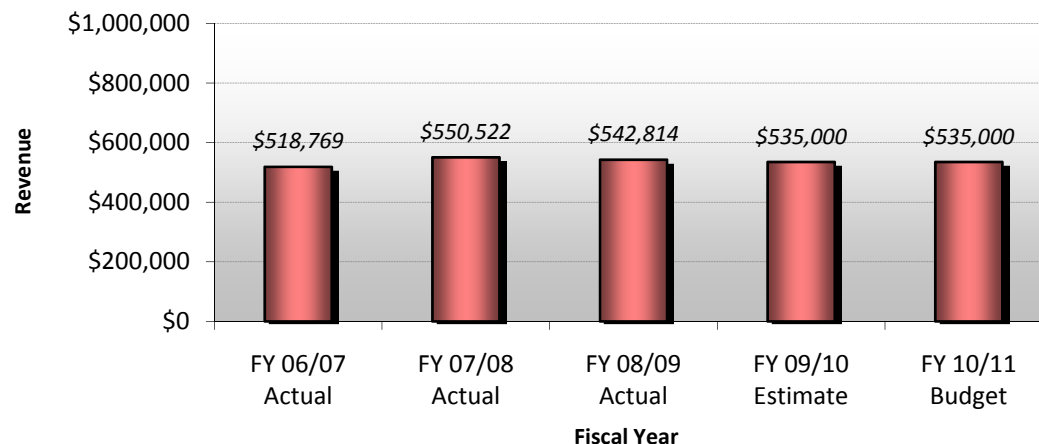
#### Utility Tax Receipts



### 2. Telecommunications Tax

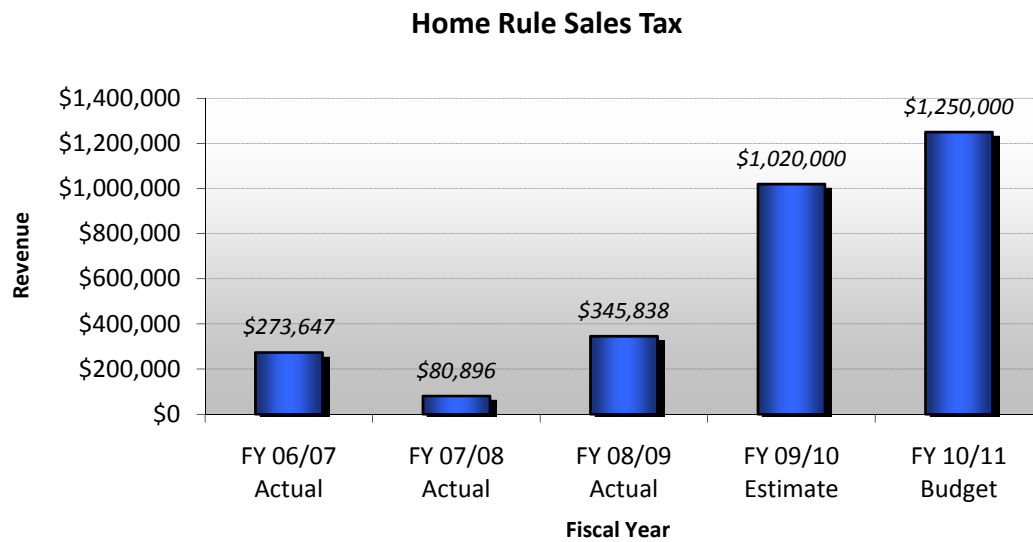
The Telecommunications Tax has been administered by the State of Illinois Department of Revenue since January 1, 2003 as part of the Simplified Municipal Telecommunications Tax. The tax is collected by the state and remitted only to the participating municipalities. The receipts have been flat or slowly increasing since FY 04/05. The FY 09/10 budget of \$535,000 is equal to the estimated actual for FY 09/10 but 7% less than the FY 09/10 budget. There is no information available for analysis at the municipal level.

#### Telecommunications Tax



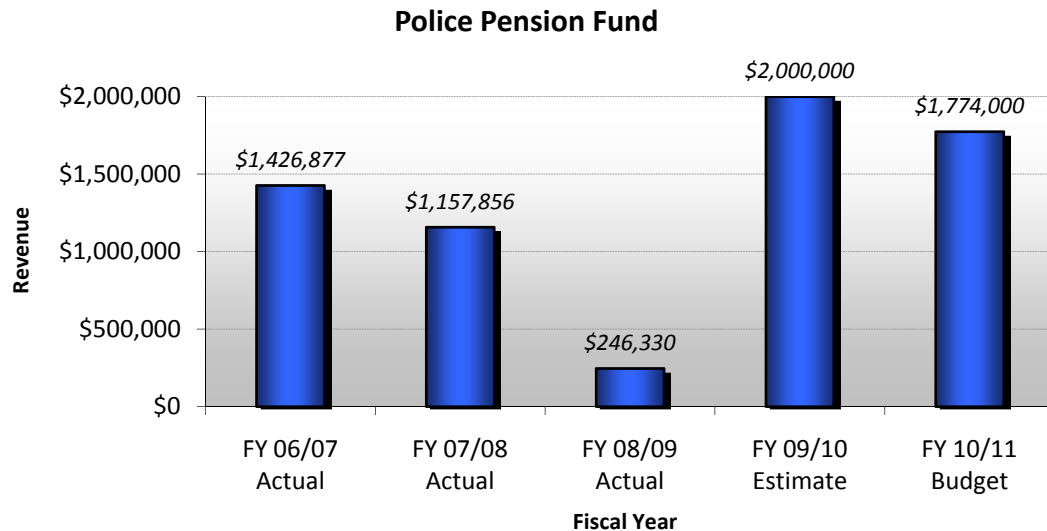
### 3. Home Rule Sales Tax

The allocation of Home Rule Sales Tax to this fund for the FY 10/11 budget is 40% of receipts or \$1,250,000. The allocation in FY 09/10 was 33.3% and 10% in FY 07/08. The FY 10/11 total fund revenues of \$2,758,000 are 1% higher than FY 09/10.



## Police Pension Fund

The major revenues in this fund fall into three categories: Employer Contributions, Investment Income, and Employee Contributions. The employer contribution of \$917,000 is determined by an independent actuarial study which is conducted annually. This amount is the basis of the tax levy which becomes the employer contribution to the Pension Fund. The FY 10/11 budget is 19% higher than the FY 09/10 budget and estimated actual. The negative return on investments in FY 08/09 contributed to the Employer Contribution increase. Investment income of \$462,000 is estimated by an analysis of existing investments and the current market conditions which influence the expected return on investment. The budget is 68% higher than the FY 10/11 budget due to improved market conditions and expectations by economists. The final major revenue of \$395,000 is contributions from officer salaries at 9.91% which is set by state statute. The FY 10/11 budget is 1.2% higher than the FY 09/10 budget. The general increases in police salaries are offset by one open position that will not be filled during this fiscal year. The total FY 10/11 revenue budget of \$1,774,000 is an increase of 24% from the FY 09/10 budget but 14% less than estimated actual attributable to improved market conditions in the financial industry.

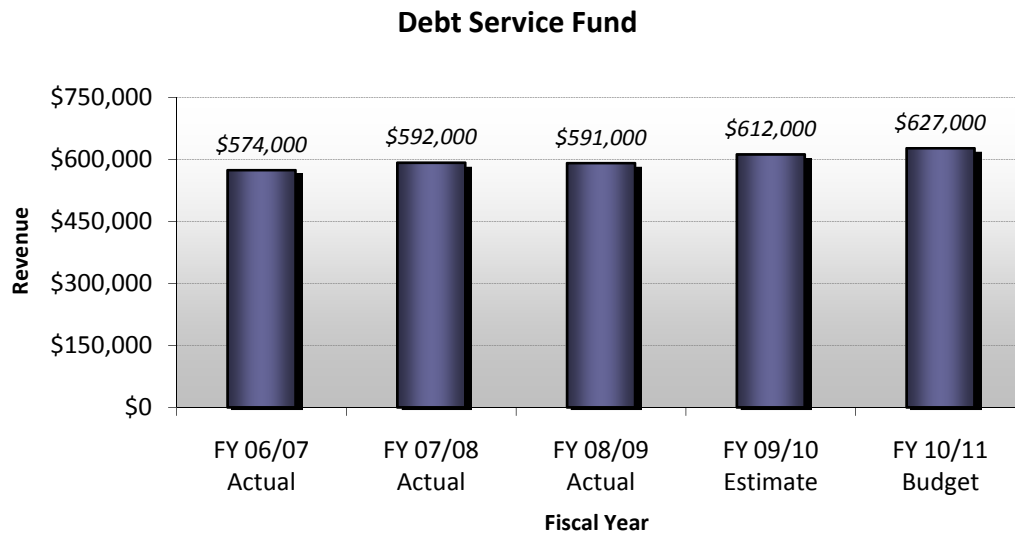




## Debt Service Fund

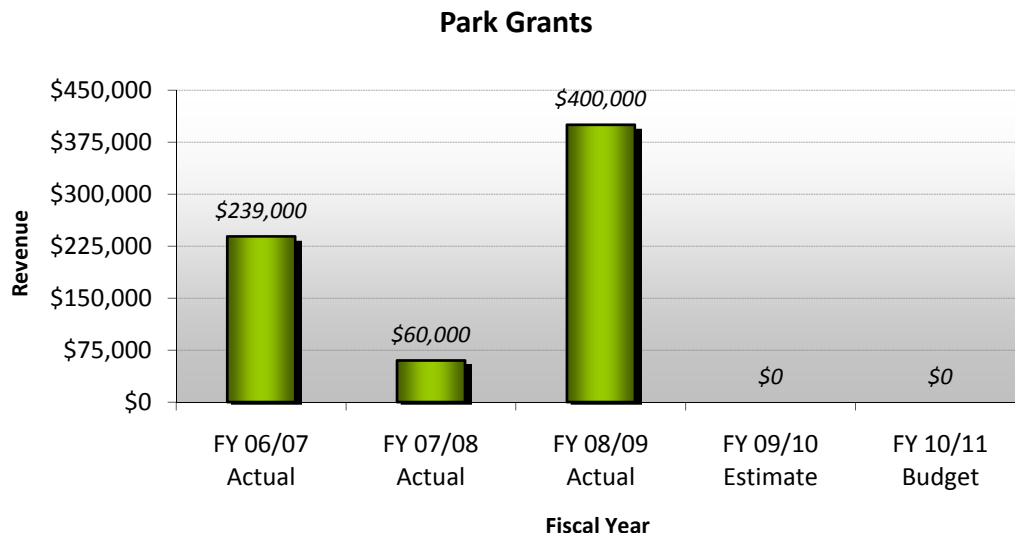
The Village has one debt service fund which is used for the retirement of debt issued for construction of buildings in the general fund. Inter-fund transfers provide funding for all expenditures in the Debt Service Fund. The budgeted debt service transfer from the General Fund in FY 10/11 is \$627,000 which is 2.5% higher than the FY 09/10 budget and estimated actual.

Interest income is budgeted at \$125,000 which is 7.5% less than last years' budget reflecting current Fed Fund rates which unfavorably impact our investment income. Debt service payments for water /sewer bond issues are now reported in the Water & Sewer Operating Fund.



## Park Grants

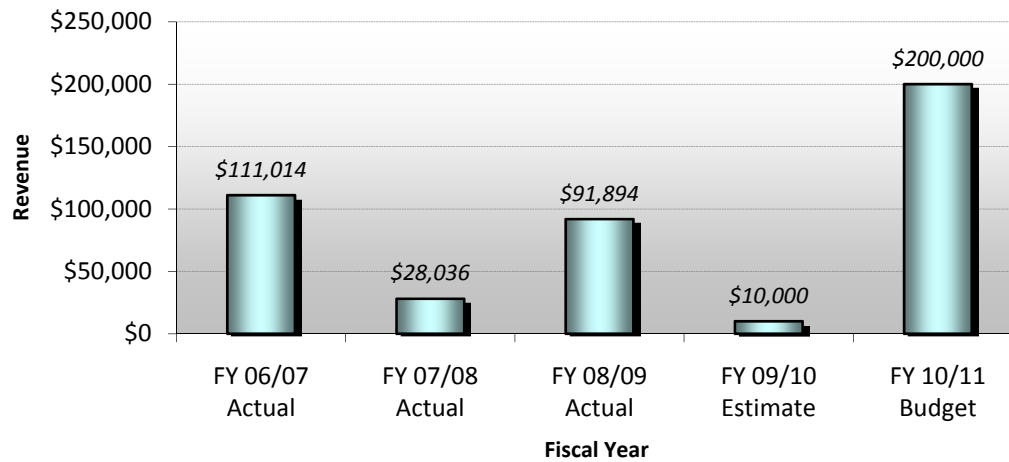
There are no grants presently budgeted in this fund. The \$400,000 grant associated with Spella Park construction has been received and represents the actual for FY 08/09.



## School Donation Impact Fees

School Donation Impact Fees are collected by the Village according to our ordinances and paid to the school districts upon request. The FY 10/11 budget of \$200,000. The estimated actual for FY 09/10 is \$10,000 reflecting the lack of residential housing permits,

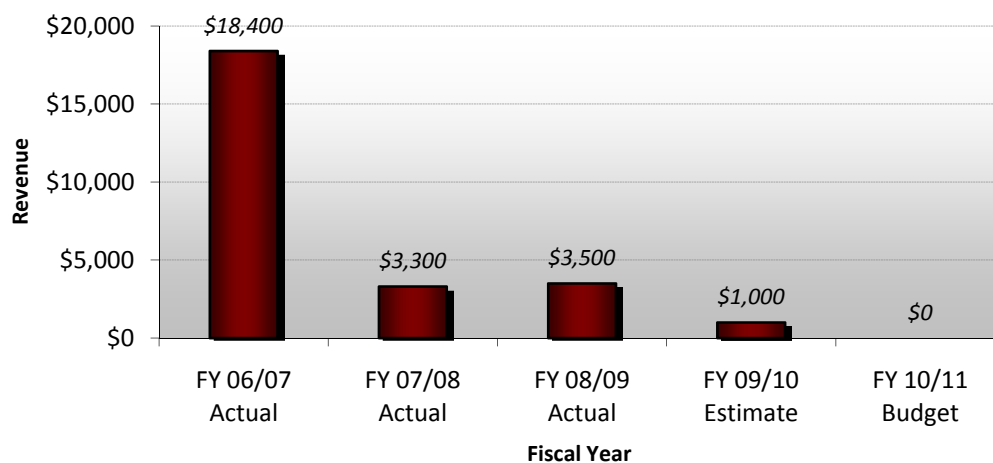
### School Donation Impact Fees



## Municipal Facility Fee

There is no construction planned that will generate fees in this fund during FY 10/11. Estimated actual for FY 09/10 is \$1,000 reflecting fewer permits for new homes.

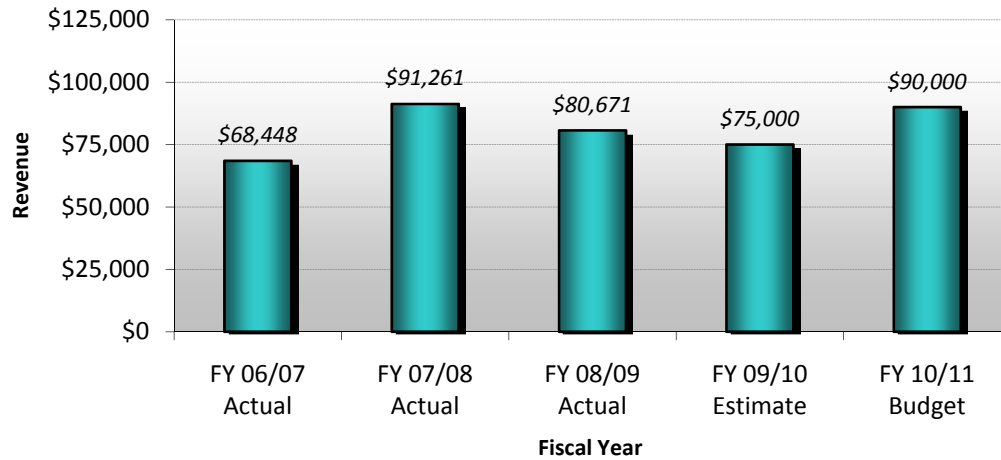
### Municipal Facility Fees



## Hotel Tax Fund

The hotel tax is 5% of hotel room billings and the FY 10/11 budget is \$90,000 which is equal to the FY 09/10 budget. These revenue receipts have been continuing at a flat level in spite of general economic conditions.

### Hotel Tax Receipts



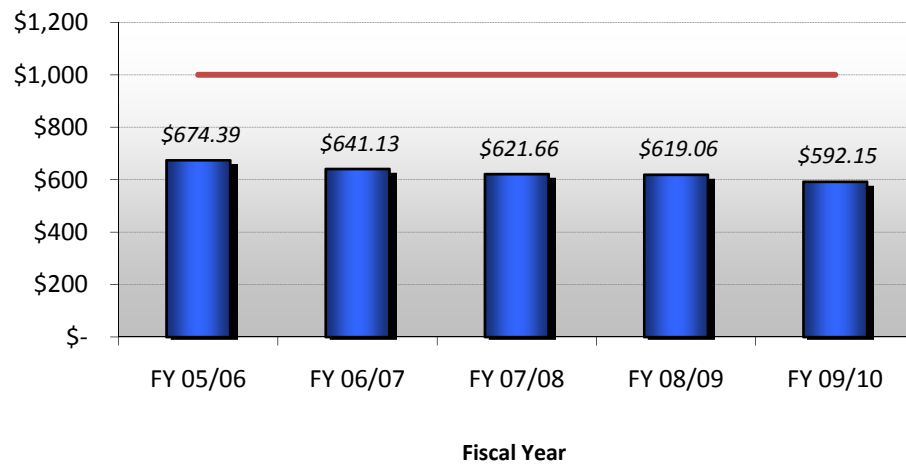
## Debt Management Trends

The following information displays the financial limit ratios set forth by the Village in its debt management policy adopted in 2009. The charts below display a five year history of debt management trends and aid Village staff in future capital financing and validating compliance with the financial limit ratios set forth by the Village. This information is continually tracked to monitor the Village's debt service and position.

### General Obligation Debt per Resident

The graph below illustrates General Obligation (G.O.) debt per Village resident. This graph does not include debt of overlapping jurisdictions (school districts, fire protection districts, library districts, etc.). In FY 04/05, the Village issued debt for the expansion of its Wastewater Treatment Facility. The decreasing trend in debt per resident shown below is expected to continue as the Village pays down existing debt. However, the Village is planning to refinance bond issues this fiscal year to take advantage of current lower interest rates.

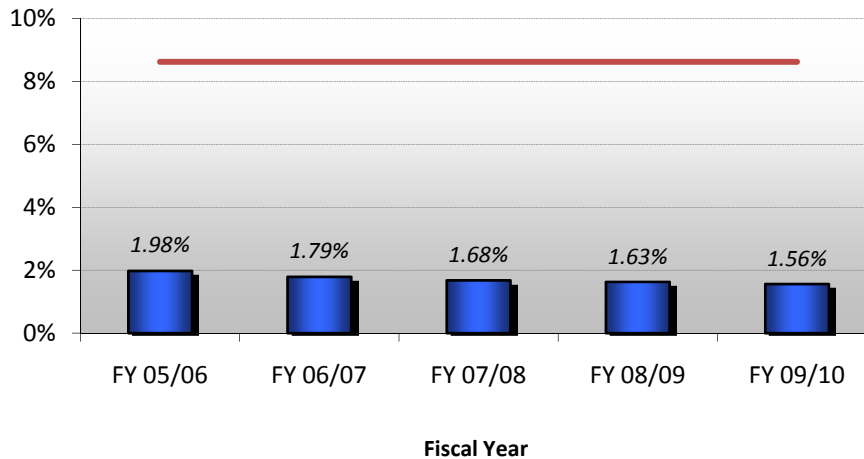
**G.O. Debt per Resident**



### Ratio of General Obligation Debt to EAV

This graph illustrates the ratio of G.O. debt to the Village's equalized assessed value (EAV). As a home rule community, the Village has adopted a threshold set forth by State Statutes for non-home rule municipalities' limitation of the amount of debt that may be legally incurred. The limitation set by Statute is 8.625% of the most recent EAV of the real estate in the Village's boundaries. The ratio of G.O. Debt to EAV is well below this threshold and has decreased every year since FY 05/06. During this time, the Village's G.O. Debt has decreased, while EAV has grown to \$1.16 billion.

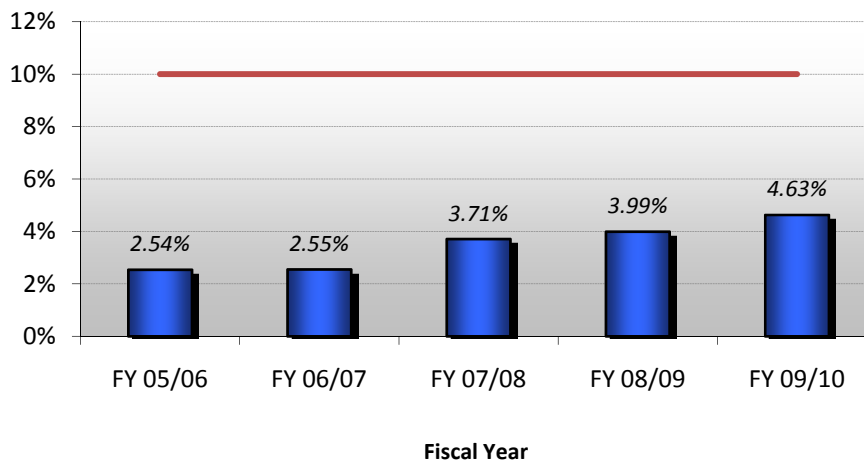
**Ratio of G.O. Debt to EAV**



### Ratio of General Obligation Debt Expenditures to Total Budget Expenditures

The ratio of G.O. Debt expenditures to total budget expenditures monitors what portion of the Village's operating budget is dedicated to debt service. The increasing trend shown below is expected to continue until FY 14/15 when Bond Series 2002A will be retired. This trend has been exaggerated during the most recent fiscal years as revenues and expenditures have generally been flat. Despite this trend, the Village is well within its self-imposed 10 percent limit.

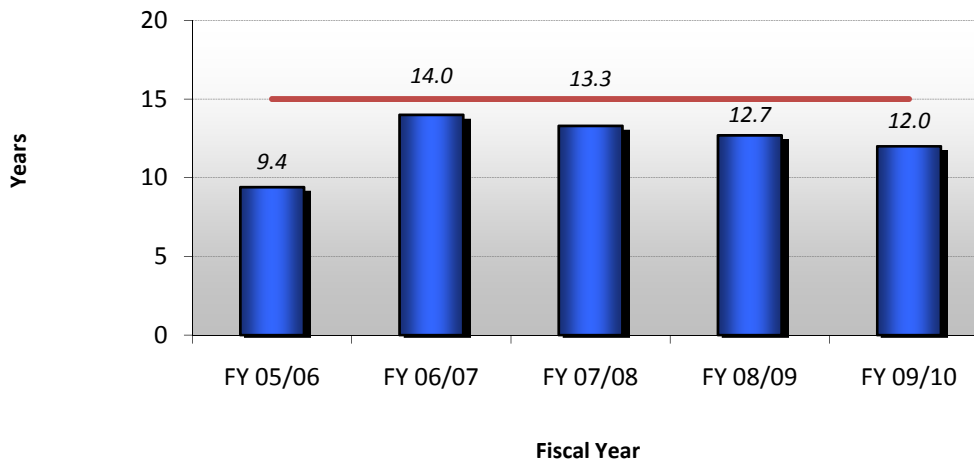
**Ratio of G.O. Debt Expenditures to Total Budget Expenditures**



## Weighted Average Maturity of General Obligation Debt

When practical, the Village utilizes an even annual debt service pattern in its capital financing. During high growth periods of the late 1990s and early 2000s, the Village issued debt to construct facilities to serve the growing population. As such, this measure peaked in FY 06/07 and continues to decrease as the Village pays down existing debt. This trend is expected to continue in the near future, creating a larger margin between the weighted average maturity of G.O. debt and the 15-year limit set by the Village.

### Weighted Average Maturity of G.O. Debt



## Revenue Debt Coverage

The Village of Algonquin does not have any revenue debt outstanding.





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# Village of Algonquin

## Financial Policies

The Village of Algonquin has a tradition of sound municipal financial management. The Annual Budget includes a set of policies to be followed in managing the financial and budgetary affairs of the Village. These policies will allow the Village to maintain its strong financial condition, as well as quality services now and in the future.

### Budget Policies

#### 1. Budget System

The Village of Algonquin adopted the budget system for spending limits via Ordinance 92-O-82 pursuant to 65 ILCS 5/8-2.9.1 through 5/8-2-9.9 as authority. The budget system provides for the following:

By a vote of two-thirds of the corporate authorities then holding office, a budget officer may be appointed in every city or village. The budget officer shall be designated by the president with the approval of the corporate authorities. The designated budget officer in the Village of Algonquin is the Village Manager.

Among other duties, the budget officer has the responsibility to complete an annual budget which the corporate authorities must adopt before the beginning of the fiscal year to which it applies. The budget must include estimates of revenues available to the municipality for the fiscal year together with recommended expenditures for the municipality and all of the departments, commissions and boards.

The budget system has two significant improvements over the appropriation system which is another method of setting spending limits for the municipality. First, revision of the annual budget is permitted by a vote of two-thirds of the members of the corporate authorities then holding office. The budget may be revised by deleting, adding to, changing or creating sub-classes within object clauses and object clauses themselves. No revision of the budget shall be made increasing the budget in the event funds are not available to effectuate the purpose of the revision.

Second, the budget system authorizes the accumulation of funds over a period of years to be used to construct capital improvements along with a fund for contingency purposes.

#### 2. Reserve Policy

The Village will maintain an operating cash reserve of at least 25% with a future goal of 50% of the total General Corporate Fund annual budgeted expenditures. The reserve shall be the minimum cash and cash equivalent unencumbered monies created and maintained to provide the capacity to:

- a. offset unexpected downturns or revision in any general corporate fund revenue.
- b. provide a sufficient cash flow for daily financial needs at all times.
- c. offset unexpected increases in general corporate fund expenditures.

The Village will maintain a Vehicle Replacement Cash Reserve with the funds designated for replacement of vehicles (with the exception of police squad cars) in the General Fund. The intention

is to smooth the impact of high cost vehicle purchases with annual monies set aside to provide funds for replacement of vehicles as follows:

- a. The vehicle replacement schedule with values will be determined by the Internal Services Superintendent.
- b. The funding source will not increase tax rates or debt burden.
- c. The funding will come from unencumbered cash surpluses that exceed the requirements for a 25% operating cash reserve.
- d. Funds for purchases will come from the Vehicle Replacement Cash Reserve.

**Comment:** The FY 10/11 Vehicle Replacement budget is \$0 due to the recessionary economy.

The Village will maintain a Water and Sewer Operating Fund cash reserve of at least 25% of the total Water and Sewer Operating Fund annual budgeted expenditures less debt service.

The Village will maintain a Village Construction Fund operating cash reserve for the construction of Village facilities other than water/sewer-related structures. Funding is provided from a Municipal Facility Fee on new home permits as well as transfers from the General Fund that will not impair the cash reserve policy of the General Corporate Fund. The cash reserve is expected to assist the pay-as-you go policy as referenced in Section 12 (Debt Administration).

If fund balances are used to support one-time capital and one-time non-operating expenditures, the funds must be specifically budgeted by the Village Board.

### 3. Contingencies

The annual budget may contain funds set aside for contingency purposes not to exceed 10% of the total budget without the amount set aside for contingency purposes. The budget officer shall have authority to make changes to the budget using the contingency budget.

**Comment:** The FY 10/11 expenditure budget contains a \$0 working capital contingency due to the economic difficulties in the local area as well that of the State of Illinois. The economy in Illinois deteriorated in FY 09/10 as reflected in a reduction of 16% in the per capita allocation of state income tax. Further, the State continues to manage its cash flow difficulties by delaying payment of the income tax allocations to municipalities.

### 4. Cash Basis of Accounting

Budgets are prepared on the cash basis of accounting with only transactions involving the source and use of cash being budgeted. Non-cash transactions such as depreciation and revenue accruals are not recognized in the budget. Refer to the Basis of Accounting (Section 10) for further explanation of this basis of accounting.

### 5. Balanced Budget

A balanced budget exists when revenues are equal to or in excess of expenditures for operating expenses and/or a cash reserve exists to offset large capital expenses.

### 6. Revenue Policies

The Village endeavors to maintain a diversified and stable revenue base to shelter it from short-term fluctuations in any one revenue source. The revenue mix combines elastic and inelastic revenue sources to minimize the effect of an economic downturn.

- a. Through the Village's economic development program, the Village will strive to strengthen its revenue base.
- b. Each existing and potential revenue source will be reexamined annually.
- c. The Village will maintain a revenue monitoring system to assist in trend analysis and revenue forecasting.
- d. The Village will oppose State and/or Federal legislation that will mandate costs to units of local government without providing a new or increasing an existing revenue source to pay those costs.
- e. The Village follows a "cost of service" approach which results in user fees, rates and customer charges being sufficient to cover the cost of providing the service. Each year the Village will establish user fees, rates and charges at a level related to the cost of providing the service and to adjust for the effects of inflation.
- f. The Village will set fees and user charges for each enterprise fund, such as Water and Sewer, at a level that fully supports the total direct and indirect cost of the activity.
- g. The Village will not use one-time revenue for continuing expenses. All new and continuing expenses will be based on known and conservatively projected revenue sources. The identification of new, but one-time revenue opportunities (i.e. state and federal grants) will be used to fund one-time expenses such as capital equipment, purchases and small capital projects not involving on-going operating expenses.

#### **7. Expenditure Policies**

- a. The Village will maintain a level of expenditures which will provide for the public well-being and safety of the residents of the community.
- b. Expenditures will be within the confines of generated revenue and/or cash reserves.
- c. The Village will maintain expenditure categories according to state statute and administrative regulation.
- d. Services will parallel and adjust to the Village's inelastic revenue sources in order to maintain the highest level of service. During period of economic upturn, long term expansion of core services will be limited to the anticipated increase of those sources.
- e. Expenditure forecasts will be cognizant of the elastic and inelastic structure of revenues.
- f. Annual operating budgets should provide for adequate design, construction, maintenance and replacement of the Village's capital plant and equipment.
- g. A performance based employee compensation package consistent with sound economic policies of the Village of Algonquin is maintained to recruit and to retain qualified employees.

#### **8. Cash Management**

- a. An investment policy has been adopted by the Village Board. The investment policy provides guidelines for the prudent investment of the temporary idle cash and outlines the policies for maximizing the efficiency of the cash management system. The ultimate goal is to enhance the economic status of the Village while protecting its pooled cash.
- b. The cash management system is designed to accurately monitor and forecast expenditures and revenues, thus enabling the Village to invest funds to the fullest extent possible. The Village attempts to match funds to projected disbursements.
- c. In order to maximize interest earnings, the Village commingles the cash of all funds with the exception of the Police Pension Fund. Interest revenue derived from commingled cash is allocated to the participating funds monthly based on the relative cash balance of each fund.
- d. Criteria for selecting investments and the order of priority are:

- i. Legal - The investment program must be in conformance with federal laws, state statutes, local ordinances, and internal policies and procedures. State statutes govern the investment of public funds and provide the general framework for investment activity and fiduciary responsibilities.
- ii. Safety - The safety and risk associated with an investment refers to the potential loss of principal, interest or a combination of these amounts. The Village only invests in those investments that are considered safe.
- iii. Liquidity - This refers to the ability to "cash in" at any moment in time with a minimal chance of losing some portion of principal and interest. Liquidity is an important investment quality especially when the need for unexpected funds occur occasionally.
- iv. Yield – This is the potential dollar earnings an investment can provide, and is sometimes described as the rate of return.
- v. All monies that are due to the Village shall be collected as soon as possible. Monies that are received shall be deposited in an approved financial institution no later than the next business day after receipt by the Village.

#### **9. Accounting, Auditing and Financial Reporting Policies**

The Village will establish and maintain a high standard of accounting practices in conformance with Generally Accepted Accounting Principals (GAAP) for governmental entities as promulgated by the Governmental Accounting Standards Board (GASB). The following summarizes significant accounting policies of the Village.

- a. Reporting Entity - the Village is a municipal corporation under Illinois Compiled Statutes governed by an elected Board of Trustees and Village President.
- b. Fund Accounting - the accounts of the Village are organized on the basis of funds and account groups, each considered to be a separate set of self-balancing accounts comprising assets, liabilities, fund balance or equity, revenue, and expenditures or expenses as appropriate. Resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The funds are grouped as follows:

General Fund – The General Fund is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is divided into the following functional areas:

Village Board/Clerk/Commissions/Committees  
 General Services Administration  
 Police Department  
 Public Works Department  
 Community Development Department  
 Liability Insurance

Special Revenue Funds – The Special Revenue Funds are used to account for the accumulation of revenues that are legally restricted to expenditures for specific purposes. The special revenue funds include 1) Motor Fuel Tax Fund – accounts for motor fuel tax revenues and expenditures for the maintenance and construction of street related purposes/programs and capital projects authorized by the Illinois Department of Transportation. Financing is provided from the Village's share of State motor fuel taxes. 2) Special Revenue Fund - Community Development Block Grant Fund - accounts for the use of State grant monies earmarked for special projects, 3) Swimming

Pool Fund – accounts for the operations of the municipal swimming pool with funding from seasonal passes and daily fees, 4) Park Fund – to account for the acquisition and development of new park sites financed by state grants and developer contributions, 5) Cul de Sac Fund – to account for the maintenance of cul-de-sacs within the Village with funding provided by developer impact fees, 6) Hotel/Motel Tax Fund – to account for development/construction costs for building and enhancing “tourism related” facilities with funding provided by hotel/motel taxes, 7) School Donation Fund – to account for revenue from developer impact fees that the Village transfers to local school districts, 8) Street Improvement Fund – to account for infrastructure maintenance and improvements with funding provided by home rule sales tax, utility taxes and the telecommunications tax, and 9) Cemetery Fund – to account for the operations of the Village owned cemetery with funding from fees, donations, and Cemetery Trust cash and transfers from the General Fund.

Debt Service Funds – Debt Service accounts for the accumulation of resources for the payment of general obligation/alternate bond debt service and related costs. The Water/Sewer Bond & Interest Fund, Bond Reserve Fund, and Bond Depreciation Fund were collapsed into the Water/Sewer Operating Fund in FY 08/09. Debt service for Series 2005A is accounted for in the Water/Sewer Improvement and Construction Fund while debt service and related costs for other Village properties are accounted for in a separate Debt Service Fund.

Capital Project Funds – Village expansion projects are accounted for in the Village Construction Fund and are financed by cash reserves, debt issuance, the allocation of the home rule sales tax and/or development fees. Village expansion projects in the enterprise fund are accounted for in the Water/Sewer Improvement and Construction Fund with funding from debt issuance, developer tapping fees, and the allocation from the home rule sales tax and donations.

Enterprise Fund – Enterprise funds account for operations that are financed and operated in a manner similar to private business enterprises, with the intent that the cost of providing goods or services to the general public on a continuing basis be financed through user charges. The Water and Sewer Operating Fund accounts for water and sewer services to the residents and businesses of the Village. The activities necessary to provide such services are accounted for in this fund and include administration, water and sewer operations, maintenance, financing, related debt service and billing and collection.

Internal Service Funds – The Vehicle Maintenance Fund accounts for the fueling, repair and maintenance of Village vehicles and equipment. The Building Maintenance Services Fund accounts for the maintenance of the buildings, equipment and fixtures (plumbing, heating, etc.). Activities necessary to provide such services include, but are not limited to, administration, operations, maintenance, financing, and related billing and collection.

Fiduciary Funds – Trust Funds are used to account for assets held by the Village in a trustee capacity. The Police Pension Fund is a pension trust fund that was established to account for benefits to be provided to Police Officers.

#### **10. Basis of Accounting**

Basis of accounting refers to the timing of when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. All governmental and agency funds are accounted for using the modified accrual basis of accounting. Revenues are recognized

when measurable and available and expenditures are reported when the fund liability is incurred. A sixty day availability period is used for the majority of the Village's governmental fund revenues.

The financial statements of the enterprise and pension trust funds reflect the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when the liability is incurred.

Because the budget is prepared on a cash basis while the financial statements are prepared on a modified accrual (governmental funds) and accrual (enterprise and pension trust funds) basis, certain differences between the two methods need to be explained. The most significant differences are 1) depreciation expense – the budget (cash) basis does not recognize depreciation expense and will, therefore, result in higher fund balance/retained earnings than the accrual basis when adjusting for depreciation expense; 2) purchase of capital items – the cash basis recognizes the full cost of a capital asset when it is purchased rather than depreciating it over time and will, therefore, result in a lower fund balance/retained earnings than the accrual basis when adjusting for the purchase of capital items; 3) revenue accruals – the cash basis does not recognize year end revenue accruals and will, therefore, result in a lower fund balance/retained earnings than the accrual basis when adjusting for year end revenue accruals; and 4) debt service principal payments and receipt of long-term debt proceeds – the GAAP basis of accounting used in proprietary funds does not report these transactions in operations while the opposite is true under our budgetary basis of accounting. The cash basis treatment of debt service principal payments will result in lower fund balance/retained earnings while the cash basis treatment of debt proceeds will result in higher fund balance/retained earnings.

Where possible, the reporting system will also provide monthly information on the total cost of specific services by type of expenditure and, if necessary, by Fund.

- a. An independent firm of certified public accountants will perform an annual financial and compliance audit according to Generally Accepted Auditing Standards (GAAS) and will publicly issue an opinion which will be incorporated in the Comprehensive Annual Financial Report.
- b. Annually, the Village will seek the GFOA Certificate of Achievement for Excellence in Financial Reporting Program.
- c. The Village will promote full disclosures in its annual financial statements and its bond presentations.

#### **11. Debt Administration**

As of May 1, 2010, the Village has five (5) General Obligation/Alternate Bonds outstanding with a principal total of \$17,920,204. The following objectives are used in managing debt:

- a. The Village will confine long-term borrowing to capital improvements that cannot be financed from current revenues or reserves.
- b. The Village will target long-term borrowing for construction of long-lived capital assets only, with the remainder financed on a pay-as-you-go basis.
- c. Long-term debt will not be used for operations.
- d. The Village will maintain good communications with bond rating agencies about its financial condition. The Village will follow a policy of full disclosure on every financial report and bond prospectus.



- e. Every project proposed for financing through general obligation debt should be accompanied by a full analysis of the future operating and maintenance costs associated with the project.

## **12. Outstanding Debt**

The outstanding debt is comprised of the following bond issues:

- a. The Village issued \$2,335,000 GO Refunding Bond Series 2001A (Alternate Revenue Source) dated July 1, 2001 with principal maturing April 1, 2002-2012, amounts ranging from \$40,000 to \$460,000, interest payable semi-annually each October 1st and April 1st, commencing October 1, 2001, at rates of 3.00% to 4.50%. The bonds refunded Revenue Bond Series 1993 which financed extension and improvement of the combined waterworks and sewerage system of the Village. The tax levy for debt payment is abated annually and the revenues from the Water & Sewer Operating Fund are used to fund the debt service payments. The principal balance as of May 1, 2010 is \$770,000.
- b. The Village issued \$3,090,000 GO (Alternate Revenue Source) Bond Series 2002A dated March 15, 2002 with principal maturing April 1, 2007-2015, amounts ranging from \$15,000 to \$650,000, interest payable semi-annually each October 1<sup>st</sup> and April 1<sup>st</sup> commencing October 1, 2002, at rates of 4.0% to 4.60%. These bonds and Series 2002B were issued to finance the construction and equipping of a new Public Works Facility. The tax levy for debt payment is abated annually using sales tax revenues from the General Fund to fund the debt service payments. The principal balance as of May 1, 2010 is \$2,845,000.
- c. The Village issued \$1,708,794 GO (Capital Appreciation Alternate Revenue Source) Bond Series 2002B dated March 19, 2002 with compound accreted value amounts payable April 1, 2016-2021, amounts ranging from \$560,000 to \$700,000, and approximate yield at par of 5.10% to 5.40%. The total of the accreted value payments at maturity will equal \$3,985,000. These bonds and Series 2002A were issued to finance the construction and equipping of a new Public Works Facility. Bond Series 2005B refunded this Bond Series and redemption will occur on April 1, 2012. The principal balance as of May 1, 2010 is \$2,455,204. Funds for the call are escrowed.
- d. The Village issued \$9,000,000 GO Sewer Bond Series 2005A dated December 15, 2005 with principal maturing April 1, 2006-2021, amounts ranging from \$25,000 to \$875,000, interest payable semi-annually each October 1<sup>st</sup> and April 1<sup>st</sup>, commencing October 1<sup>st</sup>, 2006, at rates of 3.5% to 4.15%. The bonds were issued to partially finance Phase 6 of the expansion of the Village's sewerage treatment plant. The tax levy for debt payment is abated annually using revenues from home rule sales tax to fund the debt service. The principal balance as of May 1, 2010 is \$8,915,000.
- e. The Village issued \$2,935,000 GO Refunding Bond Series 2005B dated January 1, 2006 with principal maturing April 1, 2016-2020, amounts ranging from \$535,000 to \$650,000, interest payable semi-annually each October 1<sup>st</sup> and April 1<sup>st</sup>, commencing April 1, 2006, at rates of 3.875% to 3.95%. The bonds were issued to refund the Village's GO (Capital Appreciation Alternate Revenue Source) Bond Series 2002B and pay the costs of issuing the 2005B Bonds. The proceeds from the issue paid issuance costs and the balance was escrowed. The initial interest has been paid from escrow fund investment income. In 2012, Series 2002B will be called and the Village will make the remaining payments. The tax levy for debt payment is planned to be abated annually using sales tax revenues from the General Fund. The principal balance as of May 1, 2010 is \$2,935,000.



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# Village of Algonquin

## Debt Management Policy

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### **I. PURPOSE**

The Village of Algonquin's Debt Management Policy is designed to be a management tool for debt issuance and capital infrastructure planning. The long term financial planning approach of this policy is consistent with the Village's mission statement as to providing for the needs of today and preparing for the demands of tomorrow.

The Debt Management Policy formally establishes parameters for issuing and managing debt while encompassing the Village's Capital Improvement Plan (CIP). The goals of this policy are to promote prudent financial management; preserve and enhance the Village's credit rating; ensure compliance with the CIP; maintain capital assets and plan for future needs; ensure compliance with federal and state statutes; and promote coordination and cooperation among public and private entities.

### **II. DEBT LIMITATIONS**

#### **A. Legal Authority**

- i. The provisions set forth in this policy shall be consistent with the Bond Authorization Act (30 ILCS 305/0.01, et. seq.) of the State of Illinois.
- ii. The Village of Algonquin is a Home Rule municipality; therefore the debt limitations of bond laws are not applicable.

#### **B. Types of Debt**

- i. Long-Term Debt
  1. Long-term debt may be used when final maturities of bond are no less than thirteen (13) months and no greater than twenty (20) levy years.
  2. The Village may issue such debt which may include, but not limited to general obligation (GO) bonds, revenue bonds, tax increment bonds, alternate revenue bonds, special assessment bonds, debt certificates, and leasing in lieu of a debt issue.
  3. The Village may issue long-term debt when appropriate assessment of the need and priority of the capital improvement project has been performed; current resources are insufficient to finance the project; and when debt issuance is the optimal structure given the Village's outlook pertaining to the long range financial plan.
  4. Long-term debt shall not be used for operating costs or routine maintenance.
  5. Long-term debt shall be structured as to not exceed the expected useful life of the projects financed or twenty (20) years, whichever comes first.
- ii. Short-Term Debt
  1. Short-term debt may be used when maturities of bond are less than thirteen (13) months.
  2. The Village may issue such debt which may include, but not limited to bond anticipation notes (BANs), tax anticipation notes (TANs), revenue anticipation notes (RANs), grant anticipation notes (GANs), tax and revenue anticipation notes (TRANs), and tax-exempt commercial paper (TECP).
  3. The Village may issue short-term debt to provide interim financing which will be refunded with the proceeds of long-term obligations or to provide for

the temporary funding of operational cash flow deficits or anticipated revenues.

4. Lines of Credit should only be considered as an alternative to other short-term borrowing options. The lines of credit shall be structured to limit concerns as to the Internal Revenue Code.

iii. Variable Rate Debt

1. The Village may choose to issue bonds that pay a rate of interest that varies depending on market conditions, consistent with state laws and covenants of pre-existing bonds. Such market conditions include, but are not limited to:
  - a. High Interest Rate Environment
    - i. Current interest rates are above historic average trends.
  - b. Variable Revenue Stream
    - i. The revenue stream for repayment is variable, and is anticipated to move in the same direction as market-generated variable interest rates, or the dedication or revenues allows capacity for variability.
2. The Village shall have financing structure and budgetary safeguards in place to prevent adverse impacts from interest rate shifts. Such structures may include, but are not limited to, interest rate swaps, interest rate caps, and the matching of assets and liabilities.
3. The Village shall have no more than fifteen (15) percent of its outstanding general obligation debt in variable term debt.

**C. Capital Improvement Plan**

- i. The Capital Improvement Plan, prepared under the direction of the Village Manager, and reviewed by the Village Board, shall determine the Village's capital needs. The program shall be a multi-year plan for the acquisition, development, and/or improvement of the Village's infrastructure. Projects included in the CIP shall be prioritized; and the means for financing each shall be identified. The first year of the plan shall be the Capital Budget. If the current resources are insufficient to meet the needs identified in the Capital Budget, the Village Board may consider incurring debt to fund the shortfall. The Village Board, upon advice from the Village's financial advisor, may also consider funding multiple years of the CIP by incurring debt. The CIP should be revised and supplemented each year in keeping with the Village's policies on debt management.

**D. Financial Limit Ratios**

i. Direct Debt

1. The Village's General Obligation Bonded Debt to population ratio shall not exceed \$1,000 per capita, which shall be reviewed annually to ensure compliance.
2. The Village's General Obligation Bonded Debt to Equalized Assessed Value (EAV) ratio shall not exceed the threshold set forth by the Illinois State Statutes for non-home rule municipalities at 8.625%.
3. The Village's General Obligation Bonded Debt to Total Budget Expenditures ratio shall not exceed ten (10) percent.
4. The weighted average maturity of General Obligation Bonded debt shall not exceed fifteen years.

ii. Revenue Debt

1. The Village shall maintain one and one-quarter times coverage for all indebtedness of the Water and Sewer Fund.

### **III. DERIVATIVES**

#### **A. Use**

- i. The Village may choose to use derivative products including, but not limited to, interest rate swaps, options on swaps, and other hedging mechanisms.
- ii. Use of derivative products shall only be used to increase the Village's financial flexibility, provide opportunities for interest rate savings, alter pattern of debt service payments, create variable rate exposure, change variable rate payments to fixed rate, and otherwise limit or hedge variable rate payments.
- iii. The use of derivative products shall only be considered upon the advice of the Village's Financial Advisor.

#### **B. Policy**

- i. Derivative products shall not be used for speculation, but only to manage risks associated with the Village's assets or liabilities.
- ii. Use of derivative products shall be consistent with the Village's financial policies that reflect the current risk tolerances and management capabilities of the Village.

### **IV. DEBT STRUCTURING**

#### **A. Maximum Term**

- i. The maximum term of any debt issuance shall not exceed the useful life of the asset the debt is financing.

#### **B. Debt Service Pattern**

- i. Increasing Principal Debt Service
  1. When prudent and feasible, General Obligation Bonds should have an increasing principal debt service structure to realize the additional financial capacity of the Village during periods of robust growth.
- ii. Even Annual Debt Service
  1. When prudent and feasible, General Obligation Bonds should have a level debt service structure to simplify the budgeting process in future years.
- iii. Even Annual Principal Debt Service
  1. When prudent and feasible, the Village should structure debt service to obtain lower interest payments over life of debt.

#### **C. Call Provisions**

- i. Village securities may contain a call feature, which shall be no later than ten years from the date of delivery of the bonds.
- ii. The Village shall avoid the sale of non-callable bonds absent careful evaluation by the Village of the value of the call option.
- iii. The Village shall minimize call premiums to a level not to exceed three percent.

#### **D. Credit Enhancements**

- i. Bond Insurance
  1. The Village may purchase Bond Insurance when such is determined to be prudent and feasible, based upon the determination of the Village's Financial Advisor.
  2. The feasibility of Bond Insurance is less likely as long as the Village maintains a bond rating of AA or higher.
  3. The said provider shall be the bidder with the most cost-effective bid consistent with the Village's specifications.
- ii. Letters of Credit
  1. The Village may purchase Letters of Credit when such is determined to be prudent and feasible, based upon the determination of the Village's Financial Advisor.

2. Only financial institutions with long-term ratings greater than or equal to the Village's, and short-term ratings of "strong credit quality" as indicated by a rating of A-1 by Standard & Poor's or VMIG 1 by Moody's Investor Service shall be considered for providing letters of credit.

**E. Capital Leasing**

- i. Capital Leasing may be considered for equipment costing less than \$500,000.
- ii. Leasing shall not be considered when existing funds are available or could be made available for the acquisition unless the interest expense associated with the lease is less than the interest that can be earned by investing the existing funds available or unless it is warranted by prudent and feasible financial management.
- iii. Tax-exempt rates shall be obtained when leasing through a private entity.
- iv. Leases arranged with a government or other tax-exempt entity shall obtain an explicitly defined taxable rate so that the lease will not be counted in the Village's total annual borrowing subject to arbitrage rebate.
- v. Lease agreement shall permit the Village to refinance the lease at no more than reasonable cost should the Village decide to do so. A lease which can be called at will is preferable to one which can merely be accelerated.
- vi. The Village shall obtain at least three competitive proposals for any major lease financing. The net present value of competitive bids shall be compared, taking into account whether payments are in advance or in arrears, and how frequently payments are made.
- vii. The advice of the Village's Bond Counsel shall be sought in any capital leasing arrangement and when federal tax forms are prepared to ensure that all federal tax laws are obeyed.

**V. DEBT ISSUANCE**

**A. Sale Method**

- i. Competitive
  1. When economically feasible, the Village shall pursue a debt issue through a competitive sale. Village bonds shall be awarded to the bidder providing the lowest true interest cost (TIC) as long as the bid adheres to the requirements set forth in the official notice of sale (NOS).
- ii. Negotiated
  1. A negotiated sale may be pursued in such scenarios where the size of the issue may limit the number of potential bidders; a complex debt structure that requires a significant pre-marketing effort; a volatile interest rate market in which the Village would be best served with more flexibility.
- iii. Private Placement
  1. When economically feasible, the Village may privately place its debt. This method may be used for small debt issues or as recommended by the Village's Financial Advisor.

**B. Refunding**

- i. The Village may consider refunding outstanding debt when financially feasible and consistent with all applicable laws and statutes.
- ii. A net present value debt savings of at least three percent or greater must be realized unless currently callable, in which case a lower savings percentage is acceptable.

**C. Financial Advisor Selection**

- i. When deemed necessary by Village staff, the Village may retain a Financial Advisor to assist in its debt issuance and debt administration process.
- ii. The financial advisor shall not be permitted to underwrite the proposed negotiated sale of bonds, or resign in order to underwrite the said bond sale.

- iii. Unless an existing professional relationship exists, the Financial Advisor shall be selected by the use of a Request for Proposal (RFP) process to promote fairness, objectivity, and transparency.
- iv. Criteria to select a financial advisor may include, but is not limited to: overall experience, capability, fees, insurance, and access to current market information.

**D. Underwriter Selection**

- i. Competitive Sale
  - 1. The Village shall retain an outside Financial Advisor prior to undertaking competitive debt financing.
  - 2. The underwriter shall be selected based upon the lowest true interest cost (TIC) as long as the bid adheres to the requirements set forth in the official notice of sale (NOS).
- ii. Negotiated Sale
  - 1. The Village shall retain an outside Financial Advisor prior to undertaking negotiated debt financing.
  - 2. The Financial Advisor shall not be permitted to underwrite the proposed negotiated sale of bonds, or resign in order to underwrite the said bond sale.
  - 3. Unless an existing professional relationship exists, the Underwriter shall be selected by the use of a Request for Proposal (RFP) process to promote fairness, objectivity, and transparency.
  - 4. Criteria to select an Underwriter in a negotiated sale may include, but is not limited to: overall experience, capability, marketing philosophy, financial statements, underwriter's discount, and access to market information.

**E. Bond Counsel Selection**

- i. When deemed necessary by Village staff, the Village may retain a Bond Counsel to render an opinion on the validity of the bond offering, security for the offering and whether and to what extent interest on bonds is exempt from income and other taxation.
- ii. Unless an existing professional relationship exists, the Bond Counsel shall be selected by the use of a Request for Proposal (RFP) process to promote fairness, objectivity, and transparency.
- iii. Criteria to select a Bond Counsel may include, but is not limited to: overall experience, capability, and references.

**F. Ratings**

- i. The Village's debt capacity shall be maintained at a level to maintain and/or improve its rating of AA+ (S&P) as of September 2008.

**VI. DEBT ADMINISTRATION**

**A. Investment**

- i. The investment of bond proceeds shall be consistent with federal and state statutes that govern the investment of public funds.
- ii. Bond proceeds shall be invested as to minimize risk; ensure liquidity; and optimize returns.

**B. Arbitrage**

- i. The Village shall minimize the cost of arbitrage rebate and yield restriction while maintaining full compliance with the law.
- ii. The Village shall not issue debt except for projects identifiable in the CIP with likely prospects of timely initiation. Debt shall be issued as closely in time as feasible to the time any contracts are expected to be awarded so that the debt proceeds are spent quickly.
- iii. Bond Counsel may be retained to consult on any arbitrage rebate regulations.



- iv. Bond proceeds shall be spent before Village cash reserves.
- v. The Finance Director, or designee, shall be responsible for monitoring the amount of unspent debt proceeds including interest which is on hand and for ensuring that, to the extent feasible, the oldest proceeds on hand are spent first.

**C. Law Compliance**

- i. The Village and any retained counsel shall ensure compliance with the Tax Reform Act of 1986 (TRA) with respect to interest on tax-exempt securities.
- ii. The Village shall remain in compliance with Securities and Exchange Commission (SEC) Rule 15c2-12 by filing its annual financial statements and other financial and operating data for the benefit of its bondholders by October 30 each year.

**D. Market and Investor Relations**

- i. Rating Agencies and Investors
  - 1. The Village Finance Director, or designee, shall be responsible for maintaining the Village's relationship with Standard & Poor's and Moody's Investors Service.
  - 2. Communication with credit analysts from the aforementioned agencies shall be conducted at least once each fiscal year.
  - 3. Prior to any competitive or negotiated sale, the Finance Director, or designee, shall contact agency analysts with respect to the planned sale.
- ii. Village Board
  - 1. As appropriate, the Finance Director, or designee, shall forward communications from rating agencies and/or investors to the Village Manager regarding the Village's financial strengths and weaknesses, providing recommendations for addressing any weaknesses. Subsequently, information shall be communicated to the Village Board.

**E. Policy Review**

- i. The Village's Debt Management Policy shall be reviewed annually by the Village Manager and Finance Director.

# Village of Algonquin

## Revenue & General Obligation Bonds

Fiscal Year	Principal	Interest	Total
FY 10/11	\$ 955,000	\$ 630,494	\$ 1,585,494
FY 11/12	1,000,000	589,548	1,589,548
FY 12/13	1,060,000	545,916	1,605,916
FY 13/14	1,125,000	501,216	1,626,216
FY 14/15	1,200,000	453,742	1,653,742
FY 15/16	1,585,022	602,370	2,187,392
FY 16/17	1,599,715	584,521	2,184,236
FY 17/18	1,625,331	564,055	2,189,386
FY 18/19	1,706,782	550,804	2,257,586
FY 19/20	1,743,419	523,857	2,267,276
FY 20/21	1,019,935	429,015	1,448,950
FY 21/22	775,000	134,950	909,950
FY 22/23	800,000	103,562	903,562
FY 23/24	850,000	71,162	921,162
FY 24/25	875,000	36,312	911,312
<b>Total</b>	<u>\$ 17,920,204</u>	<u>\$ 6,321,524</u>	<u>\$ 24,241,728</u>

# Village of Algonquin Long-Term Debt

Legal Debt Margin	2006	2007	2008	2009	2010
Assessed Valuation - 2005	<u>\$ 947,091,750</u>				
Assessed Valuation - 2006		<u>\$ 1,038,991,569</u>			
Assessed Valuation - 2007			<u>\$ 1,115,890,792</u>		
Assessed Valuation - 2008				<u>\$ 1,155,076,386</u>	
Assessed Valuation - 2009					<u>\$ 1,157,591,396</u>
Legal Debt Limit - 8.625% of Assessed Valuation	\$ 81,686,663	\$ 89,613,023	\$ 96,245,581	\$ 99,625,338	\$ 99,842,258
Amount of Debt Applicable to General Obligation Bonds	<u>\$ 20,548,530</u>	<u>\$ 20,054,767</u>	<u>\$ 19,401,888</u>	<u>\$ 18,870,204</u>	<u>\$ 18,050,044</u>
Legal Debt Margin	<u>* \$ 61,138,133 *</u>	<u>\$ 69,558,256 *</u>	<u>\$ 76,843,693</u>	<u>\$ 80,755,134</u>	<u>\$ 81,792,214</u>

\*The 2003 Special Census established the Village as Home Rule; therefore, the Village is not subject to debt limit and the legal debt margin is no longer applicable. The information above demonstrates how the Village is currently managing existing debt.

# Village of Algonquin

## 2009-2011 Summary of Estimated Financial Sources and Use

(For Budgetary Purposes Only)

	General Fund			Special Revenue Funds		
	2009 Actual	* 2010 Budgeted	* 2011 Budgeted	2009 Actual	* 2010 Budgeted	* 2011 Budgeted
<b>Financial Sources:</b>						
Property Tax	\$ 5,583,456	\$ 5,933,000	\$ 5,951,000	\$ -	\$ -	\$ -
Sales Tax	6,502,175	6,350,000	6,085,000	-	-	-
Other Taxes	3,547,268	3,949,000	3,344,000	1,983,481	3,632,000	3,645,000
Licenses and Permits	934,656	685,000	550,000	-	-	-
Intergovernmental, Grants, Contributions	102,083	102,000	80,000	1,486,173	825,000	200,000
Charges for Services & Uses	376,154	401,300	342,400	144,263	158,050	145,650
Fines, Fees and Forfeitures	679,299	1,169,500	1,230,500	15,600	-	-
Interest	119,188	155,000	36,100	80,768	76,150	53,105
Miscellaneous	95,618	12,000	11,000	32,383	32,900	35,800
<b>Total Estimated Financial Sources</b>	<b>\$ 17,939,897</b>	<b>\$ 18,756,800</b>	<b>\$ 17,630,000</b>	<b>\$ 3,742,668</b>	<b>\$ 4,724,100</b>	<b>\$ 4,079,555</b>
<b>Expenditures:</b>						
General Government	\$ 3,915,446	\$ 4,054,260	\$ 3,395,625	\$ 244,457	\$ 893,600	\$ 480,485
Public Safety	7,516,079	8,398,140	8,332,765	-	-	-
Public Works	674,544	645,400	639,130	-	-	-
Streets Department	2,211,290	2,267,000	2,233,365	662,839	2,680,290	2,362,250
Culture and Recreation	1,469,526	1,857,500	1,577,425	83,133	95,500	110,600
Debt Service	11,718	-	-	-	-	-
Water & Sewer	-	-	-	-	-	-
Miscellaneous	-	507,440	817,510	-	-	-
Capital Outlay	901,100	263,660	-	1,404,222	3,115,000	2,993,180
<b>Total Budget:</b>	<b>\$ 16,699,703</b>	<b>\$ 17,993,400</b>	<b>\$ 16,995,820</b>	<b>\$ 2,394,651</b>	<b>\$ 6,784,390</b>	<b>\$ 5,946,515</b>
Excess of revenues or (expenditures)	1,240,194	763,400	634,180	1,348,017	(2,060,290)	(1,866,960)
Transfers In/Out	(627,376)	(763,400)	(634,180)	(5,624)	6,400	7,180
Other Financing Sources	-	-	-	-	-	-
Capital Contributions	-	-	-	-	-	-
Net Increase (Decrease) in Fund Balance	612,818	-	-	1,342,393	(2,053,890)	(1,859,780)
Fund Balance - May 1	\$ 7,739,507	\$ 8,352,325	\$ 8,352,325	\$ 4,477,660	\$ 5,820,053	\$ 3,766,163
<b>Fund Balance - April 30</b>	<b>\$ 8,352,325</b>	<b>\$ 8,352,325</b>	<b>\$ 8,352,325</b>	<b>\$ 5,820,053</b>	<b>\$ 3,766,163</b>	<b>\$ 1,906,383</b>

\* The Fund Balance was determined by using budgeted figures for 2010 and 2011

Village of Algonquin  
2009-2011 Summary of Estimated Financial Sources and Uses

(For Budgetary Purposes Only)

	Water & Sewer Funds			Non Major Funds		
	2009 Actual	* 2010 Budgeted	* 2011 Budgeted	2009 Actual	* 2010 Budgeted	* 2011 Budgeted
<b>Financial Sources:</b>						
Property Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Tax	3,112,492	2,310,000	1,875,000	-	-	-
Other Taxes	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-
Intergovernmental, Grants, Contributions	160,535	26,000	8,000	1,056,010	1,164,000	1,312,000
Charges for Services & Uses	5,483,196	6,006,260	5,916,420	1,833,970	1,765,150	1,812,250
Fines, Fees and Forfeitures	63,833	83,500	82,500	-	-	-
Interest	79,999	80,000	31,100	346,840	136,100	125,600
Miscellaneous	386,295	6,000	2,000	1,646	275,000	462,000
<b>Total Estimated Financial Sources</b>	<b>\$ 9,286,350</b>	<b>\$ 8,511,760</b>	<b>\$ 7,915,020</b>	<b>\$ 3,238,466</b>	<b>\$ 3,340,250</b>	<b>\$ 3,711,850</b>
<b>Expenditures:</b>						
General Government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public Safety	-	-	-	304,435	315,000	334,500
Public Works	-	-	-	1,835,616	1,765,150	1,812,250
Streets Department	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Debt Service	468,669	928,000	902,000	721,660	730,000	744,500
Water & Sewer	6,541,271	5,701,760	5,870,120	-	-	-
Miscellaneous	-	-	-	1,010,602	-	-
Capital Outlay	1,698,904	1,743,000	1,029,000	-	-	-
<b>Total Budget:</b>	<b>\$ 8,708,844</b>	<b>\$ 8,372,760</b>	<b>\$ 7,801,120</b>	<b>\$ 3,872,313</b>	<b>\$ 2,810,150</b>	<b>\$ 2,891,250</b>
Excess of revenues or (expenditures)	577,506	139,000	113,900	(633,847)	530,100	820,600
Transfers In/Out	-	-	-	633,000	757,000	627,000
Financing Sources	-	-	-	-	-	-
Capital Contributions	833,418	-	-	-	-	-
Net Increase (Decrease) in Fund Balance	1,410,924	139,000	113,900	(847)	1,287,100	1,447,600
Fund Balance - May 1	\$ 77,158,920	\$ 78,569,844	\$ 78,708,844	\$ 12,587,271	\$ 12,586,424	\$ 13,873,524
<b>Fund Balance - April 30</b>	<b>\$ 78,569,844</b>	<b>\$ 78,708,844</b>	<b>\$ 78,822,744</b>	<b>\$ 12,586,424</b>	<b>\$ 13,873,524</b>	<b>\$ 15,321,124</b>

\* The Fund Balance was determined by using budgeted figures for 2010 and 2011

Village of Algonquin  
2009-2011 Summary of Estimated Financial Sources and Uses

(For Budgetary Purposes Only)

	Total All Funds		
	2009	* 2010	* 2011
	Actual	Budgeted	Budgeted
<b>Financial Sources:</b>			
Property Tax	\$ 5,583,456	\$ 5,933,000	\$ 5,951,000
Sales Tax	9,614,667	8,660,000	7,960,000
Other Taxes	5,530,749	7,581,000	6,989,000
Licenses and Permits	934,656	685,000	550,000
Intergovernmental, Grants, Contributions	2,804,801	2,117,000	1,600,000
Charges for Services & Uses	7,837,583	8,330,760	8,216,720
Fines, Fees and Forfeitures	758,732	1,253,000	1,313,000
Interest	626,795	447,250	245,905
Miscellaneous	515,942	325,900	510,800
<b>Total Estimated Financial Sources</b>	<b>\$ 34,207,381</b>	<b>\$ 35,332,910</b>	<b>\$ 33,336,425</b>
<b>Expenditures:</b>			
General Government	\$ 4,159,903	\$ 4,947,860	\$ 3,876,110
Public Safety	7,820,514	8,713,140	8,667,265
Public Works	2,510,160	2,410,550	2,451,380
Streets Department	2,874,129	4,947,290	4,595,615
Culture and Recreation	1,552,659	1,953,000	1,688,025
Debt Service	1,202,047	1,658,000	1,646,500
Water & Sewer	6,541,271	5,701,760	5,870,120
Miscellaneous	1,010,602	507,440	817,510
Capital Outlay	4,004,226	5,121,660	4,022,180
<b>Total Budget:</b>	<b>\$ 31,675,511</b>	<b>\$ 35,960,700</b>	<b>\$ 33,634,705</b>
Excess of revenues or (expenditures)	2,531,870	(627,790)	(298,280)
Transfers In/Out	-	-	-
Financing Sources	-	-	-
Capital Contributions	833,418	-	-
Net Increase (Decrease) in Fund Balance	3,365,288	(627,790)	(298,280)
Fund Balance - May 1	\$ 101,963,358	\$ 105,328,646	\$ 104,700,856
<b>Fund Balance - April 30</b>	<b>\$ 105,328,646</b>	<b>\$ 104,700,856</b>	<b>\$ 104,402,576</b>

\* The Fund Balance was determined by using budgeted figures for 2010 and 2011

Village of Algonquin  
FY 10/11 Annual Budget  
Fund Balance Projections

	<b>* Projected Fund Balance at 05/01/10</b>	<b>FY 2011 Revenues</b>	<b>FY 2011 Expenditures</b>	<b>Projected Fund Balance at 04/30/11</b>
General Fund	\$ 9,482,367	\$ 17,675,000	\$ 17,675,000	\$ 9,482,367
Cemetery Fund	260,214	38,000	36,800	261,414
Motor Fuel Fund	1,129,868	817,000	1,509,250	437,618
Street Improvement Fund	2,491,796	2,758,000	3,831,180	1,418,616
Swimming Pool Fund	333	198,685	198,685	333
Park Fund	170,627	2,050	110,600	62,077
W & S Operating Fund	76,380,814	6,017,020	6,017,020	76,380,814
W & S Improvement & Construction Fund	3,507,201	1,908,000	1,794,100	3,621,101
Village Construction Fund	128,990	600	-	129,590
Special Revenue Fund	1,536,916	318,000	305,000	1,549,916
Building Services Fund	-	643,550	643,550	-
Vehicle Maint. Service Fund	88,164	1,168,700	1,168,700	88,164
Police Pension Fund	10,428,773	1,774,000	334,500	11,868,273
Debt Service Fund	4,007,108	752,000	744,500	4,014,608
<b>TOTALS</b>	<b>\$ 109,613,171</b>	<b>\$ 34,070,605</b>	<b>\$ 34,368,885</b>	<b>\$ 109,314,891</b>

\*Projected Fund Balance at 05/01/10 is estimated actual



## Personnel Summary

Please note that all budgeted positions are shown. Some positions may not have been filled during all or a portion of the fiscal year listed. More detailed summaries can be found in the program description for each division/department.

Department/Division	FY 06/07	FY 07/08	FY 08/09	FY 09/10	FY 10/11	Change
<b>General Services Administration</b>						
Full-Time Employees	18	18	19	19	18	▼1 <sup>1</sup>
Part-Time Employees	5	5	5	6	2	▼4 <sup>2</sup>
<b>Police</b>						
Full-Time Employees	55	60	60	60	59	▼1 <sup>3</sup>
Part-Time Employees	4	4	4	4	4	-
<b>Community Development</b>						
Full-Time Employees	12	12	12	12	12	-
Part-Time Employees	1	1	1	1	0	▼1 <sup>4</sup>
<b>Public Works Administration</b>						
Full-Time Employees	9.5	7.5	7	7	7	-
Part-Time Employees	2	2	2	2	0	▼2 <sup>5</sup>
<b>Public Works Streets</b>						
Full-Time Employees	14	15	15	15	15	-
Part-Time Employees	3	3	4	4	0	▼4 <sup>5</sup>
<b>Public Works Parks and Forestry</b>						
Full-Time Employees	14	15	15	15	15	-
Part-Time Employees	8	8	8	8	4	▼4 <sup>5</sup>
<b>Public Works Water and Sewer Utilities</b>						
Full-Time Employees	21	22	22	22	22	-
Part-Time Employees	5	5	5	5	0	▼5 <sup>5</sup>
<b>Public Works Vehicle Maintenance</b>						
Full-Time Employees	4.5	4	5	5	5	-
Part-Time Employees	0	0	0	0	0	-
<b>Public Works Building Services</b>						
Full-Time Employees	0	3.5	4	4	4	-
Part-Time Employees	0	1	1	0	0	-
<b>Swimming Pool</b>						
Full-Time Employees	0	0	0	0	0	-
Part-Time Employees	35	35	36	36	36	-
Full-Time Employee Subtotal	148	157	159	159	157	▼2
Part-Time Employee Subtotal	63	64	66	66	46	▼20
<b>TOTAL EMPLOYEES</b>	<b>211</b>	<b>221</b>	<b>225</b>	<b>226</b>	<b>203</b>	<b>▼22<sup>6</sup></b>

**Notes:**

<sup>1</sup> – The Assistant Village Manager position will not be filled this fiscal year.

<sup>2</sup> – One Intern position and three Senior Bus Driver positions will not be filled this fiscal year.

<sup>3</sup> – One Patrol Officer position will not be filled this fiscal year.

<sup>4</sup> – One Intern position will not be filled this fiscal year.

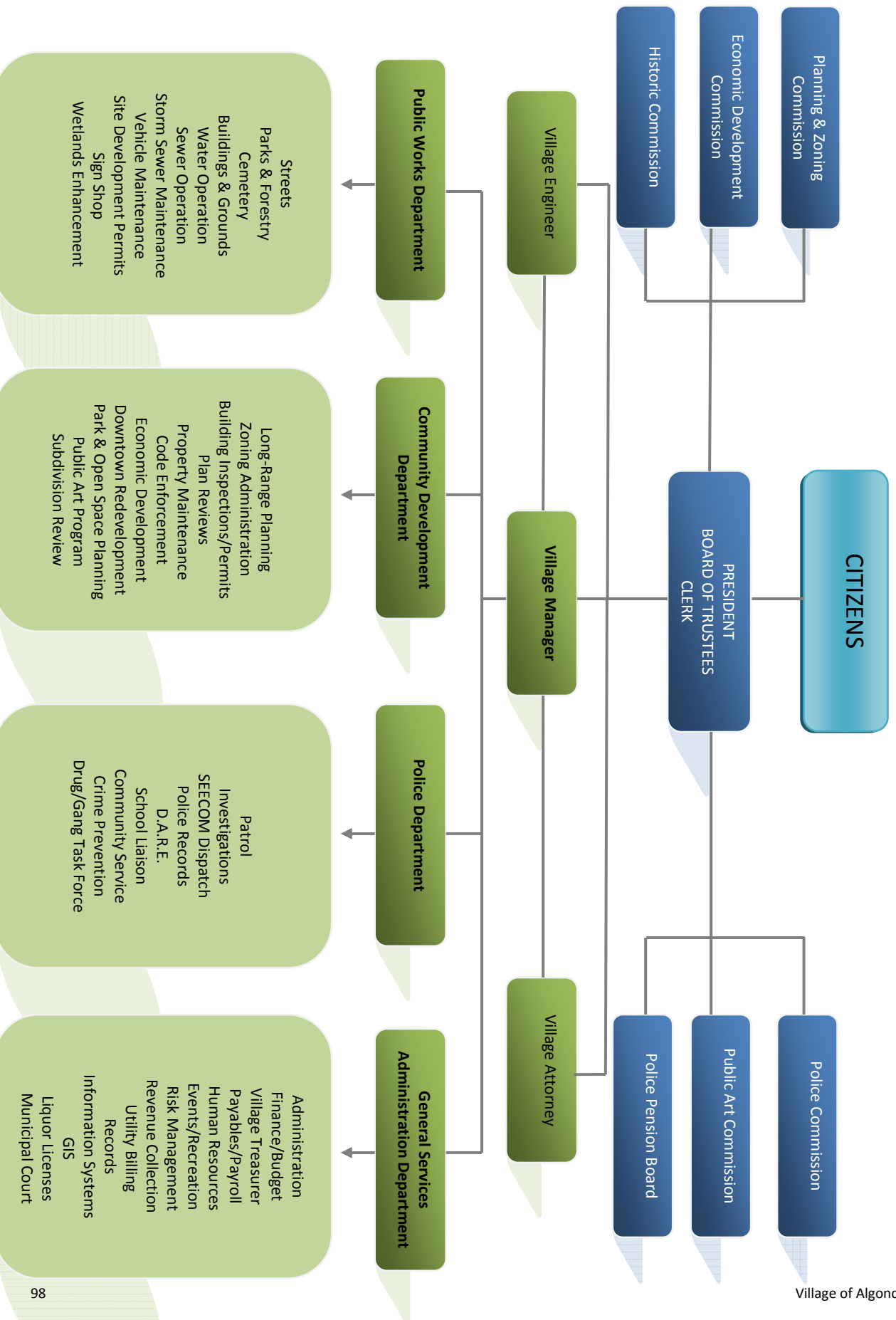
<sup>5</sup> – Reduction in Seasonal Part-Time personnel.

<sup>6</sup> – Total does not include Temporary Recreation Instructors, which will work a negligible amount of hours during the fiscal year.



# Village of Algonquin 2010 ~ 2011 Organizational Chart

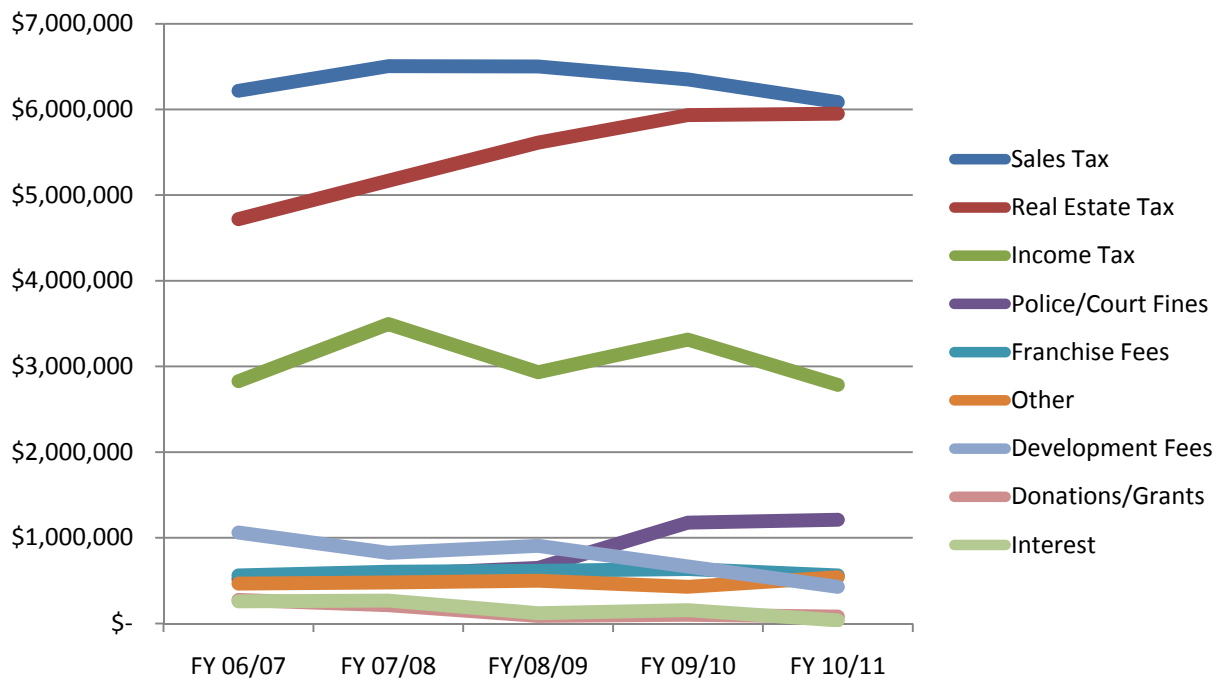
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## Fiscal Year 2010/2011 Budget General Fund Totals

	FY 10/11
<b>Revenue</b>	\$ 17,675,000
<b>Expenditures</b>	
General Services Administration	\$ 2,105,735
Police	\$ 8,332,765
Community Development	\$ 1,289,890
Public Works Administration	\$ 1,266,130
Public Works Streets	\$ 2,233,415
Public Works Parks & Forestry	\$ 1,629,605
Multidepartmental	\$ 817,460
<b>TOTAL</b>	<b>\$ 17,675,000</b>
Difference	\$ -
<b>Result = Balanced Budget</b>	

### Revenue Trends (FY 06/07 - FY 10/11)



## General Fund

## Revenues

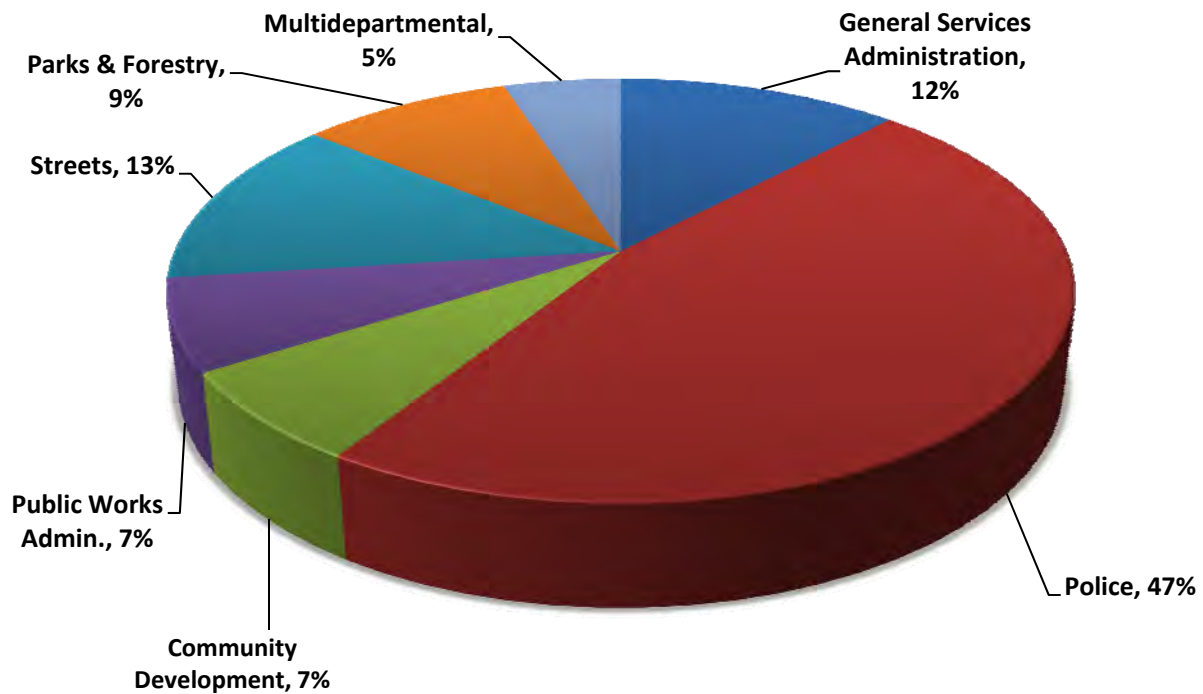
			FY 06/07 Actual	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
<b>Sales Tax</b>							
01000500	31010	Sales Tax	\$ 6,216,696.20	\$ 6,504,411.39	\$ 6,502,175.12	\$ 6,350,000.00	\$ 6,085,000.00
<b>Subtotal</b>			\$ 6,216,696.20	\$ 6,504,411.39	\$ 6,502,175.12	\$ 6,350,000.00	\$ 6,085,000.00
<b>Income Tax</b>							
01000500	31020	Income Tax	\$ 2,766,038.84	\$ 3,426,759.50	\$ 2,868,929.44	\$ 3,246,000.00	\$ 2,730,000.00
01000500	31590	Personal Prop. Repl. Tax - Twp.	7,850.91	7,437.00	7,367.96	8,000.00	7,000.00
01000500	31591	Personal Prop. Repl. Tax - St.	53,624.27	61,159.82	55,999.54	60,000.00	47,000.00
<b>Subtotal</b>			\$ 2,827,514.02	\$ 3,495,356.32	\$ 2,932,296.94	\$ 3,314,000.00	\$ 2,784,000.00
<b>Community Development Fees</b>							
01000100	32100	Building Permits	\$ 661,067.36	\$ 584,682.20	\$ 769,881.00	\$ 550,000.00	\$ 400,000.00
01000100	32101	Site Development Fee	4,750.00	5,375.00	4,275.00	5,000.00	1,000.00
01000100	32102	Public Art Impact Fee	6,006.00	5,220.00	2,596.45	3,000.00	1,000.00
01000100	35012	Building Permit Fines	17,199.00	11,050.00	11,150.00	12,000.00	10,000.00
01000100	32070	Planning/Zoning/Annex.	160,379.80	32,698.40	34,305.00	20,000.00	6,000.00
01000100	34105	Platting Fees	210,782.00	184,681.50	83,980.00	75,000.00	10,000.00
<b>Subtotal</b>			\$ 1,060,184.16	\$ 823,707.10	\$ 906,187.45	\$ 665,000.00	\$ 428,000.00
<b>Police/Court Fines</b>							
01000200	35060	County-DUI Fines	\$ 3,524.00	\$ 4,574.00	\$ 4,097.00	\$ 4,000.00	\$ 4,000.00
01000200	35061	County-DARE Fines	100.00	400.00	-	500.00	500.00
01000200	35062	County Court Fines	451,511.83	449,790.67	394,106.33	350,000.00	320,000.00
01000200	35063	County Drug Fines	1,359.00	513.75	857.25	1,000.00	1,000.00
01000200	35064	County Prosecution Fees	1,866.00	2,076.00	5,309.00	4,000.00	4,000.00
01000200	35065	County Vehicle Fines	-	14,027.00	27,675.85	20,000.00	17,000.00
01000200	34022	Alarm Lines	2,400.00	-	1,550.00	-	-
01000200	35050	Police Fines	41,908.00	67,026.56	31,920.77	50,000.00	40,000.00
01000200	35053	Municipal Court - Police Fines	-	-	-	-	50,000.00
01000200	35085	Towing & Storage	-	5,810.00	-	4,000.00	50,000.00
01000200	35090	Traffic Light Enforcement	-	-	154,015.00	700,000.00	695,000.00
01000100	35095	Municipal Court	-	-	7,985.00	20,000.00	15,000.00
01000200	34020	Police Accident Reports	5,595.68	4,596.90	4,819.50	4,000.00	4,400.00
01000200	34025	Police Training Reimbursement	8,751.88	22,961.99	16,921.32	20,000.00	10,000.00
<b>Subtotal</b>			\$ 517,016.39	\$ 571,776.87	\$ 649,257.02	\$ 1,177,500.00	\$ 1,210,900.00
<b>Franchise &amp; Telecommunication Fees</b>							
01000500	31180	Cable Franchise	\$ 321,113.73	\$ 348,118.19	\$ 359,885.21	\$ 360,000.00	\$ 360,000.00
01000500	31185	Natural Gas Franchise	47,720.39	51,929.85	54,318.88	65,000.00	-
01000500	31190	Telecommunications Tax	191,881.36	203,617.82	200,766.75	210,000.00	200,000.00
<b>Subtotal</b>			\$ 560,715.48	\$ 603,665.86	\$ 614,970.84	\$ 635,000.00	\$ 560,000.00
<b>Real Estate Taxes</b>							
01000500	31500	Real Estate Tax General	\$ 1,501,623.58	\$ 1,599,099.24	\$ 1,500,220.56	\$ 1,610,000.00	\$ 1,325,000.00
01000500	31510	Real Estate Tax Police	1,251,349.98	1,349,721.31	1,740,089.15	1,810,000.00	1,550,000.00
01000500	31520	Real Estate Tax IMRF	190,426.76	255,093.66	270,203.83	325,000.00	450,000.00
01000500	31530	Real Estate Tax R&B	320,376.34	338,722.14	340,133.18	332,000.00	350,000.00
01000500	31540	Real Estate Tax GOBI	113,995.50	124,866.01	-	-	-
01000500	31550	Real Estate School Crossing	6,446.61	13,368.60	20,057.12	20,000.00	19,000.00
01000500	31560	Real Estate Tax - Insurance	525,992.20	577,295.21	555,001.21	555,000.00	655,000.00
01000500	31570	Real Estate Tax FICA	313,705.74	455,964.91	500,376.30	500,000.00	675,000.00
01000500	31580	Real Estate Tax Police Pension	490,084.87	445,268.48	677,063.39	769,000.00	917,000.00
01000500	31575	Real Estate Tax ESDA	6,446.61	9,203.18	10,028.58	12,000.00	10,000.00
<b>Subtotal</b>			\$ 4,720,448.19	\$ 5,168,602.74	\$ 5,613,173.32	\$ 5,933,000.00	\$ 5,951,000.00
<b>Donations</b>							
01000300	33052	Donations-Capital-Public Works	\$ 30,719.55	\$ -	\$ -	\$ 10,000.00	\$ -
01000200	33031	Donations-Operating-Public Safety	9,980.00	5,329.08	4,285.00	-	-
01000300	33032	Donations-Operating-Public Works	27,171.88	29,043.78	1,478.82	-	-
01000100	33030	Donations-Operating-General Govt.	30,960.00	13,270.39	12,890.42	-	-
01000100	33100	Donation-Makeup Tax	14,631.86	15,120.64	16,441.29	22,000.00	30,000.00
01000300	33150	Donation-Ecosystem Maintenance	16,909.13	-	-	-	-
<b>Subtotal</b>			\$ 130,372.42	\$ 62,763.89	\$ 35,095.53	\$ 32,000.00	\$ 30,000.00
<b>Grants</b>							
01000100	33230	Grants-Operating General Govt.	\$ 5,000.00	\$ -	\$ -	\$ -	\$ -
01000200	33231	Grants-Operating Public Safety	112,897.18	106,662.62	52,387.05	70,000.00	50,000.00
01000300	33232	Grants-Operating Public Works	27,163.58	44,530.11	-	-	-
<b>Subtotal</b>			\$ 145,060.76	\$ 151,192.73	\$ 52,387.05	\$ 70,000.00	\$ 50,000.00

## General Fund

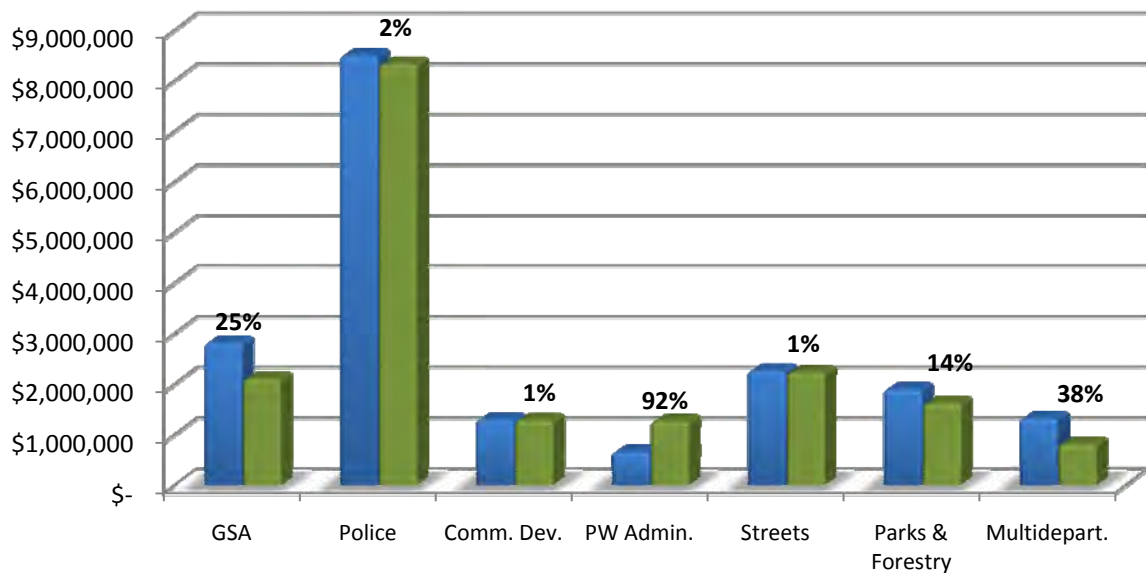
## Revenues

			FY 06/07 Actual	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
<b>Interest</b>							
01000500	36001	Interest - Vendor Claims	\$ 12,823.35	\$ 14,379.87	\$ 22,948.56	\$ 10,000.00	\$ 5,000.00
01000500	36002	Interest - Insurance	19,433.27	19,672.44	13,108.05	15,000.00	5,000.00
01000500	36003	Interest - GO Bond	1,950.04	1,745.08	-	-	-
01000500	36020	Interest - Invest. Pools	223,129.81	232,084.23	83,131.33	130,000.00	26,100.00
<b>Subtotal</b>			\$ 257,336.47	\$ 267,881.62	\$ 119,187.94	\$ 155,000.00	\$ 36,100.00
<b>Other</b>							
01000100	32080	Liquor Licenses	\$ 115,513.00	\$ 112,283.25	\$ 112,634.75	\$ 110,000.00	\$ 110,000.00
01000100	32085	Licenses	22,121.15	19,798.66	52,140.43	25,000.00	40,000.00
01000200	35080	Forfeited Funds	0.80	198.24	-	500.00	-
01000200	33010	Intergovernmental Agreements-Police	92,758.40	140,538.53	73,151.94	76,000.00	80,000.00
01000100	34010	Historical Commission	1,365.00	678.50	765.00	1,000.00	1,000.00
01000300	33012	Intergovernmental Agreements-PW	-	8,073.75	-	-	-
01000100	34012	Reports/Maps/Ordinances	3,672.53	1,597.21	1,964.24	2,000.00	2,000.00
01000300	34102	Park Usage	15,060.00	15,981.25	12,960.00	15,000.00	10,000.00
01000300	34108	Snow Plowing Fees	19,500.00	-	7,478.75	3,000.00	7,000.00
01000300	34232	Public Works Misc. Billings	55.00	21.50	-	1,000.00	-
01000100	34720	Administrative Fees	322.26	919.35	(446.76)	1,000.00	-
01000100	34100	Rental Income	40,164.80	15,465.21	15,914.50	40,000.00	15,000.00
01000100	34115	School Donation Administrative Fee	3,000.00	3,000.00	-	3,000.00	-
01000500	37900	Miscellaneous Revenue	578.15	2,784.70	39,958.83	1,000.00	1,000.00
01000500	37110	Insurance Claims	8,146.06	34,731.47	-	-	-
01000300	34230	Subdivision Signs	16,459.03	6,202.02	6,091.41	5,000.00	5,000.00
01000200	37100	Restitution	267.50	2,567.98	773.48	1,000.00	1,000.00
01000100	37905	Sale of Surplus Equipment	27,325.46	5,906.33	55,659.11	10,000.00	10,000.00
01000100	34101	Maintenance Fee	2,655.00	2,500.00	2,889.00	1,500.00	3,000.00
01000100	34410	Recreation Programs	94,868.22	102,194.99	114,924.45	128,300.00	210,000.00
01000100	34400	Senior Bus	2,315.48	2,743.00	2,790.85	4,000.00	-
01000500	38016	Transfer from Special Revenue-Hotel	-	-	-	-	45,000.00
<b>Subtotal</b>			\$ 466,147.84	\$ 478,185.94	\$ 499,649.98	\$ 428,300.00	\$ 540,000.00
<b>General Fund Total</b>			\$ 16,901,491.93	\$ 18,127,544.46	\$ 17,924,381.19	\$ 18,759,800.00	\$ 17,675,000.00

## General Fund Expenditures Summary Charts



### Department Expenditures (FY 09/10 vs FY 10/11)



# General Services Administration Department

## Department/Program Description

The General Services Administration (GSA) Department houses several functions of Village operations, including the Village Manager's office and Executive offices, Finance, Human Resources, Information Technology, Events and Recreation, Geographic Information Systems (GIS), and General Administration.

Personnel Summary	FY 06/07	FY 07/08	FY 08/09	FY 09/10	FY 10/11	Change
Village Manager	1	1	1	1	1	-
Assistant Village Manager	1	1	1	1	0	▼1
Finance Director	1	1	1	1	1	-
Human Resources Director	1	1	1	1	1	-
Information Systems Director	0	0	0	0	1	▲1
Information Systems Coordinator	1	1	1	1	0	▼1
Management Assistant	0	0	0	0	1	▲1
Administrative Analyst	0	0	1	1	0	▼1
Assistant Finance Director	1	1	1	1	1	-
Accountant	1	1	1	1	1	-
Executive Secretary	0	1	1	1	1	-
Executive Assistant	1	0	0	0	0	-
Recreation Superintendent	1	1	1	1	1	-
GIS Coordinator	1	1	1	1	1	-
Principal Assistant	2	2	3	3	3	-
Utility Billing Coordinator	1	1	1	1	1	-
Account Clerk/Receptionist	3	3	3	3	3	-
Account Clerk (Part-Time)	0	0	1	1	1	-
Intern (Part-Time)	2	2	1	2	1	▼1
Senior Van Driver (Part-Time)	3	3	3	3	0	▼3
Full-Time Employee Subtotal	18	18	19	19	18	▼1
Part-Time Employee Subtotal	5	5	5	6	2	▼4
<b>TOTAL EMPLOYEES</b>	<b>23</b>	<b>23</b>	<b>24</b>	<b>25</b>	<b>20</b>	<b>▼5</b>
<i>Temporary Recreation Instructors</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>13</i>	<i>▲13</i>

## Explanation of New Positions

No new personnel budgeted for FY 10/11. One (1) Intern position and three (3) Senior Van Driver positions will not be filled. The Events and Recreation Division will be directly hiring temporary recreation instructors instead of contracting these services for cost-savings. These positions will work a negligible amount of hours during the fiscal year.

The Information Systems Coordinator has been promoted to Information Systems Director, and the Administrative Analyst has been promoted to Management Assistant to reflect the expanding responsibilities of these positions. The Assistant Village Manager position will not be filled this fiscal year.

## **FY 2009-2010 Accomplishments**

- Received GFOA's Distinguished Budget Presentation Award for the FY 2009-2010 budget, the sixth year in a row that the Village has received such an award.
- The 2010 calendar was distributed to every household in the Village in December 2009. The calendar focused on celebrating Algonquin through community events.
- Received GFOA's Certificate of Achievement for Excellence in Financial Reporting for the fiscal year ended April 30, 2009, the sixth year in a row that the Village has received this honor.
- Pilot performance measures were developed with the first reports submitted in January 2010. Initial measures will be presented in this budget document.
- Completed a full year of municipal court operations. Municipal Court is held at Village Hall once per month; this is a more efficient and accessible means for the public to appeal tickets received for parking, red light, and other municipal code violations.
- The Village's first environmental action plan was composed by the ECO-Algonquin Committee and accepted by the Village Board in fall 2009. Several environmental programs are already underway, including a bike rack/public art program and conservation design program.
- An electronic waste recycling event was held in August 2009, resulting in a collection of over 37,150 pounds of electronics recycled (saving room in our landfills).
- Completed the Events and Recreation Evaluation Plan, a document which will help guide the future of the Events and Recreation Division.
- Implemented live mobile mapping tools for field operation users.
- Completed GIS integration with business database, cemetery database, tree inventory database, and Village properties database.
- Completed GIS integration with gang database, crime database, crash & citation database, and school building plans.
- Completed master address list for Census 2010.
- Continued to provide 100% of GIS implementation including data collection and development, map development, systems support, user training and support, and asset maintenance system development with in-house staff.
- Hosted GIS User Group meeting to demonstrate Village's GIS operation and innovative approach. Over 40 GIS professionals from municipal governments in Chicago area attended.
- Displayed a GIS Map poster (outlining Village operations utilizing GIS) in Illinois GIS Association Fall 2009 Conference.
- Negotiated and approved multi-year utility franchise agreements with Nicor and Comcast.
- Reviewed and updated existing Freedom of Information Act (FOIA) policies and procedures in accordance with new legislation.
- Promotion and marketing of recreation programs and events were enhanced through the publication of three recreation guides (versus two in prior years). The guides are published in fall, winter/spring, and summer.
- Additional support for recreation program participants was enhanced through hiring of inclusion aides.
- Provided financial support for thirteen children through the Village's Youth Fee Assistance Program.
- Developed affiliate agreements for youth athletic organizations for use of Village fields.
- Implemented in-house recreation programming for dance, first aid, and early childhood programs.



## Budget Highlights

- Costs have been reduced for natural gas as a result of the Village's most recent utility franchise agreement with Nicor.
- Funding has been included for website development to help improve this asset as a communication tool and portal for Village services.
- The "Village Newsletter" account name has been changed to "Village Communications" to more accurately reflect the variety of media the Village uses to communicate with the public.

## Performance Measures

The FY 10/11 budget document features performance measures related to the Village's Guiding Principles to assist linking budgetary decisions to the intended outcomes determined by the Village Board. Output, efficiency, and outcome measures are used to provide a tangible link from Village services and strategies to the Guiding Principles. Aggressive targets are set during the budget process not to determine success or failure, but to continuously improve service delivery and provide core services in the most cost-effective manner possible. Additional measures and strategies will be featured in subsequent budgets.

Guiding Principle #1: Maintain and/or Enhance Customer Service and Citizen Satisfaction						
Department Objective	Strategy/Measure	2007	2008	2009		2010
		Actual	Actual	Target	Actual	Target
Implement mechanisms for promoting effective internal/external communication.	Increase the number of Algonquin e-News subscribers	N/A	N/A	500	339	600
	Increase the number of visitors per day to www.algonquin.org	217	292	300	326	325
	Increase the number of visits per day to www.algonquin.org	334	478	500	530	525
Evaluate operations to provide the most efficient and effective customer service.	Meet or exceed number of days to respond to a FOIA request	N/A	2.99	5	2.27	4
	Minimize the number of days in recruitment process	N/A	N/A	40	N/A <sup>1</sup>	40
	Resolve Information Systems Help Desk tickets within 24 hours	91%	92%	91%	91%	91%
	Resolve Information Systems Help Desk tickets within 7 days	97%	97%	97%	97%	97%
Notes: <sup>1</sup> – The Village did not have any active personnel recruitment during 2009.						

Guiding Principle #4: Assess All Viable Options to Increase/Maintain the Village's Revenue Base						
Department Objective	Strategy/Measure	2007	2008	2009		2010
		Actual	Actual	Target	Actual	Target
Maintain high standard of fiscal reporting and accuracy.	Maintain and/or increase S&P Bond Rating	AA	AA+	≥AA+	AA+	≥AA+
	Obtain GFOA Distinguished Budget Presentation Award	Yes	Yes	Yes	Yes	Yes
	Obtain GFOA Certificate of Achievement for Excellence in Financial Reporting	Yes	Yes	Yes	Yes	Yes
Ensure prudent financial management of Village operations.	Administrative Adjudication fine collection rate <sup>1</sup>	N/A	98%	N/A	48%	N/A
	Minimize costs per water billing transaction	N/A	N/A	\$0.30	\$0.31	\$0.30
Operate Village in most cost-effective manner.	Maximize percentage of payments made using ACH	N/A	N/A	20.0%	20.2%	21.0%
Notes: <sup>1</sup> – This rate is continuously changing due to referral to collections and payments received directly by the Village. The current year rates will be lower due to the float from the last administrative hearing in 2009. The figure will be adjusted for the next reporting period.						

Guiding Principle #6: Continue to Promote and Develop Programs with a Conservation Focus						
Department Objective	Strategy/Measure	2007	2008	2009		2010
		Actual	Actual	Target	Actual	Target
Promote Village recycling program to encourage recycling.	Increase Waste Diversion Rate (Diversion by recycling)	47%	47%	48%	45%	50%
	Increase Amount of E-Waste Collected (lbs.)	N/A	N/A	N/A	37,150	40,000

## Future Goals and Objectives

- Implement short-term goals as recommended by the Events and Recreation Plan that will realize cost savings and/or provide needed services in Fiscal Year 2010-2011.
- Continue implementation of online credit card payment options for recreation programs, municipal court fines and citations.
- Develop GIS data maintenance policy for GASB and asset maintenance database.
- Continue to assist Village departments with implementation/integration of public safety records to elevate accuracy and safety.
- Complete field data collection of storm water system and sanitary sewer system.
- Establish Algonquin GIS user group meeting to provide internal users with ongoing training and workshops.
- Continue to assist and educate public GIS users to utilize GIS mapping tools and land information.

- Continue expansion of the Village's performance measurement program to further assist management in evaluating how core services are aligned with the Village's guiding principles.
- Through the ECO-Algonquin Committee, pursue initiatives outlined in the Environmental Action Plan, including another electronics recycling event. Review the Environmental Action Plan to track progress towards 2009-2010 objectives and set priorities for 2010-2011.
- Promote the 2010 Census to ensure the Village receives its fair share of state and federal funding.
- Promote recycling to help Village obtain a 50% waste diversion rate for residential households.
- Assist with the MUNIS Building Permit module implementation as it relates to financial reporting.
- Provide added convenience for the public by launching an on-line registration service for recreation programs and adding an on-line credit card payment option for both recreation programs and payment of municipal court fines and tickets.
- Develop additional in-house recreation programs in an effort to provide more quality and controlled programming. This programming is to include adult offerings coordinated by an additional part-time/intern position.

## Statistics

Administrative Adjudication		
	2008 <sup>1</sup>	2009
Cases	68	444
Cases Referred to Collections	0	88
Fines Levied	\$10,750	\$81,070
<b>Cases Judged Liable:</b>		
Accumulation of Debris	3	8
Curfew Violation	1	11
Fighting/Battery	3	14
Illegal Dumping	0	4
Minor Consumption of Alcohol	4	27
Miscellaneous Parking	0	18
Miscellaneous Police Matters <sup>2</sup>	0	7
Miscellaneous Property Code Violations <sup>3</sup>	2	21
Noise/Disturbing the Peace/Disorderly Conduct	1	8
Noxious Plants	2	5
Overnight Parking	0	99
Property Damage	0	7
Protection of Trees	0	10
Sale/Delivery of Alcohol to a Minor	0	5
Theft	15	61
Trespassing	7	9
Unacceptable Vehicle Storage	0	2
Notes:		
<sup>1</sup> – Administrative Adjudication program began in September 2008, therefore only partial year data is reported.		
<sup>2</sup> – Violations include animals at large, public intoxication, false alarm, open burning.		
<sup>3</sup> – Violations include permit required, missing house numbers, illegal signage, illegal dumping, illegal vehicle storage, vehicles parked on unacceptable surface.		

			FY 06/07 Actual	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
<b>Personnel</b>							
01100100	41103	IMRF	\$ 74,522.01	\$ 79,396.34	\$ 81,479.59	\$ 105,700.00	\$ 109,190.00
01100100	41104	FICA	63,771.16	71,730.07	70,213.19	87,800.00	90,305.00
01100100	41105	Unemployment Tax	2,797.92	3,295.28	1,782.73	4,600.00	4,295.00
01100100	41106	Health Insurance	111,940.69	124,445.89	114,774.03	136,950.00	134,400.00
01100100	41110	Salaries	861,299.28	934,132.37	942,580.72	1,092,900.00	1,063,690.00
01100100	41113	Salary - Recreation Instructors	-	-	-	8,410.00	51,705.00
01100100	41130	Salary - Elected Officials	57,000.00	57,000.00	57,198.40	57,000.00	57,000.00
01100100	41140	Overtime	1,570.40	2,095.27	5,796.99	3,650.00	2,000.00
<b>Subtotal</b>			\$ 1,172,901.46	\$ 1,272,095.22	\$ 1,273,825.65	\$ 1,497,010.00	\$ 1,512,585.00
<b>Contractual Services</b>							
01100100	42210	Telephone	\$ 19,466.92	\$ 27,498.74	\$ 23,516.52	\$ 26,380.00	\$ 25,200.00
01100100	42211	Natural Gas	10,709.84	11,054.00	9,621.46	13,000.00	5,305.00
01100100	42230	Legal Services	104,130.47	94,833.02	97,560.39	86,700.00	85,000.00
01100100	42231	Audit Services	17,656.50	16,334.13	23,865.77	25,650.00	25,950.00
01100100	42234	Professional Services	34,682.69	31,282.42	321,414.20	82,150.00	19,650.00
01100100	42242	Publications	2,401.09	2,647.71	2,353.20	5,480.00	3,290.00
01100100	42243	Printing & Advertising	8,904.40	7,199.76	4,250.64	13,700.00	11,700.00
01100100	42245	Village Communications	25,441.05	23,270.39	25,384.67	35,000.00	17,695.00
01100100	42270	Equipment Rental	2,580.00	2,580.00	-	2,700.00	3,000.00
01100100	42272	Lease Payments	10,960.68	10,396.51	5,968.00	3,500.00	3,500.00
01100100	42305	Municipal Court	-	-	12,072.27	40,100.00	37,300.00
<b>Subtotal</b>			\$ 236,933.64	\$ 227,096.68	\$ 526,007.12	\$ 334,360.00	\$ 237,590.00
<b>Supplies &amp; Materials</b>							
01100100	43308	Office Supplies	\$ 14,123.19	\$ 11,537.62	\$ 14,750.87	\$ 17,300.00	\$ 15,250.00
01100100	43317	Postage	3,867.89	5,841.02	3,884.81	9,000.00	10,000.00
01100100	43319	Building Supplies	8,576.72	-	-	500.00	500.00
01100100	43320	Tools, Equipment & Supplies	2,188.40	1,095.96	934.75	3,000.00	2,500.00
01100100	43332	Office Furniture & Equipment	22,404.42	30,567.81	17,627.90	24,900.00	-
01100100	43340	Fuel	6,070.72	8,677.71	6,887.91	6,330.00	2,285.00
<b>Subtotal</b>			\$ 57,231.34	\$ 57,720.12	\$ 44,086.24	\$ 61,030.00	\$ 30,535.00
<b>Maintenance</b>							
01100100	44420	Vehicle Maintenance (S)	\$ 11,507.91	\$ 20,046.75	\$ 20,966.18	\$ 16,510.00	\$ 13,445.00
01100100	44423	Building Services (S)	36,930.39	82,664.00	135,816.38	101,180.00	114,460.00
01100100	44424	Grounds Maintenance (S)	4,617.19	5,161.54	-	-	-
01100100	44426	Office Equipment Maintenance	3,933.85	4,347.72	5,538.85	9,750.00	9,750.00
<b>Subtotal</b>			\$ 56,989.34	\$ 112,220.01	\$ 162,321.41	\$ 127,440.00	\$ 137,655.00
<b>Capital Expenditures</b>							
01100100	45590	Capital Purchase	\$ 101,147.94	\$ 335,242.63	\$ 39,534.00	\$ -	\$ -
<b>Subtotal</b>			\$ 101,147.94	\$ 335,242.63	\$ 39,534.00	\$ -	\$ -
<b>Transfers</b>							
01101100	48099	Transfer/Debt Service Fund <sup>1</sup>	574,000.00	592,000.00	591,000.00	612,000.00	-
<b>Subtotal</b>			\$ 574,000.00	\$ 592,000.00	\$ 591,000.00	\$ 612,000.00	\$ -
<b>Other Charges</b>							
01101100	47701	Recreation Programs	\$ 91,780.93	\$ 118,415.39	\$ 115,753.77	\$ 119,680.00	\$ 155,255.00
01100100	47740	Travel/Training/Dues	22,764.81	24,778.48	25,739.34	41,040.00	22,415.00
01100100	47741	Elected Officials - Expenses	22.01	114.00	286.21	500.00	500.00
01100100	47742	Special Census	100,197.00	37,882.66	-	-	-
01100100	47743	Environmental Programs	-	-	600.00	16,000.00	5,500.00
01100100	47745	President's Expenses	277.85	515.84	628.92	1,000.00	1,000.00
01100100	47750	Historic Commission	4,869.95	8,461.76	1,228.15	2,700.00	2,700.00
<b>Subtotal</b>			\$ 219,912.55	\$ 190,168.13	\$ 144,236.39	\$ 180,920.00	\$ 187,370.00
<b>General Services Administration Total</b>			\$ 2,419,116.27	\$ 2,786,542.79	\$ 2,781,010.81	\$ 2,812,760.00	\$ 2,105,735.00

<sup>1</sup> - This is now being funded out of the Public Works Administration budget to reflect bond costs for the Public Works Facility.

(S) indicates those line items that reimburse the Internal Service Funds. Grounds Maintenance is now covered under Building Services.

# Police Department

## Department/Program Description

The Police Department is responsible for gaining public compliance with regulations and laws developed through the legislative and executive branches of government. This is done through the education of the public on these regulations and laws and the enforcement of them. The department determines compliance through investigations either alone or with other jurisdictions. The department also assists the community with social issues by providing assistance and education. The department works with the community as a resource to resolve issues which affect the quality of life in the Village.

Personnel Summary	FY 06/07	FY 07/08	FY 08/09	FY 09/10	FY 10/11	Change
Chief	1	1	1	1	1	-
Deputy Chief	2	2	2	2	2	-
Technical Services Manager	0	1	1	1	1	-
Patrol Sergeant	6	6	6	6	6	-
Traffic Sergeant	1	1	1	1	1	-
Investigative Sergeant	1	1	1	1	1	-
Investigator	5	5	5	5	5	-
High School Liaison/DARE Officer	2	2	2	2	2	-
North Central Narcotics Task Force	1	1	1	1	1	-
Accreditation/Resource Officer	1	1	1	1	1	-
Patrol Officer	26	28	28	28	27	▼1
Strategic Traffic Enforcement Officer	2	2	2	2	2	-
Secretary	2	2	2	2	2	-
Record Clerk	2	3	3	3	3	-
Community Service Officer	3	4	4	4	4	-
Crossing Guard (Part-Time)	4	4	4	4	4	-
Full-Time Employee Subtotal	55	60	60	60	59	▼1
Part-Time Employee Subtotal	4	4	4	4	4	-
<b>TOTAL EMPLOYEES</b>	<b>59</b>	<b>64</b>	<b>64</b>	<b>64</b>	<b>63</b>	<b>▼1</b>

## Explanation of New Positions

No new personnel budgeted for FY 10/11. One (1) Patrol Officer position will not be filled this fiscal year.

## FY 2009-2010 Accomplishments

- Revived the Neighborhood Watch Program and formed four (4) active Neighborhood Watch groups.
- Enhanced police radio communication capabilities by expanding radio infrastructure in the southern portions of the Village that is encompassed by Kane County.
- Currently in the final phases of implementing Tele Staff, a scheduling and payroll reporting software program.
- The department hosted two Western Illinois University Criminal Justice Program students as interns for the summer and spring semesters.
- The police department participated in the Village's annual National Night Out program.

- In conjunction with ETSB, implemented VisionAir CAD Dispatch and other related components to modernize and enhance dispatching to calls.
- With the assistance of Information Systems, Technical Services Manager Art Weber completed the migration and swap out of the Village's cellular telephones.
- Designated and organized an area for firearms maintenance and cleaning in the Police Department sally port.
- The department's firearms policy was revised to include a home safety component.
- Sgt. Sutrick attended and satisfactorily completed the FBI National Academy in Quantico, Virginia.
- Continued to maintain participation in the various task forces to include Major Investigations Assistance Team (McHenry County), Kane County Major Crimes Task Force, North Central Narcotics Task Force, and McHenry County Gang Task Force.
- Investigator Montgomery was deputized by the U.S. Marshall's Office as a Deputy Marshall and assigned to a financial crimes task force that is coordinated by the US Secret Service.
- Officers received 17 hours of defense tactics training and all was completed on straight time.
- Officers assigned to the midnight shift rescued a female resident from a burning home.
- Officers on the midnight shift apprehended seven burglars.
- Created a list-serve for the Neighborhood Watch groups and notified residents about crimes in their area and disseminated other crime prevention information.
- Gained compliance with the state statute for the Premise Alert Program which is a program designed to collect information about residents' medical conditions for emergency responders.
- Officers Amy Bucci and Patty Miller presented the D.A.R.E. Program to approximately 700 fifth grade students in seven Algonquin schools.
- Officer Amy Bucci became certified as a "victim sensitive" interviewer for interviewing child victims of abuse.
- Awarded the Holiday Mobilization grant from the Illinois Department of Transportation for occupant restraint and alcohol enforcement.
- Sgt. John Bucci was promoted to the rank of Sergeant and was assigned to the Patrol division.
- Sgt. Jeff Sutrick was reassigned to serve as the Traffic Division Supervisor.
- Chief Russell Laine served his term as the President of the International Association of Chiefs of Police.

### **Budget Highlights**

- The police department will not be filling the current vacancy in the police department.
- Minimal standards for training for personnel will be met to retain certification and mandatory qualifications.
- There has been a reduction in all accounts where possible, especially in training, personnel and overtime to meet the diminished Village revenue sources.

## Performance Measures

The FY 10/11 budget document features performance measures related to the Village's Guiding Principles to assist linking budgetary decisions to the intended outcomes determined by the Village Board. Output, efficiency, and outcome measures are used to provide a tangible link from Village services and strategies to the Guiding Principles. Aggressive targets are set during the budget process not to determine success or failure, but to continuously improve service delivery and provide core services in the most cost-effective manner possible. Additional measures and strategies will be featured in subsequent budgets.

Guiding Principle #5: Continue to Allocate the Necessary Resources for the Maintenance of the Public's Health, Safety, and Welfare Through a Well Trained and Dedicated Staff						
Department Objective	Strategy/Measure	2007	2008	2009		2010
		Actual	Actual	Target	Actual	Target
Change driving behavior of motorist who disobey traffic control devices at all controlled intersections.	Crashes at controlled intersections	N/A	195	<195	131	<131
	Crashes at red light camera enforced intersections	N/A	89	<89	65	<65
Enforce traffic regulations to facilitate the smooth flow of vehicular and pedestrian traffic throughout the Village.	Traffic Accident Fatalities	1	0	N/A	0	N/A
	Hit and Run Traffic Accidents – Property Damage	61	73	N/A	63	N/A
	Hit and Run Traffic Accidents – Personal Injury	3	0	N/A	1	N/A
	Traffic Accidents: Property Damage	781	710	N/A	702	N/A
	Traffic Accidents: Personal Injury	79	73	N/A	61	N/A
	Traffic Accidents: Occurring on Private Property	300	282	N/A	237	N/A
Protect the safety and welfare of the public.	Part I Crimes <sup>1</sup>	624	735	N/A	683	N/A
	Part II Crimes <sup>2</sup>	1,686	1,618	N/A	1,886	N/A
	Service and Activity Calls	11,925	11,988	N/A	9,086	N/A
Notes: <sup>1</sup> – Includes: homicide, rape/sexual assault, robbery, aggravated battery, burglary, motor vehicle theft, theft, and arson. <sup>2</sup> – Includes: battery, assault, deceptive practices, criminal damage/trespass, sex offenses, offenses involving children, liquor/drug offences, serious motor vehicle offenses, and disorderly conduct.						

## Future Goals and Objectives

- Utilize the Village's GIS program to map various classifications of burglaries that occur in the Village in an effort to enhance crime prevention activities.
- Continue scheduling meetings with homeowner associations and expand the Neighborhood Watch Program.
- Conduct a Citizen's Police Academy.
- Research volunteer police programs and if appropriate develop a police volunteers program for the police department.
- Work with other response partners to conduct an emergency response tabletop exercise for the local school district. In addition to the school district this exercise would include fire, EMS, neighboring agencies, county emergency management agencies and local hospitals.
- Complete the ILEAP accreditation process by May 1, 2011.
- Develop and implement the process for administrative towing. This will include the development of operational policies and forms, and the revision of current towing and abandoned vehicle policies and processes.
- In conjunction with ETSB implement additional VisionAir components which include the field based reporting module and the records management module.
- Continue to maintain participation in the various task forces to include Major Investigations Assistance Team (McHenry County), Kane County Major Crimes Task Force, North Central Narcotics Task Force and McHenry County Gang Task Force.
- Operate department within the guidelines of the constrained budget.
- Increase productivity on the midnight shift in the area of DUI enforcement.
- Develop a department-wide training plan. This plan should identify training that is re-occurring and required for recertification, as well as training that is necessary for the career development of department personnel.
- Continue delivering the D.A.R.E. curriculum to students in Algonquin Schools.
- Apply for the STEP grant through the Illinois Department of Transportation. This grant will fund alcohol enforcement during night time hours and occupant restraint violations.
- Implement a policy for the deployment of traffic calming devices into residential areas. This would include a cooperative effort between General Services Administration, Public Works, Fire Protection District, and Police Department.



			FY 06/07 Actual	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
<b>Personnel</b>							
01200200	41103	IMRF	\$ 28,938.10	\$ 36,565.58	\$ 40,782.69	\$ 49,950.00	\$ 52,960.00
01200200	41104	FICA	297,763.10	318,998.44	342,734.20	382,625.00	379,200.00
01200200	41105	Unemployment Tax	11,019.90	10,277.46	6,403.63	11,725.00	12,000.00
01200200	41106	Health Insurance	392,705.64	424,606.42	445,943.47	508,850.00	532,000.00
01200200	41110	Salaries	334,566.68	398,675.47	447,613.36	492,000.00	516,390.00
01200200	41120	Salary-Sworn Officers	3,173,036.93	3,398,956.24	3,715,174.45	3,981,700.00	4,048,305.00
01200200	41122	Salary - Crossing Guards	14,630.00	12,039.00	15,780.00	18,250.00	17,800.00
01200200	41140	Overtime	470,509.47	470,787.03	403,818.76	509,750.00	358,000.00
<b>Subtotal</b>			<b>\$ 4,723,169.82</b>	<b>\$ 5,070,905.64</b>	<b>\$ 5,418,250.56</b>	<b>\$ 5,954,850.00</b>	<b>\$ 5,916,655.00</b>
<b>Contractual Services</b>							
01200200	42210	Telephone	\$ 41,322.49	\$ 57,141.33	\$ 50,196.35	\$ 45,000.00	\$ 40,000.00
01200200	42211	Natural Gas	12,404.05	12,483.18	11,065.54	14,000.00	5,525.00
01200200	42215	Repeater Lines	8,152.54	11,764.65	12,876.85	16,000.00	18,000.00
01200200	42230	Legal Services	67,563.54	66,762.58	67,898.35	60,000.00	60,000.00
01200200	42234	Professional Services	7,630.42	5,249.34	15,496.37	10,000.00	6,000.00
01200200	42242	Publications	2,127.65	1,968.37	937.79	2,500.00	1,500.00
01200200	42243	Printing & Advertising	10,694.84	3,555.12	5,733.21	10,000.00	5,000.00
01200200	42250	SEECOM	415,390.32	524,584.00	548,766.64	600,000.00	600,000.00
01200200	42260	Physical Exams - Non-sworn	140.00	749.00	35.00	800.00	-
01200200	42270	Equipment Rental	8,501.44	9,523.95	42,270.00	10,920.00	5,660.00
01200201	42272	Lease Payments	3,541.00	3,996.00	3,996.00	6,000.00	3,100.00
01200200	42300	Traffic Light Enforcement	-	-	54,591.84	243,000.00	243,000.00
<b>Subtotal</b>			<b>\$ 577,468.29</b>	<b>\$ 697,777.52</b>	<b>\$ 813,863.94</b>	<b>\$ 1,018,220.00</b>	<b>\$ 987,785.00</b>
<b>Supplies &amp; Materials</b>							
01200200	43308	Office Supplies	\$ 10,671.22	\$ 9,586.81	\$ 9,227.95	\$ 9,540.00	\$ 9,540.00
01200200	43309	Materials	13,827.98	21,427.45	39,982.30	45,000.00	37,635.00
01200200	43317	Postage	3,203.68	2,983.91	3,176.45	3,500.00	3,500.00
01200200	43319	Building Supplies	14,259.53	-	-	-	-
01200200	43320	Tools, Equipment & Supplies	19,618.07	34,201.77	23,082.06	20,000.00	750.00
01200200	43332	Office Furniture & Equipment	47,320.45	48,640.91	38,436.50	35,000.00	-
01200200	43340	Fuel	99,843.67	108,525.05	100,450.50	87,550.00	92,830.00
01200200	43364	D.A.R.E./Community Programs	335.75	1,643.75	3,374.45	4,000.00	1,000.00
<b>Subtotal</b>			<b>\$ 209,080.35</b>	<b>\$ 227,009.65</b>	<b>\$ 217,730.21</b>	<b>\$ 204,590.00</b>	<b>\$ 145,255.00</b>
<b>Maintenance</b>							
01200200	44420	Vehicle Maintenance(S)	\$ 142,562.60	\$ 113,688.75	\$ 145,301.61	\$ 136,760.00	\$ 152,760.00
01200200	44421	Equipment Maintenance (S)	4,741.79	12,834.53	22,788.39	29,000.00	21,350.00
01200200	44422	Radio Maintenance	4,634.60	5,452.90	6,669.23	12,000.00	9,000.00
01200200	44423	Building Services(S)	37,083.34	72,889.53	136,811.91	142,240.00	117,540.00
01200200	44424	Grounds Maintenance (S)	4,965.93	4,967.10	-	-	-
01200200	44426	Office Equipment Maintenance	4,857.67	8,918.59	7,782.11	12,890.00	11,570.00
<b>Subtotal</b>			<b>\$ 198,845.93</b>	<b>\$ 218,751.40</b>	<b>\$ 319,353.25</b>	<b>\$ 332,890.00</b>	<b>\$ 312,220.00</b>
<b>Capital Expenditures</b>							
01200200	45590	Capital Purchase	\$ 133,948.00	\$ 186,939.40	\$ 162,717.00	\$ 102,060.00	\$ -
01200200	45597	Capital Lease Payments	\$ 35,800.95	\$ 38,067.76	\$ 6,574.96	\$ -	\$ -
<b>Subtotal</b>			<b>\$ 169,748.95</b>	<b>\$ 225,007.16</b>	<b>\$ 169,291.96</b>	<b>\$ 102,060.00</b>	<b>\$ -</b>
<b>Other Charges</b>							
01200200	47720	Board of Police Commissioners	\$ 11,519.85	\$ 10,662.54	\$ 3,385.60	\$ 12,890.00	\$ 500.00
01200200	47725	Pension Contribution Expense	490,084.87	445,268.48	677,063.39	769,000.00	917,000.00
01200200	47730	Emergency Service Disaster	9,505.47	7,743.50	7,673.70	10,450.00	8,150.00
01200200	47740	Travel/Training/Dues	56,467.20	56,384.58	50,011.77	51,500.00	25,000.00
01200200	47760	Uniforms & Safety Items	46,343.64	50,220.06	39,831.80	43,750.00	20,200.00
01200600	47790	Interest Expense	3,952.62	1,685.80	50.63	-	-
<b>Subtotal</b>			<b>\$ 617,873.65</b>	<b>\$ 571,964.96</b>	<b>\$ 778,016.89</b>	<b>\$ 887,590.00</b>	<b>\$ 970,850.00</b>
<b>Police Total</b>			<b>\$ 6,496,186.99</b>	<b>\$ 7,011,416.33</b>	<b>\$ 7,716,506.81</b>	<b>\$ 8,500,200.00</b>	<b>\$ 8,332,765.00</b>

(S) indicates those line items that reimburse the Internal Service Funds. Grounds Maintenance is now covered under Building Services.



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# Community Development Department

## Department/Program Description

The Community Development Department handles land use planning, zoning administration, issuance of building permits, inspections, code enforcement, flood plain administration, and economic development.

Personnel Summary	FY 06/07	FY 07/08	FY 08/09	FY 09/10	FY 10/11	Change
Community Development Director	0	0	1	1	1	-
Assistant Village Manager	1	1	0	0	0	-
Building Commissioner	1	1	1	1	1	-
Assistant Building Commissioner	1	1	1	1	1	-
Building Inspector	3	3	3	3	3	-
Senior Planner	1	1	2	2	2	-
Planner	1	1	0	0	0	-
Property Maintenance/Building Inspector	2	2	2	2	2	-
Secretary	2	2	2	2	2	-
Intern (Part-Time)	1	1	1	1	0	▼1
Full-Time Employee Subtotal	12	12	12	12	12	-
Part-Time Employee Subtotal	1	1	1	1	0	▼1
<b>TOTAL EMPLOYEES</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>12</b>	<b>▼1</b>

## Explanation of New Positions

No new personnel budgeted for FY 10/11. One (1) Intern position will not be filled.

## FY 2009-2010 Accomplishments

- Reviewed and updated the Subdivision and Zoning Ordinances to correct problems related to incomplete and/or unsatisfactory development.
- Continued and implemented fifth year of Public Arts Program.
- Implemented the first year of Administrative Adjudication program and made program modifications where required.
- Managed a second year of extremely high level of enforcement activity and nuisance abatements due to foreclosures and vacant homes.
- Implemented GIS-based Businesses and Home Occupations listing.
- Implemented GIS-based listing of Recapture Agreements, Annexation Agreements, Planned Unit Developments (PUD) and Special Use Permits (SUP).
- Managed three (3) bankrupt development projects and assisted Administration to develop strategies to secure and complete the public improvement portions of the projects.
- Began working with businesses affected by the Western Bypass to assist them in relocating elsewhere in Algonquin.
- Drafted and held hearings on the Conservation Design District and Randall Road Retail Overlay District, moving these important policy changes forward toward adoption.
- Although new construction is down substantially, maintenance, remodeling and alterations increased with a total of 2,167 permits this year and \$19.4 million in improvements.
- Inspected and closed out a five-year backlog of unfinished, uninspected, and/or expired permits.

## Budget Highlights

- Cut 2.8% from FY 09/10 budget and an additional 2% for FY 10/11, with a three-year budget reduction totaling 11.5%.
- Non-personnel budget items reduced by 35% in FY 09/10 and an additional 19% in FY 10/11.
- High quality plan review and inspection services will continue.
- Downtown Revitalization will continue including expanded special events downtown.
- Retail and Algonquin Corporate Campus marketing will continue.
- Public Art Program will continue including a two-day Art on the Fox event.
- Staff training will be emphasized as will maintenance of certifications.
- Internal staff capabilities will be relied upon for most planning or programmed projects.

## Performance Measures

The FY 10/11 budget document features performance measures related to the Village's Guiding Principles to assist linking budgetary decisions to the intended outcomes determined by the Village Board. Output, efficiency, and outcome measures are used to provide a tangible link from Village services and strategies to the Guiding Principles. Aggressive targets are set during the budget process not to determine success or failure, but to continuously improve service delivery and provide core services in the most cost-effective manner possible. Additional measures and strategies will be featured in subsequent budgets.

Guiding Principle #1: Maintain and/or Enhance Customer Service and Citizen Satisfaction						
Department Objective	Strategy/Measure	2007	2008	2009		2010
		Actual	Actual	Target	Actual	Target
Implement mechanisms for promoting effective internal and external communication.	Maximize the % of property maintenance violations resolved without Court action	N/A	N/A	85%	93%	90%
	Business Connection Newsletters Sent	1	2	N/A	4	N/A

Guiding Principle #2: Continue to Promote and Foster Economic Development						
Department Objective	Strategy/Measure	2007	2008	2009		2010
		Actual	Actual	Target	Actual	Target
Create jobs and bring visitors to our community.	Maximize the amount of new Commercial space opened (square feet)	814,230	365,844	N/A	160,525	N/A
	Commercial Occupancy Permits Issued	66	55	N/A	20	N/A
	Maintain Employment Rate above Kane and McHenry Counties <sup>1</sup>	96.0%	94.9%	>90.3%	91.4%	TBD

Notes:

<sup>1</sup> – Data provided by the Illinois Department of Employment Security, Local Area Unemployment Statistics. Target for 2010 is based upon the actual employment rate for Kane and McHenry Counties in 2010.

Guiding Principle #5: Continue to Allocate the Necessary Resources for the Maintenance of the Public's Health, Safety, and Welfare Through a Well Trained and Dedicated Staff						
Department Objective	Strategy/Measure	2007	2008	2009		2010
		Actual	Actual	Target	Actual	Target
Maintain a high level of quality, consistency, and reliability in building and property maintenance inspections.	Building Inspections	4,545	5,109	N/A	4,802	N/A
	Property Maintenance Inspections	2,101	3,940	N/A	3,609	N/A
	Residential Occupancy Permits Issued	38	11	N/A	13	N/A

### Future Goals and Objectives

- Review revenue enhancements and work sharing/cost sharing opportunities to continue to be a fiscally responsible Department.
- Assist in handling abandoned/foreclosed properties and construction projects including Riverside Square and Creek's Crossing.
- Continue to Review Zoning and Subdivision Ordinances for compatibility with plans and policies, update as needed.
- Review Sign Ordinance for compatibility with plans and policies, update as needed.
- Investigate creation of rental housing inspection program and vacant/abandoned building registration program.
- Continue recruiting new business to the Algonquin Corporate Campus.
- Continue downtown revitalization and retail marketing activities.
- Complete certification of building inspectors in their areas of expertise, with particular emphasis on the International Building Code.
- Continue promoting the Conservation Community Program.
- Begin training and educational requirements to enable economic development staff to become certified in the next four years.
- Maintain existing staff certifications and training levels.
- Implement workshare programs.

## Community Development Department

## Expenditures

			FY 06/07 Actual	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
<b>Personnel</b>							
01300100	41103	IMRF	\$ 65,988.57	\$ 68,443.29	\$ 71,373.67	\$ 81,800.00	\$ 86,695.00
01300100	41104	FICA	54,692.08	56,757.66	59,414.28	62,700.00	64,675.00
01300100	41105	Unemployment Tax	2,195.10	2,072.44	1,316.91	2,400.00	2,225.00
01300100	41106	Health Insurance	78,044.44	79,870.17	92,460.16	107,925.00	108,900.00
01300100	41110	Salaries	725,955.91	757,211.83	782,349.67	810,000.00	838,395.00
01300100	41132	Salary - Planning/Zoning	2,890.00	2,185.00	965.00	3,000.00	2,000.00
01300100	41140	Overtime	4,624.70	2,889.53	6,520.09	6,000.00	4,800.00
<b>Subtotal</b>			\$ 934,390.80	\$ 969,429.92	\$ 1,014,399.78	\$ 1,073,825.00	\$ 1,107,690.00
<b>Contractual Services</b>							
01300100	42210	Telephone	\$ 6,537.64	\$ 8,502.98	\$ 7,859.93	\$ 8,300.00	\$ 8,300.00
01300100	42211	Natural Gas	4,465.43	4,493.91	4,001.68	3,300.00	1,990.00
01300100	42230	Legal Services	5,125.00	17,234.25	34,262.50	15,000.00	19,720.00
01300100	42234	Professional Services	132,358.73	142,859.99	114,011.55	54,700.00	45,575.00
01300100	42242	Publications	1,229.52	683.53	2,811.18	3,000.00	500.00
01300100	42243	Printing & Advertising	3,961.39	2,826.88	4,956.72	6,800.00	6,800.00
01300100	42270	Equipment Rental	162.40	-	-	-	-
<b>Subtotal</b>			\$ 153,840.11	\$ 176,601.54	\$ 167,903.56	\$ 91,100.00	\$ 82,885.00
<b>Supplies &amp; Materials</b>							
01300100	43308	Office Supplies	\$ 4,561.20	\$ 4,162.85	\$ 3,867.04	\$ 4,100.00	\$ 4,100.00
01300100	43317	Postage	3,276.75	3,613.36	5,120.63	4,000.00	4,000.00
01300100	43319	Building Supplies	4,427.20	-	-	-	-
01300100	43320	Tools, Equipment & Supplies	165.73	1,202.95	172.30	2,000.00	500.00
01300100	43332	Office Furniture & Equipment	7,450.94	14,365.36	5,998.52	12,400.00	-
01300100	43340	Fuel	8,718.45	10,052.02	10,345.68	6,325.00	9,500.00
01300100	43362	Public Art	1,534.18	7,460.88	5,091.73	14,000.00	6,000.00
<b>Subtotal</b>			\$ 30,134.45	\$ 40,857.42	\$ 30,595.90	\$ 42,825.00	\$ 24,100.00
<b>Maintenance</b>							
01300100	44420	Vehicle Maintenance (S)	\$ 14,851.15	\$ 10,597.25	\$ 13,456.70	\$ 14,780.00	\$ 12,140.00
01300100	44423	Building Services (S)	7,764.68	40,849.78	73,706.57	41,670.00	39,460.00
01300100	44424	Grounds Maintenance (S)	1,787.72	1,788.16	-	-	-
01300100	44426	Office Equipment Maintenance	5,099.85	6,875.55	6,031.88	7,000.00	7,000.00
<b>Subtotal</b>			\$ 29,503.40	\$ 60,110.74	\$ 93,195.15	\$ 63,450.00	\$ 58,600.00
<b>Capital Expenditures</b>							
01300100	45590	Capital Purchase	\$ 18,038.00	\$ 34,400.00	\$ 38,440.00	\$ -	\$ -
<b>Subtotal</b>			\$ 18,038.00	\$ 34,400.00	\$ 38,440.00	\$ -	\$ -
<b>Other Charges</b>							
01300100	47710	Economic Development	\$ 36,113.99	\$ 62,917.33	\$ 21,997.48	\$ 10,000.00	\$ 4,500.00
01300100	47740	Travel/Training/Dues	10,174.04	12,309.31	10,651.53	15,000.00	11,615.00
01300100	47750	Commission Support Material	76.77	308.60	42.35	300.00	-
01300100	47760	Uniforms & Safety Items	998.59	1,167.49	760.00	1,500.00	500.00
<b>Subtotal</b>			\$ 47,363.39	\$ 76,702.73	\$ 33,451.36	\$ 26,800.00	\$ 16,615.00
<b>Community Development Total</b>			\$ 1,213,270.15	\$ 1,358,102.35	\$ 1,377,985.75	\$ 1,298,000.00	\$ 1,289,890.00
(S) indicates those line items that reimburse the Internal Service Funds. Grounds Maintenance is now covered under Building Services							

# Public Works Department

## Public Works Administration Division

### Department/Program Description

Public Works Administration is responsible for the overall direction of the Public Works Department. Coordination and management of the operating divisions of Public Works occurs from Public Works Administration Division. The five operating divisions of the Public Works Department are Streets, Parks and Forestry, Water and Sewer Utilities, Internal Services (Building and Vehicle Maintenance), and Public Works Administration.

Personnel Summary	FY 06/07	FY 07/08	FY 08/09	FY 09/10	FY 10/11	Change
Public Works Director	1	1	1	1	1	-
Assistant Public Works Director	1	1	1	1	1	-
Project Manager	1	1	1	1	1	-
GIS Assistant/Inspector	1	1	1	1	1	-
Building Maintenance Supervisor	1	0	0	0	0	-
Building Maintenance Assistant	1	0	0	0	0	-
Maintenance Worker I	1	1	1	1	1	-
Stock Coordinator	0.5	0.5	0	0	0	-
Account Clerk II	1	1	1	1	1	-
Secretary I	1	1	1	1	1	-
Seasonal (Part-Time)	2	2	2	2	0	▼ 2
Full-Time Employee Subtotal	9.5	7.5	7	7	7	-
Part-Time Employee Subtotal	2	2	2	2	0	▼ 2
<b>TOTAL EMPLOYEES</b>	<b>11.5</b>	<b>9.5</b>	<b>9</b>	<b>9</b>	<b>7</b>	<b>▼ 2</b>

### Explanation of New Positions

No new personnel budgeted for FY 10/11. Two (2) seasonal part-time positions will not be filled.

### FY 2009-2010 Accomplishments

- Oversaw the work of the GIS Assistant/Inspector which has resulted in a successful monthly inspection of soil erosion and sediment control measures on all developments and public works projects, and the ongoing collection of asset information for the water system, storm system, streetlights, trees, signs, etc.
- Conducted training of staff in Personal Protective Equipment, Confined Space Entry, Fall Protection and other OSHA-required regulations.
- Purchased a new GPS Rover unit. This was an upgrade to our former unit and is much more advanced and allows us to capture data on a sub-centimeter level.
- Public Works Director attended the APWA National Convention.
- Successful replacement of laptops for the Secretary and the GIS Assistant/Inspector.

## Budget Highlights

- Continue the collection of the Village infrastructure utilizing GPS.
- Attend the APWA National Convention (PW Director).
- Provide additional technical training to GIS Assistant/Inspector in GIS.

## Performance Measures

The FY 10/11 budget document features performance measures related to the Village's Guiding Principles to assist linking budgetary decisions to the intended outcomes determined by the Village Board. Output, efficiency, and outcome measures are used to provide a tangible link from Village services and strategies to the Guiding Principles. Aggressive targets are set during the budget process not to determine success or failure, but to continuously improve service delivery and provide core services in the most cost-effective manner possible. Additional measures and strategies will be featured in subsequent budgets.

Guiding Principle #3: Evaluate, Plan for, and Implement Important Capital Improvement Projects in Order to Maintain the Village's Infrastructure and Uphold a High Quality of Life for Residents						
Department Objective	Strategy/Measure	2007	2008	2009		2010
		Actual	Actual	Target	Actual	Target
Provide oversight for all major maintenance and construction projects.	Public Works Project Engineering Reviews	5	3	N/A	5	N/A
	Private Developer Engineering Reviews	17	10	N/A	3	N/A
	Site Development Permits Issued	13	9	N/A	1	N/A

## Future Goals and Objectives

- Continue to foster the departmental in-house training and safety programs and decrease the number of department-wide accidents and injuries.
- Continue to set policies and give directives for the overall effectiveness of the Public Works Department.
- In cooperation with other departments, integrate GIS for different public works functions.
- Improve service to our residents by continuing to affect change in our work forces so that extraordinary public service in Algonquin becomes second nature.



## Public Works Administration

## Expenditures

			FY 06/07 Actual	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
<b>Personnel</b>							
01400300	41103	IMRF	\$ 42,759.17	\$ 38,627.45	\$ 37,650.31	\$ 41,750.00	\$ 44,325.00
01400300	41104	FICA	35,332.63	32,658.54	31,411.00	32,590.00	32,965.00
01400300	41105	Unemployment Tax	1,601.58	1,322.26	796.15	1,500.00	1,075.00
01400300	41106	Health Insurance	49,817.12	30,794.37	32,083.11	32,600.00	37,750.00
01400300	41110	Salaries	466,667.36	427,419.12	415,808.04	415,700.00	424,870.00
01400300	41140	Overtime	18,268.04	12,726.83	8,232.09	9,000.00	5,200.00
<b>Subtotal</b>			\$ 614,445.90	\$ 543,548.57	\$ 525,980.70	\$ 533,140.00	\$ 546,185.00
<b>Contractual Services</b>							
01400300	42210	Telephone	\$ 6,574.23	\$ 8,039.83	\$ 6,536.04	\$ 6,710.00	\$ 7,150.00
01400300	42211	Natural Gas	5,000.04	7,618.73	7,534.46	6,000.00	4,915.00
01400300	42230	Legal Services	9,257.50	4,501.25	9,327.50	7,000.00	10,000.00
01400300	42232	Engineering Services	4,041.00	1,355.00	540.00	1,000.00	-
01400300	42234	Professional Services	3,961.16	4,021.22	2,017.29	4,100.00	1,210.00
01400300	42242	Publications	682.96	549.05	608.51	530.00	530.00
01400300	42243	Printing & Advertising	380.14	171.88	27.01	2,250.00	2,050.00
01400300	42260	Physical Exams	-	-	-	400.00	400.00
01400300	42270	Equipment Rental	113.51	421.20	102.11	150.00	-
01400300	42280	Building Services	125,523.23	-	-	-	-
01400300	42281	Grounds Services	11,749.85	12,010.40	-	-	-
<b>Subtotal</b>			\$ 167,283.62	\$ 38,688.56	\$ 26,692.92	\$ 28,140.00	\$ 26,255.00
<b>Supplies &amp; Materials</b>							
01400300	43308	Office Supplies	\$ 1,978.39	\$ 4,494.28	\$ 2,968.59	\$ 2,600.00	\$ 2,500.00
01400300	43317	Postage	2,032.94	1,808.31	1,400.09	2,000.00	1,600.00
01400300	43319	Building Supplies	60,277.85	-	298.22	200.00	-
01400300	43320	Tools, Equipment & Supplies	7,219.29	3,852.00	5,764.67	1,300.00	800.00
01400300	43332	Office Furniture & Equipment	13,727.05	7,601.99	22,846.08	7,250.00	6,155.00
01400300	43340	Fuel	8,136.33	10,077.67	6,269.72	6,350.00	5,195.00
<b>Subtotal</b>			\$ 93,371.85	\$ 27,834.25	\$ 39,547.37	\$ 19,700.00	\$ 16,250.00
<b>Maintenance</b>							
01400300	44420	Vehicle Maintenance (S)	\$ 11,053.26	\$ 4,585.95	\$ 15,602.31	\$ 17,360.00	\$ 9,000.00
01400300	44421	Equipment Maintenance (S)	1,210.65	87.28	110.35	-	-
01400300	44423	Building Services (S)	19,353.64	52,226.41	53,190.45	29,480.00	28,290.00
01400300	44424	Grounds Maintenance (S)	309.86	31.37	-	-	-
01400300	44426	Office Equipment Maintenance	413.92	603.34	756.73	700.00	700.00
<b>Subtotal</b>			\$ 32,341.33	\$ 57,534.35	\$ 69,659.84	\$ 47,540.00	\$ 37,990.00
<b>Capital Expenditures</b>							
01400300	45590	Capital Purchase	\$ 62,045.10	\$ 9,561.00	\$ -	\$ 15,000.00	\$ -
<b>Subtotal</b>			\$ 62,045.10	\$ 9,561.00	\$ -	\$ 15,000.00	\$ -
<b>Transfers</b>							
01400500	48099	Transfer/Debt Service Fund <sup>1</sup>	\$ -	\$ -	\$ -	\$ -	\$ 627,000.00
<b>Subtotal</b>			\$ -	\$ -	\$ -	\$ -	\$ 627,000.00
<b>Other Charges</b>							
01400300	47740	Travel, Training & Dues	\$ 8,602.52	\$ 15,567.03	\$ 10,346.93	\$ 14,480.00	\$ 10,300.00
01400300	47760	Uniforms & Safety Items	3,182.96	2,657.72	2,316.39	2,400.00	2,150.00
<b>Subtotal</b>			\$ 11,785.48	\$ 18,224.75	\$ 12,663.32	\$ 16,880.00	\$ 12,450.00
<b>Contra Account</b>							
01400300	47798	Grounds Services Redistribution	\$ (192,287.99)	\$ (12,010.41)	\$ -	\$ -	\$ -
<b>Subtotal</b>			\$ (192,287.99)	\$ (12,010.41)	\$ -	\$ -	\$ -
<b>Public Works Administration Total</b>			\$ 788,985.29	\$ 683,381.07	\$ 674,544.15	\$ 660,400.00	\$ 1,266,130.00

<sup>1</sup> - Debt Service is now reflected in this Fund since these funds are to pay off construction debt associated with the Public Works Facility.

(S) indicates those line items that reimburse the Internal Service Funds. Grounds Maintenance is now covered under Building Services



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## Public Works Streets Division

### Department/Program Description

The Streets Division of the Public Works Department is responsible for the maintenance and care of the Village's road systems, as well as the Village storm water system, rights of way, open spaces, concrete curbs and sidewalks, lighting systems and signage. The current roadway system includes approximately 124 miles of streets.

Personnel Summary	FY 06/07	FY 07/08	FY 08/09	FY 09/10	FY 10/11	Change
Street Superintendent	1	1	1	1	1	-
Foreman	2	2	2	2	2	-
Maintenance Worker II	2	2	2	2	2	-
Maintenance Worker I	9	10	10	10	10	-
Seasonal (Part-Time)	3	3	4	4	0	▼ 4
Full-Time Employee Subtotal	14	15	15	15	15	-
Part-Time Employee Subtotal	3	3	4	4	0	▼ 4
<b>TOTAL EMPLOYEES</b>	<b>17</b>	<b>18</b>	<b>19</b>	<b>19</b>	<b>15</b>	<b>▼ 4</b>

### Explanation of New Positions

No new personnel budgeted for FY 10/11. Four (4) seasonal part-time positions will not be filled.

### FY 2009-2010 Accomplishments

- Major patchwork completed on Edgewood Road, Stonegate Road, Glacier Parkway, Terrace Drive, Country Lane, Bunker Hill Drive, and Persimmon Drive.
- Principal drainage projects completed on Lexington Drive, Surrey Lane, Woods Creek Lane, Glacier Parkway, and Kirkland Drive, eliminating previously reported flooding issues.
- Used Streets personnel (utilizing MFT Funds) to complete all the curb and sidewalk work on Arquilla Drive, Providence Drive, Butterfield Drive, Farmhill Drive, White Oak Drive, Sawmill Lane, Dawson Lane, Parkview Terrace, and Greensview Drive, along with various other concrete maintenance needs throughout the Village.

### Budget Highlights

- Continue concrete inspections and replacement program in areas which are slated for road work rehabilitation, eliminating the need for contractor funding or project preparation for in-house ventures.
- Continue clean-up of drainage issues which have hampered the Village's efforts to plow snow, prevent localized flooding, or the standing of water which damages pavement.

## Performance Measures

The FY 10/11 budget document features performance measures related to the Village's Guiding Principles to assist linking budgetary decisions to the intended outcomes determined by the Village Board. Output, efficiency, and outcome measures are used to provide a tangible link from Village services and strategies to the Guiding Principles. Aggressive targets are set during the budget process not to determine success or failure, but to continuously improve service delivery and provide core services in the most cost-effective manner possible. Additional measures and strategies will be featured in subsequent budgets.

<b>Guiding Principle #3: Evaluate, Plan for, and Implement Important Capital Improvement Projects in Order to Maintain the Village's Infrastructure and Uphold a High Quality of Life for Residents</b>						
Department Objective	Strategy/Measure	2007	2008	2009		2010
		Actual	Actual	Target	Actual	Target
Provide adequate infrastructure throughout the Village.	Street Light Work Orders	36	34	N/A	30	N/A
	Other Work Orders	155	163	N/A	147	N/A
	Potholes Repaired	330	370	N/A	450	N/A

## Future Goals and Objectives

- Utilize funding for materials and focus on core service delivery.
- Review operations for cost-savings while fully utilizing existing staff.

## Statistics

<b>Public Works Streets Division</b>				
	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
Sidewalk Concrete Poured (square feet)	7,212	1,500	980	1,640
Curb Concrete Poured (linear feet)	N/A	N/A	266	700
Asphalt Used (tons)	192	762	703	1,710
Pipe Installed (linear feet)	1,200	1,350	750	1,800
Structures Set	13	11	7	4
Road Striping Completed (miles)	4	8	9 <sup>1</sup>	6 <sup>2</sup>
Split Rail Fence Installed (linear feet)	400	700	1,200	530
Snow Fence Installed (linear feet)	6,500	9,400	11,000	11,000
Notes:				
<sup>1</sup> – 52 stop bars and 32 crosswalks were also striped.				
<sup>2</sup> – 27 stop bars and 34 crosswalks were also striped.				

			FY 06/07 Actual	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
<b>Personnel</b>							
01500300	41103	IMRF	\$ 64,347.51	\$ 73,524.55	\$ 77,616.31	\$ 86,775.00	\$ 92,765.00
01500300	41104	FICA	54,121.67	61,941.83	65,651.71	67,375.00	69,870.00
01500300	41105	Unemployment Tax	2,671.59	2,523.04	1,734.24	2,800.00	3,075.00
01500300	41106	Health Insurance	155,191.41	158,859.37	167,671.61	181,600.00	175,500.00
01500300	41110	Salaries	679,144.61	726,914.12	806,066.88	831,000.00	863,225.00
01500300	41140	Overtime	47,454.43	102,996.74	75,542.14	50,000.00	40,000.00
<b>Subtotal</b>			\$ 1,002,931.22	\$ 1,126,759.65	\$ 1,194,282.89	\$ 1,219,550.00	\$ 1,244,435.00
<b>Contractual Services</b>							
01500300	42210	Telephone	\$ 4,174.93	\$ 4,976.96	\$ 4,859.45	\$ 6,280.00	\$ 5,050.00
01500300	42211	Natural Gas	6,503.72	9,780.06	8,071.95	7,000.00	5,160.00
01500300	42212	Electric	372,584.05	397,585.68	351,811.62	439,000.00	448,700.00
01500300	42230	Legal Services	-	-	3,148.34	1,000.00	2,000.00
01500300	42232	Engineering Services	3,342.50	7,894.98	7,212.00	3,000.00	6,000.00
01500300	42234	Professional Services	13,578.75	17,159.98	4,738.53	17,760.00	14,480.00
01500300	42242	Publications	96.34	-	120.00	200.00	-
01500300	42243	Printing & Advertising	479.84	510.30	-	1,150.00	50.00
01500300	42260	Physical Exams	-	-	-	400.00	-
01500300	42264	Snow Removal	3,260.52	726.77	1,412.39	3,500.00	3,700.00
01500300	42270	Equipment Rental	7,312.79	1,401.38	1,873.44	2,350.00	1,700.00
<b>Subtotal</b>			\$ 411,333.44	\$ 440,036.11	\$ 383,247.72	\$ 481,640.00	\$ 486,840.00
<b>Supplies &amp; Materials</b>							
01500300	43308	Office Supplies	\$ 1,397.79	\$ 535.05	\$ 337.61	\$ 500.00	\$ 500.00
01500300	43309	Materials	58,351.75	49,493.35	60,647.76	34,300.00	19,500.00
01500300	43317	Postage	16.32	-	51.55	100.00	50.00
01500300	43319	Building Supplies	5,454.58	503.00	-	200.00	-
01500300	43320	Tools, Equipment & Supplies	25,522.89	46,428.81	45,752.68	41,500.00	4,200.00
01500300	43332	Office Furniture & Equipment	-	-	5,744.01	7,100.00	400.00
01500300	43340	Fuel	61,661.95	97,164.59	85,212.30	82,250.00	71,870.00
01500300	43366	Sign Program	35,668.19	37,675.67	26,585.47	25,000.00	5,000.00
<b>Subtotal</b>			\$ 188,073.47	\$ 231,800.47	\$ 224,331.38	\$ 190,950.00	\$ 101,520.00
<b>Maintenance</b>							
01500300	44420	Vehicle Maintenance (S)	\$ 180,150.04	\$ 148,127.36	\$ 129,723.96	\$ 155,900.00	\$ 140,830.00
01500300	44421	Equipment Maintenance (S)	72,746.42	119,059.77	139,904.12	70,960.00	146,440.00
01500300	44423	Building Maintenance (S)	10,548.49	33,208.96	81,426.02	56,900.00	78,000.00
01500300	44424	Grounds Maintenance (S)	1,109.24	950.62	-	-	-
01500300	44426	Office Equipment Maintenance	597.54	827.10	694.35	720.00	720.00
01500300	44427	Curb & Sidewalk Program	21,035.60	6,525.16	8,695.13	5,000.00	1,000.00
01500300	44428	Street Maintenance	35,340.75	32,906.39	20,249.62	38,500.00	8,500.00
01500300	44429	Street Lights	10,480.50	3,504.12	5,945.05	6,000.00	3,000.00
01500300	44430	Traffic Signal Maintenance	4,824.55	12,178.65	12,360.12	28,000.00	13,000.00
<b>Subtotal</b>			\$ 336,833.13	\$ 357,288.13	\$ 398,998.37	\$ 361,980.00	\$ 391,490.00
<b>Capital Expenditures</b>							
01500300	45590	Capital Purchase	\$ 84,612.00	\$ 286,857.50	\$ 102,969.90	\$ -	\$ -
01500300	45597	Capital Lease Payments	19,411.86	20,640.96	3,565.05	-	-
<b>Subtotal</b>			\$ 104,023.86	\$ 307,498.46	\$ 106,534.95	\$ -	\$ -
<b>Other Charges</b>							
01500300	47740	Travel/Training/Dues	\$ 2,689.83	\$ 2,455.57	\$ 2,206.41	\$ 4,230.00	\$ 2,430.00
01500300	47760	Uniforms & Safety Items	8,842.05	7,657.30	8,223.55	8,650.00	6,700.00
01500600	47790	Interest Expense	2,143.17	914.06	27.45	-	-
<b>Subtotal</b>			\$ 13,675.05	\$ 11,026.93	\$ 10,457.41	\$ 12,880.00	\$ 9,130.00
<b>Streets Total</b>			\$ 2,056,870.17	\$ 2,474,409.75	\$ 2,317,852.72	\$ 2,267,000.00	\$ 2,233,415.00

(S) indicates those line items that reimburse the Internal Service Funds. Grounds Maintenance is now covered under Building Services



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## Public Works Parks and Forestry Division

### Department/Program Description

The Parks and Forestry Division of Algonquin is responsible for the development and maintenance of all park and open space parcels within the Village, as well as the installation, replacement, and maintenance of all Village-owned trees (parkways, parks, open spaces, and Village properties). In the realm of parks, we oversee all physical aspects of the park parcels from their conception and development to the annual mowing schedule. Tasks include trash removal, painting, landscaping, planting, mowing, and ongoing replacement, repair or restoration of virtually all of the parks' features.

Personnel Summary	FY 06/07	FY 07/08	FY 08/09	FY 09/10	FY 10/11	Change
Superintendent	1	1	1	1	1	-
Foreman	1	1	1	1	1	-
Maintenance Worker II	3	4	4	4	4	-
Maintenance Worker I	9	9	9	9	9	-
Seasonal (Part-Time)	8	8	8	8	4	▼ 4
Full-Time Employee Subtotal	14	15	15	15	15	-
Part-Time Employee Subtotal	8	8	8	8	4	▼ 4
<b>TOTAL EMPLOYEES</b>	<b>22</b>	<b>23</b>	<b>23</b>	<b>23</b>	<b>19</b>	<b>▼ 4</b>

### Explanation of New Positions

No new personnel budgeted for FY 10/11. Four (4) seasonal part-time positions will not be filled.

### FY 2009-2010 Accomplishments

- Construction of the Yellowstone Park play lot was completed.
- Most park building structures received new paint/stain.
- Secured new divisional brush chipper.
- Emerald Ash Borer program and policies were implemented.
- Digital work order management program for tree work was developed and implemented.
- Gypsy moth studies were conducted, resulting in another non-treatment year.
- Certified Arborists on staff was increased to six (6).
- Divisional Supervisor graduated from the Illinois Public Service Institute.
- Division's right size/right vehicle program continues to increase efficiency and reduce costs.
- Over four hundred (400) donated trees were received and installed.

### Budget Highlights

- Full-time staffing levels will be maintained.
- Focus will be upon continuing to study and improve efficiencies and customer service.
- Intensive play surface mulch rehabilitation program will be performed.
- Replacement tree funding will continue in an effort to minimize the impacts of natural loss, as well as losses due to Emerald Ash Borer infestations.
- Stabilization of Cornish Park shoreline project will begin.

## Performance Measures

The FY 10/11 budget document features performance measures related to the Village's Guiding Principles to assist linking budgetary decisions to the intended outcomes determined by the Village Board. Output, efficiency, and outcome measures are used to provide a tangible link from Village services and strategies to the Guiding Principles. Aggressive targets are set during the budget process not to determine success or failure, but to continuously improve service delivery and provide core services in the most cost-effective manner possible. Additional measures and strategies will be featured in subsequent budgets.

Guiding Principle #1: Maintain and/or Enhance Customer Service and Citizen Satisfaction						
Department Objective	Strategy/Measure	2007	2008	2009		2010
		Actual	Actual	Target	Actual	Target
Maintain a highly trained and capable staff for operations.	ISA Certified Arborists	6	5	N/A	6	N/A

Guiding Principle #3: Evaluate, Plan for, and Implement Important Capital Improvement Projects in Order to Maintain the Village's Infrastructure and Uphold a High Quality of Life for Residents						
Department Objective	Strategy/Measure	2007	2008	2009		2010
		Actual	Actual	Target	Actual	Target
Maintain parkway trees and urban forests as a community resource.	Tree Replacements	412	378	N/A	711	N/A
	Trees Pruned	800	2,600	N/A	3,356	N/A
	Parkway Trees Maintained	N/A	17,775	N/A	18,179	N/A
Maintain high quality Village parks for residents, businesses, and visitors.	Park Sites Maintained	21	21	N/A	21	N/A
	Open Space/Detention Area Maintained (Acres)	126	666.5	N/A	666.5	N/A
	Developed Park Area Maintained (Acres)	221	154.5	N/A	154.5	N/A

Guiding Principle #6: Continue to Promote and Develop Programs with a Conservation Focus						
Department Objective	Strategy/Measure	2007	2008	2009		2010
		Actual	Actual	Target	Actual	Target
Preserve and enhance Village's tree resources.	Obtain Tree City USA Award	Yes	Yes	Yes	Yes	Yes



## **Future Goals and Objectives**

- Performance assessment and refinement will continue to be a focus.
- Customer service will continue to be scrutinized and improved.
- Continue in-house training program and ISA certify additional staff members.
- Develop Pondview Park.
- Redevelop Stoneybrook Park.
- Develop park inventory and database work order system.

			FY 06/07 Actual	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
<b>Personnel</b>							
01600300	41103	IMRF	\$ 62,744.96	\$ 68,697.33	\$ 71,240.05	\$ 82,950.00	\$ 85,790.00
01600300	41104	FICA	53,866.66	59,348.72	59,556.48	66,150.00	65,585.00
01600300	41105	Unemployment Tax	3,114.53	3,529.70	1,939.37	3,725.00	3,225.00
01600300	41106	Health Insurance	94,344.06	100,812.64	107,479.05	112,450.00	117,125.00
01600300	41110	Salaries	675,579.42	729,076.31	753,777.77	831,500.00	829,170.00
01600300	41140	Overtime	35,982.19	54,794.96	33,780.93	33,000.00	26,400.00
<b>Subtotal</b>			\$ 925,631.82	\$ 1,016,259.66	\$ 1,027,773.65	\$ 1,129,775.00	\$ 1,127,295.00
<b>Contractual Services</b>							
01600300	42210	Telephone	\$ 4,626.88	\$ 5,805.41	\$ 4,366.29	\$ 7,000.00	\$ 5,350.00
01600300	42211	Natural Gas	6,189.33	9,234.33	8,607.88	7,400.00	5,540.00
01600300	42212	Electric	63.69	-	-	-	-
01600300	42230	Legal Service	-	-	690.00	500.00	500.00
01600300	42232	Engineering Services	-	6,593.32	-	500.00	-
01600300	42234	Professional Services	18,871.72	24,148.50	49,328.24	54,120.00	34,500.00
01600300	42242	Publications	429.55	368.07	-	500.00	-
01600300	42243	Printing & Advertising	814.53	1,922.47	714.97	2,795.00	550.00
01600300	42253	Community Events	7,166.81	6,352.13	835.84	1,500.00	1,000.00
01600300	42260	Physical Exams	-	735.00	183.75	400.00	-
01600300	42270	Equipment Rental	1,537.40	4,862.73	2,160.86	2,600.00	2,830.00
<b>Subtotal</b>			\$ 39,699.91	\$ 60,021.96	\$ 66,887.83	\$ 77,315.00	\$ 50,270.00
<b>Supplies &amp; Materials</b>							
01600300	43308	Office Supplies	\$ 1,023.71	\$ 469.32	\$ 478.87	\$ 300.00	\$ 300.00
01600300	43309	Materials	21,430.49	32,370.27	19,577.79	26,050.00	27,700.00
01600300	43317	Postage	8.44	24.14	26.36	50.00	50.00
01600300	43319	Building Supplies	6,163.68	-	-	200.00	-
01600300	43320	Tools, Equipment & Supplies	42,444.36	25,496.94	13,322.08	27,400.00	12,000.00
01600300	43332	Office Furniture & Equipment	-	5,399.22	-	7,600.00	1,500.00
01600300	43340	Fuel	35,854.57	44,778.49	41,017.31	43,280.00	35,360.00
01600300	43360	Park Upgrades	28,149.22	-	25,271.81	1,000.00	34,000.00
<b>Subtotal</b>			\$ 135,074.47	\$ 108,538.38	\$ 99,694.22	\$ 105,880.00	\$ 110,910.00
<b>Maintenance</b>							
01600300	44402	Tree Planting	\$ 25,428.88	\$ 47,952.01	\$ 26,375.11	\$ 39,700.00	\$ 32,500.00
01600300	44403	Tree Trimming/Removal	-	1,400.00	1,907.72	3,000.00	5,000.00
01600300	44420	Vehicle Maintenance(S)	82,378.34	89,374.13	21,463.05	85,400.00	71,400.00
01600300	44421	Equipment Maintenance (S)	62,795.88	68,265.67	125,483.82	79,820.00	94,260.00
01600300	44423	Building Services (S)	11,489.04	46,429.39	70,019.43	67,460.00	59,620.00
01600300	44424	Grounds Maintenance (S)	16.96	15.27	-	-	-
01600300	44425	Open Space Maintenance	23,140.00	15,841.12	15,000.00	15,000.00	15,000.00
01600300	44426	Office Equipment Maintenance	567.95	797.83	694.35	720.00	720.00
<b>Subtotal</b>			\$ 205,817.05	\$ 270,075.42	\$ 260,943.48	\$ 291,100.00	\$ 278,500.00
<b>Capital Expenditures</b>							
01600300	45590	Capital Purchase	\$ 36,308.00	\$ 93,584.00	\$ 207,130.00	\$ 207,500.00	\$ -
01600300	45593	Park Development	14,339.34	17,913.55	156,523.02	14,000.00	-
01600300	45597	Capital Lease Payment	8,104.63	8,617.78	1,488.44	-	-
<b>Subtotal</b>			\$ 58,751.97	\$ 120,115.33	\$ 365,141.46	\$ 221,500.00	\$ -
<b>Transfers</b>							
01600500	48005	Transfer to Pool	\$ 27,991.29	\$ 54,795.60	\$ 36,376.48	\$ 54,400.00	\$ 52,180.00
01600500	48006	Transfer to Park Fund	12,090.00	357,797.00	0.00	0.00	0.00
<b>Subtotal</b>			\$ 40,081.29	\$ 412,592.60	\$ 36,376.48	\$ 54,400.00	\$ 52,180.00
<b>Other Charges</b>							
01600300	47740	Travel/Training/Dues	\$ 7,745.57	\$ 5,243.93	\$ 6,580.56	\$ 9,230.00	\$ 3,450.00
01600300	47760	Uniforms & Safety Items	8,413.30	8,893.19	7,646.94	8,200.00	7,000.00
01600600	47790	Interest Expense	894.77	381.64	11.47	-	-
<b>Subtotal</b>			\$ 17,053.64	\$ 14,518.76	\$ 14,238.97	\$ 17,430.00	\$ 10,450.00
<b>Parks &amp; Forestry Total</b>			\$ 1,422,110.15	\$ 2,002,122.11	\$ 1,871,056.09	\$ 1,897,400.00	\$ 1,629,605.00

(S) indicates those line items that reimburse the Internal Service Funds. Grounds Maintenance is now covered under Building Services.

# Multidepartmental

# Expenditures

			FY 06/07 Actual	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
01900100	42234	Professional Services <sup>1</sup>	\$ 8,237.70	\$ 6,180.19	\$ 11,588.61	\$ 15,000.00	\$ 7,500.00
01900100	42236	Insurance	442,477.14	504,692.49	524,954.77	555,000.00	655,000.00
01900100	43333	Computer Network	56,561.33	53,453.34	55,671.59	97,440.00	154,960.00
01900100	45590	Capital Purchase	-	-	193,786.08	146,600.00	-
01900100	47900	Working Capital	-	-	-	310,000.00	-
01900100	47910	Vehicle Replacement	-	-	-	100,000.00	-
01900500	48024	Transfer to Village Construction	-	-	-	100,000.00	-
<b>Multidepartmental Total</b>			<b>\$ 507,276.17</b>	<b>\$ 564,326.02</b>	<b>\$ 786,001.05</b>	<b>\$ 1,324,040.00</b>	<b>\$ 817,460.00</b>

<sup>1</sup> - Includes funding for EAP program and for Hepatitis Shots. The remaining amounts are budgeted in Fund 07.



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# Public Works Department

## Water and Sewer Utilities Operating Division

### Department/Program Description

The Utilities Division has three distinct areas of responsibility that provide service to the community. The **Wastewater Treatment operation** is responsible for the treatment of sanitary sewer flow of up to 5.0 million gallons a day (MGD), boasting a unique nutrient biological process for the removal of conventional pollutants. The facility uses an innovative biological process in conjunction with an expanded system of solids handling and aerobic/anaerobic digestion. New technologies and operational strategies achieve a level of effluent quality which exceeds expectations to meet the permit limitations and the standards set by the Federal and State regulatory agencies for the protection of our community and environment.

The **Underground (Utilities) operation** is responsible for the operation and maintenance of 160 miles of water distribution system, nearly 2,200 fire hydrants, a 134-mile conveyance system for sanitary sewage, and ten sewage lift stations. Additionally, this division is responsible for responding to water leaks, blocked sanitary sewers, and performing utility locates as a member of the JULIE system.

The **Water Treatment operation** is responsible for providing high quality water for consumption by residential and commercial customers, as well as providing adequate quantities of water and sufficient pressure for firefighting capabilities. Source water is derived from a combination of multiple shallow and one deep groundwater wells. Water treatment process includes pressure filtration, softening, and membrane filtration accomplished at one of three water treatment facilities producing an average of 2.8 MGD. Additionally, this division is responsible for the installation and maintenance of the Village's water meters, as well as providing excellent customer service when responding to concerns over water quality and drops in water pressure.

Personnel Summary	FY 06/07	FY 07/08	FY 08/09	FY 09/10	FY 10/11	Change
Utilities Superintendent <sup>1</sup>	1	1	1	1	1	-
Chief Wastewater Operator	1	1	1	1	1	-
Chief Water Operator	1	1	1	1	1	-
Wastewater Operator	2	2	2	2	2	-
Water Operator	3	3	3	3	3	-
Environmental Compliance Officer	0	1	1	1	1	-
Utilities Foreman <sup>1</sup>	1	1	1	1	1	-
Lab Technician <sup>1</sup>	1	1	1	1	1	-
Maintenance Worker II <sup>1</sup>	2	2	2	2	2	-
Maintenance Worker I <sup>1</sup>	5	5	5	5	5	-
Maintenance Worker I <sup>2</sup>	1	1	1	1	1	-
Maintenance Worker I <sup>3</sup>	1	1	1	1	1	-
Seasonal (Part-Time)	5	5	5	5	5	-
Full-Time Employee Subtotal	21	22	22	22	22	-
Part-Time Employee Subtotal	5	5	5	5	0	▼ 5
<b>TOTAL EMPLOYEES</b>	<b>26</b>	<b>27</b>	<b>27</b>	<b>27</b>	<b>22</b>	<b>▼ 5</b>

1 – Position is funded between 50% Water Division, 50% Sewer Division.

2 – Position is funded 100% Water Division.

3 – Position is funded 100% Sewer Division.

## Explanation of New Positions

No new personnel budgeted for FY 10/11. Five (5) seasonal part-time positions will not be filled.

## FY 2009-2010 Accomplishments

### Utilities

- Utilities Supervisor was successful in achieving a Class 3 Wastewater Treatment Works license.
- Utilities Supervisor successfully completed a second year of a three-year management program affiliated with the Illinois Public Service Institute.
- This department responded to and repaired twenty-two water distribution leaks, including:
  - 12 service line leaks – Village side
  - 5 service line leaks – resident side
  - 5 water main repairs
  - 146 buffalo boxes
- Repaired, adjusted, and/or rehabilitated 35 sanitary sewer manholes as part of our ongoing efforts to reduce inflow and infiltration (I&I) in the sanitary sewer-system.
- Serviced 84 fire hydrants, which includes preventative maintenance and repair.
- Operated 2,129 fire hydrants during our hydrant flushing program; our goal is to flush each hydrant at least once per year.
- Successfully completed the rebuilding of 504 hydrants of 698 hydrants affected by a manufacturer's recall.
- Flushed 155,049 linear feet of sanitary sewer main over a period of 54 work days. This amount equates to approximately 20% of the total sanitary conveyance system, keeping pace with a 5-year flushing program.
- Completed 8 scheduled water main shut downs for developers and water main extensions.
- Worked with Village staff and consultants to complete a valve exercise program in the water distribution system. This is completed on a four-year cycle.
- Provided personnel and equipment to collect data for the Village's GIS program. We have collected data on:
  - 5,561 Buffalo boxes
  - 3,551 Sanitary structures
  - 2,124 Hydrants
  - 1,842 Valves
- Continued to monitor areas with the use of Flow Totes to assess problem areas for sewer replacement.
- Coordinated a system-wide distribution leak detection program between Village staff and consultants.
- Completed an average of 225 JULIE utility locates per month, thus protecting our infrastructure from excavating damage.
- Employees attended a wide range of technical training seminars that included fire hydrant maintenance, OSHA requirements, various equipment operations and maintenance as well as other topics relative to our operations.
- Successfully rebuilt the grinder unit located within the wet well of the Grand Reserve Sewage Lift Station, a task normally performed by an outsourced contractor.

### Water Treatment

- Ensured a high standard of water quality by meeting or exceeding standards set by the United States EPA or Illinois EPA.
- Employees attended a wide range of technical training sessions.
- Members of the Water Division participated in various competitions; including Maintenance Worker I, Amanda DeMarre, in Meter Madness at the annual conference of the Illinois Section of the American Water Works Association (AWWA).
- Received a Fluoridation Award from the Illinois Department of Public Health for perfect compliance maintaining fluoride levels over a twelve month period.
- Successfully completed the re-paint of the Huntington Standpipe. The standpipe was pressure washed cleaned, receiving a top coat epoxy paint system. All work was accomplished by staff, and should not require another re-paint for a period of five years.
- Successfully completed the application of a clear coat paint system to the stainless steel water piping at WTP #3. The clear coat began experimentally - as success was noted, the entire piping system was coated. All work was accomplished by staff, saving significantly over the cost of a contractor.
- Staff worked diligently and successfully to bring the number of failing water meter to 3%. This number is significant, dropping the percentage from 12% down to 3%.
- Chief Water Operator, Jason Schutz, completed his term as Secretary-Treasurer for the North Suburban Water Association.
- Hosted a site tour of WTP #3 for the American Membrane Technology Association for approximately 50 consisting of engineers and water operators.

### Wastewater Treatment Facility

- Met the challenge to maintain a wastewater system that complies with EPA standards and permit limitations.
- Received a Certificate of Recognition for our participation and successful compliance with the EPA's Discharge Monitoring Report Quality Assurance Study Program – this is the eighth consecutive year for the Village's Laboratory Technician.
- Continued participation in a voluntary Fox River water study intended to determine the overall health of the river. The Village of Algonquin received a certificate of recognition for their participation in the water study.
- The division hosted a two day wastewater process control class, bringing opportunities for staff attendance at no added cost.
- Environmental Compliance Coordinator successfully obtained a Class 1 Wastewater Treatment Works certification. This certification is the highest level offered by the Illinois EPA.
- Site improvements, including site grading, the installation of a flagpole, brick pavers, perennial flower gardens, shrubs, and trees has been accomplished with the assistance of the Parks & Forestry Division. Design ideas utilized in the perennial flowerbeds were provided by Northwind Perennial Farms, one of the designers for the Laurie Gardens at Millennium Park in Chicago.
- Hosted several site tours for students of various age groups, which included Heinemann Middle School, Harper College, and Eastern University.
- Chief Wastewater Operator, Steve Fiepke, completed his term as Vice President for the Fox Valley Operators Association.
- Environmental Compliance Coordinator, Cathy White, was elected to the position of Secretary for the Northeast Region of the Illinois Association of Water Pollution Control Operators.

## Budget Highlights

With concerns over economic environment and available budget, the approach taken by the Utilities during this fiscal year will be one of evaluation and assessment. Maintenance of existing infrastructure remains a priority, as well as working towards a standard of exemplary customer service. Emphasis will be placed on a “return to basics” to identify areas of weakness and work to improve those areas with funding that is available.

### Utilities

- Collection of infrastructure for identification and mapping of assets, to include water main, sanitary sewers, and sites which may fall under the umbrella of the industrial monitoring and grease abatement programs.
- Complete the rebuilding of approximately 200 fire hydrants identified as part of a manufacturer’s recall.
- Develop a system for evaluating water main, establishing a numerical assignment to predict long range planning.
- Further develop a sanitary sewer backup response procedure intended to produce a timelier response and standard means of investigation.
- Initiate a program for painting fire hydrants.

### Water Treatment

- Develop a system for evaluating water main, establishing a numerical assignment to predict long range planning.
- Provide preventative maintenance on Well #9, a shallow well utilized with WTP #2. Project scope includes removal of the pump/motor, video inspection of the well casing/screen, repair pump as necessary, and re-installation/testing. This type of preventative maintenance should be undertaken every five to seven years.
- Provide preventative maintenance on Well #10, a deep well utilized with WTP #2. Project scope includes removal of the pump/motor, video inspection of the well casing/screen, repair pump as necessary, and re-installation/testing. This type of preventative maintenance should be undertaken every five to seven years.
- Complete an inventory or perform the necessary repairs/replacement of water meters and backflow prevention devices for equipment on Village sites.
- Further develop a program of testing a sampling of the existing water meters with the intent of implementing a water meter replacement program. A percentage of the water meters are approaching 12 to 14 years of age and may be resulting in lower readings and lost revenue.
- Building upon an existing cross connection ordinance, further develop a program tracking the locations, equipment, and annual inspections of backflow prevention devices located within our community.

### Wastewater Treatment Facility

- Complete the site improvements to the WWTF, which include final grading, restoration of turf and flowerbeds.
- Reconstruction of four Primary Clarifiers. Project scope includes the replacement of badly worn high density plastic chain, sprockets, flights, and spool bearings.
- Conduct a pilot study to evaluate the effectiveness of converting one Primary Clarifier to a fermentation tank for purposes of raising VFA levels, enhancing the biological nutrient removal process.



- Replacement of worn digester gas safety components. Project scope includes the disassembly of existing piping, regulating valves, and flame arrestors to replace worn items and return a high degree of reliability to the system. A portion of this work will help evaluate the feasibility of utilizing digester gas for generating on site electricity through the use micro turbines.
- Host the Fox Valley Operators Association mini-conference in August.
- Redevelopment of Local Discharge limits for industrial users. Local limits are incorporated into the Pretreatment Program and must be re-developed due to the capacity of the wastewater facility increasing from 3.00 MGD to 5.00 MGD.
- Conduct a survey of approximately 700 businesses located within our service area to determine the degree of compliance with the industrial monitoring and grease abatement programs. Compile the information into a concise, easily accessible database for tracking and data management.
- Evaluation of the 700 businesses, placing priority on the top 100 with the greatest risk to our infrastructure and WWTF. Conduct site inspections of these top 100.
- Continue to develop a layer of GIS depicting locations of high risk businesses and associated spill response plans.

## Performance Measures

The FY 10/11 budget document features performance measures related to the Village's Guiding Principles to assist linking budgetary decisions to the intended outcomes determined by the Village Board. Output, efficiency, and outcome measures are used to provide a tangible link from Village services and strategies to the Guiding Principles. Aggressive targets are set during the budget process not to determine success or failure, but to continuously improve service delivery and provide core services in the most cost-effective manner possible. Additional measures and strategies will be featured in subsequent budgets.

<b>Guiding Principle #5: Continue to Allocate the Necessary Resources for the Maintenance of the Public's Health, Safety, and Welfare Through a Well Trained and Dedicated Staff</b>						
Department Objective	Strategy/Measure	2007	2008	2009		2010
		Actual	Actual	Target	Actual	Target
Provide our community a safe and reliable supply of water.	Volume of water produced (million gallons) <sup>1</sup>	1081.06	1123.06	N/A	1145.86	N/A
	Volume of wastewater treated (million gallons) <sup>1</sup>	1264.89	1361.75	N/A	1294.27	N/A
Notes: <sup>1</sup> – Values are for Fiscal Year Ending.						

## Future Goals and Objectives

### Utilities

- Commit to the collection of data that will provide reliable and accurate information for the GIS program.
- Keep the community well informed of upcoming maintenance that may affect their daily routine.
- Create and implement a structured sanitary sewer flushing program that puts the entire Village on a five year scheduled cleaning cycle.

- Strive to improve the paint system of all fire hydrants in town.
- Continue providing education for members of the Utilities Crew, thus developing a professional, well educated service group that will provide a safe and high level quality of service to our community.
- Reduce water loss and unaccounted for water through leak surveys and documentation of water usage.
- Reduce inflow/infiltration into sanitary sewer system through aggressive monitoring of the system, identification of sources of inflow/infiltration and elimination of these sources.
- Provide continuous inspections and maintenance to sanitary sewer system thus avoiding the possibility of backups.
- Continue development of a well-organized maintenance program.
- Develop a 5, 10, and 20 year strategic plan for all sites, including planned replacements and system upgrades.

#### Water Treatment

- Meet or exceed all current and future standards that are established by both the United States EPA and the Illinois EPA.
- Continue to develop safe and reliable drinking water for the residential and business communities.
- Maintain a back flow prevention monitoring and inspection program.
- Strive to ensure efficient and reliable operation of each of the water treatment facilities.
- Identify additional water sources for reliable and plentiful drinking water.
- Convert phone reading equipment to radio reading equipment for the entire accounting of water meters.
- Develop a 5, 10, and 20 year strategic plan for all sites, including planned replacements and system upgrades.
- Develop a water meter testing program to identify water meter replacements on our schedule to ensure water meters are in proper working order.

#### Wastewater Treatment Facility

- Continue to comply with copper and phosphorous permit limits.
- Continue development of a well-organized maintenance program.
- Continued implementation of Industrial Monitoring and Grease Abatement Programs.
- Realize production of a Class A sludge.
- Research the potential use of digester gas as fuel source for generator power, used to shave electrical usage during peak hours.
- Research alternatives for effluent reuse, such as expanding contractor use or for groundwater recharge.
- Become a “green” facility.
- Receive a nomination for “Plant of the Year.”
- Create a public education program to include presentations to local schools and site tours to various organizations.
- Develop a 5, 10, and 20 year strategic plan for all sites, included planned replacements and system upgrades.

# Water and Sewer Operating Fund

# Revenues

			FY 06/07 Actual	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
07000400	33035	Donations-Operating-W&S	\$ 1,090.49	\$ 45,467.91	\$ -	\$ 26,000.00	\$ 8,000.00
07000400	34100	Rental Income <sup>1</sup>	42,869.88	55,243.63	63,801.51	64,000.00	141,685.00
07000400	34700	Water Fees	2,340,588.36	2,323,263.16	2,329,652.22	2,736,375.00	2,955,735.00
07000400	34710	Sewer Fees	2,206,910.74	2,156,838.68	2,188,343.87	2,525,885.00	2,813,000.00
07000400	34720	Service Charge	101.46	2,020.19	(704.54)	1,000.00	1,000.00
07000400	34730	Late Charges	51,674.31	53,128.12	43,465.62	60,000.00	60,000.00
07000400	34740	Administrative Fees	12,092.50	20,108.97	18,067.36	20,000.00	20,000.00
07000400	34820	Meter Sales	90,993.00	29,900.00	31,425.00	30,000.00	6,000.00
07000400	35010	Fines/Penalties	4,200.00	3,500.00	2,300.00	2,500.00	1,500.00
07000400	37905	Sale of Surplus Property	10,358.80	3,440.80	13,778.21	6,000.00	1,000.00
07000500	36001	Interest	5,288.11	2,747.02	831.44	4,900.00	100.00
07000500	36020	Interest - Illinois Funds	46.24	37.42	11.55	100.00	1,000.00
07000500	37900	Other Revenue	1,450.72	4,676.29	920.00	-	1,000.00
07000500	37110	Insurance Claims	105,000.00	258,212.25	308,500.54	-	-
07000500	36030	Interest - Bond (Restricted) <sup>2</sup>	98,538.34	85,031.28	36,780.06	25,000.00	7,000.00
07.39100		Transfer from Bond Reserve	270,578.00	-	-	-	-
07.39113		Transfer from Bond Depreciation	2,137.75	-	-	-	-
07.39119		Transfer from W&S Bond/Interest	61,732.00	-	-	-	-
<b>Water &amp; Sewer Operating Fund Total</b>			<b>\$ 5,305,650.70</b>	<b>\$ 5,043,615.72</b>	<b>\$ 5,037,172.84</b>	<b>\$ 5,501,760.00</b>	<b>\$ 6,017,020.00</b>
Actual figures have been adjusted, per auditor.							
<sup>1</sup> - Accounts for rental from wireless service providers for tower rental fees.							
<sup>2</sup> - W&S Bond and Interest, W&S Bond Reserve, and W&S Depreciation were collapsed into a single line item in FY 09/10 for budgeting purposes.							
Detailed Line Item for FY 10/11: 36030 - \$4,000; 36031 - \$2,000; 36032 - \$1,000							

# Water and Sewer Operating Fund

# Total Expenditures

			FY 06/07 Actual	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
07700400		Water Division Total	\$ 2,115,082.68	\$ 2,255,992.41	\$ 2,380,366.44	\$ 2,533,400.00	\$ 2,463,587.00
07800400		Sewer Division Total	1,884,893.27	1,909,554.64	2,237,693.40	2,425,360.00	2,610,942.00
07080400	46680	Bond Principal Payment	390,000.00	430,000.00	440,000.00	460,000.00	405,000.00
07080400	46681	Bond Interest Expense	577,692.43	469,594.69	213,940.00	55,000.00	36,000.00
07080400	46682	Bond Fees	802.50	802.50	428.00	3,000.00	3,000.00
07800400	47900	Working Capital	-	-	-	-	488,491.00
07800500	48012	Transfer to W&S I&C Fund	-	-	-	25,000.00	10,000.00
<b>Subtotal</b>			<b>\$ 4,968,470.88</b>	<b>\$ 5,065,944.24</b>	<b>\$ 5,272,427.84</b>	<b>\$ 5,501,760.00</b>	<b>\$ 6,017,020.00</b>
07800400	47785	Depreciation Expense	\$ 2,922,611.00	\$ 2,910,577.00	\$ 3,682,587.00	\$ -	\$ -
<b>Subtotal</b>			<b>\$ 2,922,611.00</b>	<b>\$ 2,910,577.00</b>	<b>\$ 3,682,587.00</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Water and Sewer Operating Fund Total</b>			<b>\$ 7,891,081.88</b>	<b>\$ 7,976,521.24</b>	<b>\$ 8,955,014.84</b>	<b>\$ 5,501,760.00</b>	<b>\$ 6,017,020.00</b>
Please note that Fund 08, the Water & Sewer Bond and Interest Fund, was collapsed into this fund beginning in the 2009-2010 fiscal year.							
Depreciation Expense, which is an adjustment made by the auditors each year, has been moved from the Sewer Division budget to this summary budget.							
Bond Series 2001A was a refinancing of debt issued in 1993 to finance improvements in water/sewer systems. Final debt service payments will occur in FY 11/12.							

			FY 06/07 Actual	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
<b>Personnel</b>							
07700400	41103	IMRF	\$ 70,804.46	\$ 74,093.12	\$ 76,204.34	\$ 85,000.00	\$ 93,889.00
07700400	41104	FICA	59,162.68	61,598.93	63,612.22	65,500.00	70,403.00
07700400	41105	Unemployment Tax	2,839.86	2,410.90	1,788.54	3,500.00	2,075.00
07700400	41106	Health Insurance	116,313.44	119,050.72	130,344.91	128,500.00	153,725.00
07700400	41110	Salaries	762,136.30	793,810.43	832,651.77	823,500.00	881,010.00
07700400	41140	Overtime	34,371.97	53,878.73	39,131.27	35,000.00	28,000.00
<b>Subtotal</b>			<b>\$ 1,045,628.71</b>	<b>\$ 1,104,842.83</b>	<b>\$ 1,143,733.05</b>	<b>\$ 1,141,000.00</b>	<b>\$ 1,229,102.00</b>
<b>Contractual Services</b>							
07700400	42210	Telephone	\$ 4,857.05	\$ 6,134.75	\$ 5,655.17	\$ 8,380.00	\$ 7,720.00
07700400	42211	Natural Gas	32,674.51	48,439.44	40,363.01	41,700.00	34,500.00
07700400	42212	Electric	230,350.97	318,569.05	337,348.88	344,200.00	287,600.00
07700400	42215	Alarm Lines	-	633.00	-	650.00	-
07700400	42225	Bank Processing Fees	10,856.70	14,617.51	15,752.83	16,400.00	17,000.00
07700400	42230	Legal Services	-	276.40	4,411.97	2,000.00	4,000.00
07700400	42231	Audit Services	3,021.75	2,795.44	4,080.00	4,400.00	4,450.00
07700400	42232	Engineering Services	3,146.25	-	12,534.08	4,000.00	5,500.00
07700400	42234	Professional Services	75,395.04	94,204.32	87,116.95	106,800.00	81,320.00
07700400	42236	Insurance	84,799.74	81,574.01	83,696.65	90,000.00	92,000.00
07700400	42242	Publications	1,679.55	661.00	962.94	2,380.00	900.00
07700400	42243	Printing & Advertising	6,843.50	8,745.77	7,532.81	7,600.00	5,600.00
07700400	42260	Physical Exams	-	-	258.75	400.00	400.00
07700400	42270	Equipment Rental	1,211.48	1,216.42	901.11	2,500.00	1,750.00
<b>Subtotal</b>			<b>\$ 454,836.54</b>	<b>\$ 577,867.11</b>	<b>\$ 600,615.15</b>	<b>\$ 631,410.00</b>	<b>\$ 542,740.00</b>
<b>Supplies &amp; Materials</b>							
07700400	43308	Office Supplies	\$ 1,959.11	\$ 819.69	\$ 368.06	\$ 700.00	\$ 500.00
07700400	43309	Materials	9,855.72	6,131.14	5,548.68	17,170.00	15,400.00
07700400	43317	Postage	28,215.42	23,101.28	28,070.30	27,200.00	29,300.00
07700400	43319	Building Supplies	8,336.58	5.78	79.36	500.00	-
07700400	43320	Tools, Equipment & Supplies	24,259.30	8,587.66	12,059.77	14,840.00	9,600.00
07700400	43332	Office Furniture & Equipment	7,066.77	3,702.30	9,548.78	13,150.00	14,275.00
07700400	43340	Fuel	26,461.51	25,840.46	26,380.37	18,900.00	26,450.00
07700400	43342	Chemicals	135,754.58	149,760.22	194,299.18	189,600.00	189,600.00
07700400	43345	Lab Supplies	4,080.79	6,397.60	7,955.27	7,850.00	7,250.00
07700400	43348	Meters & Meter Supplies	90,019.95	84,773.38	73,187.85	58,190.00	35,000.00
<b>Subtotal</b>			<b>\$ 336,009.73</b>	<b>\$ 309,119.51</b>	<b>\$ 357,497.62</b>	<b>\$ 348,100.00</b>	<b>\$ 327,375.00</b>
<b>Maintenance</b>							
07700400	44410	Booster Station	\$ 21,478.76	\$ 8,692.74	\$ 15,554.24	\$ 20,930.00	\$ 19,400.00
07700400	44411	Maintenance Storage Facility	14,311.98	12,533.80	5,235.90	9,580.00	9,000.00
07700400	44412	Treatment Facility	35,561.91	26,371.07	40,560.57	20,040.00	15,120.00
07700400	44415	Distribution System	105,194.01	23,960.12	20,740.58	45,050.00	37,450.00
07700400	44418	Wells	19,450.12	41,720.08	2,960.20	130,830.00	124,630.00
07700400	44420	Vehicle Maintenance (S)	37,740.38	25,947.04	23,883.29	36,200.00	20,640.00
07700400	44421	Equipment Maintenance (S)	4,938.59	14,302.65	37,477.31	37,590.00	33,870.00
07700400	44423	Building Services (S)	12,767.80	43,719.60	70,371.74	71,400.00	70,375.00
07700400	44424	Grounds Maintenance (S)	11,970.44	8,219.42	-	-	-
07700400	44426	Office Equipment Maintenance	597.44	827.10	703.96	920.00	820.00
<b>Subtotal</b>			<b>\$ 264,011.43</b>	<b>\$ 206,293.62</b>	<b>\$ 217,487.79</b>	<b>\$ 372,540.00</b>	<b>\$ 331,305.00</b>
<b>Capital Expenditures</b>							
07700400	45590	Capital Purchase	\$ -	\$ 0.17	\$ 48,880.00	\$ 21,000.00	\$ 21,000.00
<b>Subtotal</b>			<b>\$ -</b>	<b>\$ 0.17</b>	<b>\$ 48,880.00</b>	<b>\$ 21,000.00</b>	<b>\$ 21,000.00</b>
<b>Other Charges</b>							
07700400	47740	Travel/Training/Dues	\$ 7,219.74	\$ 49,934.94	\$ 5,526.09	\$ 11,550.00	\$ 5,765.00
07700400	47760	Uniforms & Safety Items	7,376.53	7,934.23	6,626.74	7,800.00	6,300.00
<b>Subtotal</b>			<b>\$ 14,596.27</b>	<b>\$ 57,869.17</b>	<b>\$ 12,152.83</b>	<b>\$ 19,350.00</b>	<b>\$ 12,065.00</b>
<b>Water Total</b>			<b>\$ 2,115,082.68</b>	<b>\$ 2,255,992.41</b>	<b>\$ 2,380,366.44</b>	<b>\$ 2,533,400.00</b>	<b>\$ 2,463,587.00</b>

(S) indicates those line items that reimburse the Internal Service Funds. Grounds Maintenance is now covered under Building Services.

			FY 06/07 Actual	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
<b>Personnel</b>							
07800400	41103	IMRF	\$ 60,854.69	\$ 64,341.73	\$ 71,604.56	\$ 83,300.00	\$ 92,894.00
07800400	41104	FICA	51,153.72	53,450.74	59,368.60	64,300.00	69,638.00
07800400	41105	Unemployment Tax	2,638.35	2,351.38	1,548.96	3,250.00	1,975.00
07800400	41106	Health Insurance	88,348.62	103,969.27	119,225.08	114,550.00	128,625.00
07800400	41110	Salaries	658,000.48	688,419.58	793,287.32	808,000.00	870,110.00
07800400	41140	Overtime	32,568.48	46,065.13	28,566.58	37,000.00	29,600.00
<b>Subtotal</b>			\$ 893,564.34	\$ 958,597.83	\$ 1,073,601.10	\$ 1,110,400.00	\$ 1,192,842.00
<b>Contractual Services</b>							
07800400	42210	Telephone	\$ 8,016.07	\$ 10,042.12	\$ 9,038.32	\$ 10,910.00	\$ 9,660.00
07800400	42211	Natural Gas	20,251.27	24,602.62	39,544.75	22,200.00	22,200.00
07800400	42212	Electric	209,117.39	264,397.04	450,155.07	335,550.00	431,150.00
07800400	42215	Alarm Lines	633.00	-	-	1,300.00	-
07800400	42225	Bank Processing Fees	10,856.74	14,617.45	15,752.97	16,400.00	17,000.00
07800400	42230	Legal Services	2,380.00	2,048.13	5,568.97	3,000.00	4,000.00
07800400	42231	Audit Services	3,021.75	2,795.43	4,080.00	4,400.00	4,450.00
07800400	42232	Engineering Services	29,862.63	31,776.20	3,026.63	4,000.00	4,000.00
07800400	42234	Professional Services	67,009.64	63,174.40	63,204.68	92,000.00	100,220.00
07800400	42236	Insurance	74,998.82	72,276.04	72,277.23	80,000.00	107,000.00
07800400	42242	Publications	807.20	553.57	1,028.07	2,200.00	500.00
07800400	42243	Printing & Advertising	3,299.12	4,899.76	2,443.20	3,800.00	2,300.00
07800400	42260	Physical Exams	-	183.75	681.00	400.00	400.00
07800400	42262	Sludge Removal	107,442.07	45,918.77	45,118.95	68,500.00	68,500.00
07800400	42270	Equipment Rental	6,368.13	7,379.59	1,536.01	3,500.00	2,050.00
07800400	42272	Lease Payments	-	-	-	3,220.00	-
<b>Subtotal</b>			\$ 544,063.83	\$ 544,664.87	\$ 713,455.85	\$ 651,380.00	\$ 773,430.00
<b>Supplies &amp; Materials</b>							
07800400	43308	Office Supplies	\$ 1,454.09	\$ 900.39	\$ 1,048.79	\$ 700.00	\$ 800.00
07800400	43309	Materials	15,245.68	10,874.98	2,297.67	13,700.00	12,523.00
07800400	43317	Postage	22,524.88	21,973.57	24,954.86	25,250.00	27,350.00
07800400	43319	Building Supplies	5,991.62	2,091.09	22.97	1,000.00	-
07800400	43320	Tools, Equipment & Supplies	28,041.11	20,702.21	14,158.10	23,090.00	14,400.00
07800400	43332	Office Furniture & Equipment	6,631.72	6,810.91	9,548.78	15,100.00	14,275.00
07800400	43340	Fuel	18,676.33	33,648.58	25,639.72	17,800.00	19,660.00
07800400	43342	Chemicals	64,428.18	49,238.05	77,036.59	103,000.00	94,100.00
07800400	43345	Lab Supplies	3,122.86	3,235.85	3,737.09	6,550.00	6,650.00
07800400	43348	Meters & Meter Supplies	90,010.84	84,773.28	71,335.64	58,190.00	35,000.00
<b>Subtotal</b>			\$ 256,127.31	\$ 234,248.91	\$ 229,780.21	\$ 264,380.00	\$ 224,758.00
<b>Maintenance</b>							
07800400	44412	Treatment Facility	\$ 49,279.94	\$ 32,420.24	\$ 46,455.17	\$ 154,200.00	\$ 106,200.00
07800400	44414	Lift Station Maintenance	30,233.91	27,403.16	17,973.95	16,780.00	22,450.00
07800400	44416	Collection System Maintenance	14,125.54	14,418.75	3,660.31	14,500.00	15,300.00
07800400	44420	Vehicle Maintenance (S)	34,452.97	30,531.77	22,208.32	47,750.00	43,690.00
07800400	44421	Equipment Maintenance (S)	31,050.24	18,590.46	41,822.30	38,120.00	51,460.00
07800400	44423	Building Services (S)	18,217.58	29,053.19	41,748.32	65,550.00	54,427.00
07800400	44424	Grounds Maintenance (S)	15.50	301.45	-	-	-
07800400	44426	Office Equipment Maintenance	567.86	1,507.01	703.96	1,020.00	820.00
<b>Subtotal</b>			\$ 177,943.54	\$ 154,226.03	\$ 174,572.33	\$ 337,920.00	\$ 294,347.00
<b>Capital Expenditures</b>							
07800400	45590	Capital Purchase	\$ -	\$ -	\$ 29,220.00	\$ 42,000.00	\$ 113,000.00
<b>Subtotal</b>			\$ -	\$ -	\$ 29,220.00	\$ 42,000.00	\$ 113,000.00
<b>Other Charges</b>							
07800400	47740	Travel/Training/Dues	\$ 4,782.58	\$ 8,635.52	\$ 9,252.70	\$ 11,380.00	\$ 5,665.00
07800400	47760	Uniforms & Safety Items	8,411.67	9,181.48	7,811.21	7,900.00	6,900.00
<b>Subtotal</b>			\$ 13,194.25	\$ 17,817.00	\$ 17,063.91	\$ 19,280.00	\$ 12,565.00
<b>Sewer Total</b>			\$ 1,884,893.27	\$ 1,909,554.64	\$ 2,237,693.40	\$ 2,425,360.00	\$ 2,610,942.00

(S) indicates those line items that reimburse the Internal Service Funds. Grounds Maintenance is now covered under Building Services.

# Public Works Department

## Internal Services Division

### Department/Program Description

The Internal Services Division is responsible for nearly 300 pieces of equipment and vehicle assets as well as direct care of three primary municipal facilities and shared responsibility for an additional 21 facilities; this includes growing responsibility for maintenance of emergency warning sirens. Public Works senior management envisioned expansion of the invoicing process used for Fleet Maintenance for the purposes of greater accountability for all stakeholders, gathering information, identifying weaknesses, finding money and/or time saving opportunities and further migrating central purchasing into one area, the stock room, as well as improving customer service/satisfaction, ultimately providing better service. This business model approach will allow senior management to answer questions about productivity, inventory life cycles, inventory value, asset lifecycles, resource allocation, department performance and value.

<b>Personnel Summary Vehicle Maintenance</b>	<b>FY 06/07</b>	<b>FY 07/08</b>	<b>FY 08/09</b>	<b>FY 09/10</b>	<b>FY 10/11</b>	<b>Change</b>
Internal Services Superintendent	0	0.5	0.5	0.5	0.5	-
Fleet Manager	1	0	0	0	0	-
Senior Mechanic	1	1	1	1	1	-
Stock Coordinator	0.5	0.5	0.5	0.5	0.5	-
Fleet Mechanic	1	2	2	2	2	-
Service Technician	1	0	1	1	1	-
Full-Time Employee Subtotal	4.5	4	5	5	5	-
Part-Time Employee Subtotal	0	0	0	0	0	-
<b>TOTAL EMPLOYEES</b>	<b>4.5</b>	<b>4</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>-</b>

<b>Personnel Summary Building Services</b>	<b>FY 06/07</b>	<b>FY 07/08</b>	<b>FY 08/09</b>	<b>FY 09/10</b>	<b>FY 10/11</b>	<b>Change</b>
Internal Services Superintendent	0	0.5	0.5	0.5	0.5	-
Senior Facilities Technician	0	1	1	1	1	-
Stock Coordinator	0	0	0.5	0.5	0.5	-
Maintenance Worker II	0	1	1	1	1	-
Maintenance Worker I	0	1	1	1	1	-
Seasonal (Part-Time)	0	1	1	0	0	-
Full-Time Employee Subtotal	0	3.5	4	4	4	-
Part-Time Employee Subtotal	0	1	1	0	0	-
<b>TOTAL EMPLOYEES</b>	<b>0</b>	<b>4.5</b>	<b>5</b>	<b>4</b>	<b>4</b>	<b>-</b>

### Explanation of New Positions

No new personnel budgeted for FY 10/11.

## **FY 2009-2010 Accomplishments**

- Successfully completed installation of Sonitrol door access system as dictated by budgets and migrated to a coded access system throughout three main facilities.
- Fully Integrated Public Works Facility HVAC as well as Village Hall HVAC to fully alarmed e-mail for 24 hours a day seven days a week monitoring of critical sites.
- Remote access for Water Treatment Plant #3 HVAC is now operational.
- Repaired drywall and repainted entire Village Hall.
- Building Services staff obtained certification in infrared analyses for facilities and machinery.
- Buildings Services staff received training in CFA Software.
- Fleet Maintenance staff received factory training in both Vactor as well as Tymco street sweepers.
- Fleet Maintenance staff received training in hybrid and advanced wheel alignment systems.
- All Fleet Maintenance staff have achieved ASE certifications.
- Maintained ASE blue seal certification in fleet operations for fourth consecutive year.
- Nominated to 100 Best Fleet in North America for the third straight year.
- Beta tested, modified, and migrated to E- Service Request system for all Internal Service requests.
- Continued online training for Chrysler vehicles. All service technicians have received core level online training at work.
- Migrated to the new MUNIS financial system for fleet operations.
- Internal Services detailed data reporting, via CFA, is developing advanced level reporting and information via Crystal Reports.
- All data gathered and near completion for Internal Service Parts catalog for in house users.
- Generator services have successfully moved to an in-house service, saving the Village of Algonquin thousands in outsourced costs.
- Conducted staff in house survey on role clarity to further improve employee understanding of roles.



## Performance Measures

The FY 10/11 budget document features performance measures related to the Village's Guiding Principles to assist linking budgetary decisions to the intended outcomes determined by the Village Board. Output, efficiency, and outcome measures are used to provide a tangible link from Village services and strategies to the Guiding Principles. Aggressive targets are set during the budget process not to determine success or failure, but to continuously improve service delivery and provide core services in the most cost-effective manner possible. Additional measures and strategies will be featured in subsequent budgets.

<b>Guiding Principle #5: Continue to Allocate the Necessary Resources for the Maintenance of the Public's Health, Safety, and Welfare Through a Well Trained and Dedicated Staff</b>						
Department Objective	Strategy/Measure	2007	2008	2009		2010
		Actual	Actual	Target	Actual	Target
Maintain Village facilities to a high standard.	Facilities Maintained	28	28	N/A	28	N/A
	Number of Repair Orders	884	2,021	N/A	2,947	N/A
	Total Jobs Performed	2,343	3,386	N/A	4,039	N/A
	Facility Maintenance Costs	\$412,838	\$506,112	N/A	\$585,994	N/A
Maintain optimal level of fleet and equipment availability.	Vehicles Maintained	302	301	N/A	305	N/A
	Number of Repair Orders	1,998	2,319	N/A	2,528	N/A
	Total Jobs Performed	5,039	5,624	N/A	6,820	N/A
	Vehicle Maintenance Costs	\$644,725	\$697,013	N/A	\$784,779	N/A

## Future Goals and Objectives

- Expand data and processes via CFA for Building Services.
- Further analyze data and develop reporting internally and externally.
- Conduct data collection to refine building operations, and develop a five-year plan for building lifecycles.
- Deploy parts catalog for internal customers.
- Explore with great intensity an alternative energy plan that integrates many possible solutions.
- Deploy more cost effective solutions to continue safeguarding and monitoring of Village-owned assets with minimal expense.

# Vehicle Maintenance Service Fund

# Revenues

			FY 06/07 Actual	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
29	34900	Maintenance Billings	\$ 704,289.63	\$ 694,887.83	\$ 787,207.77	\$ 774,600.00	\$ 840,460.00
29	34910	Warranty Billings	-	2,454.54	-	-	-
29	34920	Fuel	260,674.95	336,485.88	303,002.47	263,400.00	274,750.00
29	34921	Fire District Fuel	45,617.48	63,066.00	60,729.01	57,250.00	53,490.00
29	37905	Sale of Surplus Property	504.56	556.60	1,645.50	-	-
<b>Vehicle Maintenance Service Fund Total</b>			<b>\$ 1,011,086.62</b>	<b>\$ 1,097,450.85</b>	<b>\$ 1,152,584.75</b>	<b>\$ 1,095,250.00</b>	<b>\$ 1,168,700.00</b>

# Vehicle Maintenance Service Fund

# Expenditures

			FY 06/07 Actual	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
<b>Personnel</b>							
29900000	41103	IMRF	\$ 22,780.49	\$ 17,833.63	\$ 21,828.76	\$ 27,800.00	\$ 29,300.00
29900000	41104	FICA	18,868.76	14,782.11	17,996.00	20,575.00	22,000.00
29900000	41105	Unemployment Tax	936.61	571.85	804.11	775.00	900.00
29900000	41106	Health Insurance	47,009.21	46,575.92	49,546.92	52,000.00	59,975.00
29900000	41110	Salaries	242,285.24	187,952.96	233,074.63	258,000.00	271,500.00
29900000	41140	Overtime	9,518.27	13,196.17	11,655.68	9,000.00	12,000.00
<b>Subtotal</b>			\$ 341,398.58	\$ 280,912.64	\$ 334,906.10	\$ 368,150.00	\$ 395,675.00
<b>Contractual Services</b>							
29900000	42210	Telephone	\$ 3,765.92	\$ 3,845.15	\$ 4,049.64	\$ 5,020.00	\$ 4,010.00
29900000	42211	Natural Gas	7,142.88	7,645.80	10,058.13	11,000.00	8,250.00
29900000	42234	Professional Services	4,217.91	3,289.75	6,448.61	8,900.00	7,400.00
29900000	42242	Publications	1,983.38	547.49	6,699.18	6,600.00	6,400.00
29900000	42243	Printing & Advertising	221.84	6,316.32	-	760.00	410.00
29900000	42260	Physical Exams	-	183.75	551.25	400.00	400.00
29900000	42270	Equipment Rental	742.27	934.43	994.41	1,550.00	1,250.00
<b>Subtotal</b>			\$ 18,074.20	\$ 22,762.69	\$ 28,801.22	\$ 34,230.00	\$ 28,120.00
<b>Supplies &amp; Materials</b>							
29900000	43308	Office Supplies	\$ 2,621.52	\$ 517.33	\$ 387.34	\$ 600.00	\$ 500.00
29900000	43317	Postage	57.17	21.80	118.44	200.00	200.00
29900000	43319	Building Supplies	5,815.52	2,455.34	50.00	100.00	-
29900000	43320	Tools, Equipment & Supplies	9,842.59	16,640.42	6,657.66	10,200.00	110.00
29900000	43332	Office Furniture & Equipment	9,161.51	6,315.03	1,232.31	2,275.00	430.00
29900000	43340	Fuel	4,932.69	11,455.99	10,766.95	12,000.00	8,300.00
29900000	43350	Fleet Parts/Fluids	266,318.31	325,236.66	356,947.63	229,600.00	309,400.00
29900000	43351	Fuel - Cost of Sales	300,156.70	410,887.00	345,163.21	316,250.00	328,200.00
<b>Subtotal</b>			\$ 598,906.01	\$ 773,529.57	\$ 721,323.54	\$ 571,225.00	\$ 647,140.00
<b>Maintenance</b>							
29900000	44420	Vehicle Maintenance	\$ 7,647.87	\$ 9,473.21	\$ 13,818.03	\$ 6,500.00	\$ 8,000.00
29900000	44421	Equipment Maintenance	3,625.91	16,259.49	13,530.29	3,500.00	3,500.00
29900000	44423	Building Services (S)	21,373.83	15,800.05	38,007.22	56,950.00	35,000.00
29900000	44424	Grounds Maintenance (S)	-	-	-	645.00	135.00
29900000	44426	Office Equipment Maint.	886.35	638.01	600.00	700.00	620.00
29900000	44440	Outsourced Vehicle/Equip Maint.	34,867.20	37,091.10	55,775.14	38,000.00	40,000.00
<b>Subtotal</b>			\$ 68,401.16	\$ 79,261.86	\$ 121,730.68	\$ 106,295.00	\$ 87,255.00
<b>Capital Expenditures</b>							
29900000	45590	Capital Purchase	\$ -	\$ 13,251.50	\$ -	\$ -	\$ -
<b>Subtotal</b>			\$ -	\$ 13,251.50	\$ -	\$ -	\$ -
<b>Other Charges</b>							
29900000	47740	Travel, Training & Dues	\$ 5,771.56	\$ 8,587.56	\$ 8,755.15	\$ 8,500.00	\$ 3,700.00
29900000	47760	Uniforms & Safety Items	7,315.78	7,099.50	7,949.46	6,850.00	6,810.00
29900000	47775	Fuel Inventory Variance	5,260.44	(11,335.12)	16,545.06	-	-
29900000	47776	Parts/Fluid Inventory Variance	(34,041.11)	(76,619.35)	(87,426.46)	-	-
<b>Subtotal</b>			\$ (15,693.33)	\$ (72,267.41)	\$ (54,176.79)	\$ 15,350.00	\$ 10,510.00
<b>Vehicle Maintenance Service Fund Total</b>			\$ 1,011,086.62	\$ 1,097,450.85	\$ 1,152,584.75	\$ 1,095,250.00	\$ 1,168,700.00
(S) indicates those line items that reimburse the Internal Service Funds.							

# Building Services Fund

# Revenues

			FY 06/07 Actual	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
28	34900	Building Services Billings	\$ -	\$ 479,833.31	\$ 683,030.84	\$ 669,900.00	\$ 643,550.00
Building Services Fund Total			\$ -	\$ 479,833.31	\$ 683,030.84	\$ 669,900.00	\$ 643,550.00

# Building Services Fund

# Expenditures

			FY 06/07 Actual	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
<b>Personnel</b>							
2890000	41103	IMRF	\$ -	\$ 15,403.29	\$ 19,320.74	\$ 24,250.00	\$ 24,300.00
2890000	41104	FICA	-	13,276.95	16,193.47	12,600.00	18,000.00
2890000	41105	Unemployment Tax	-	644.18	417.37	400.00	800.00
2890000	41106	Health Insurance	-	20,554.70	30,816.60	32,190.00	43,500.00
2890000	41110	Salaries	-	169,625.85	206,312.58	222,900.00	226,400.00
2890000	41140	Overtime	-	9,660.28	13,884.08	10,000.00	13,350.00
<b>Subtotal</b>			\$ -	\$ 229,165.25	\$ 286,944.84	\$ 302,340.00	\$ 326,350.00
<b>Contractual Services</b>							
2890000	42210	Telephone	\$ -	\$ 2,209.92	\$ 2,140.30	\$ 3,770.00	\$ 3,020.00
2890000	42211	Natural Gas	-	3,238.08	8,471.06	4,200.00	3,150.00
2890000	42234	Professional Services	-	229.80	399.42	300.00	300.00
2890000	42242	Publications	-	-	481.74	600.00	250.00
2890000	42243	Printing & Advertising	-	87.78	-	760.00	410.00
2890000	42260	Physical Exams	-	-	352.50	400.00	400.00
2890000	42270	Equipment Rental	-	-	236.54	1,000.00	750.00
2890000	42281	Grounds Services	-	-	17,681.50	29,420.00	-
<b>Subtotal</b>			\$ -	\$ 5,765.58	\$ 29,763.06	\$ 40,450.00	\$ 8,280.00
<b>Supplies &amp; Materials</b>							
2890000	43308	Office Supplies	\$ -	\$ 88.85	\$ 341.52	\$ 400.00	\$ 400.00
2890000	43317	Postage	-	-	18.36	200.00	50.00
2890000	43319	Building Supplies	-	96,586.82	114,836.79	97,600.00	101,500.00
2890000	43320	Tools, Equipment & Supplies	-	75.07	864.65	14,800.00	2,610.00
2890000	43332	Office Furniture & Equipment	-	-	1,589.00	7,180.00	430.00
2890000	43340	Fuel	-	2,817.73	2,464.67	3,500.00	3,300.00
<b>Subtotal</b>			\$ -	\$ 99,568.47	\$ 120,114.99	\$ 123,680.00	\$ 108,290.00
<b>Maintenance</b>							
2890000	44420	Vehicle Maintenance	\$ -	\$ -	\$ 7.15	\$ 4,500.00	\$ 3,500.00
2890000	44421	Equipment Maintenance	-	-	-	2,500.00	2,000.00
2890000	44423	Building Maintenance (S)	-	12,978.65	-	-	-
2890000	44424	Grounds Maintenance (S)	-	-	-	645.00	70.00
2890000	44426	Office Equipment Maintenance	-	223.89	300.00	300.00	620.00
2890000	44445	Outsourced Building Maint.	-	155,306.68	221,385.65	184,835.00	187,635.00
<b>Subtotal</b>			\$ -	\$ 168,509.22	\$ 221,692.80	\$ 192,780.00	\$ 193,825.00
<b>Capital Expenditures</b>							
2890000	45590	Capital Purchase	\$ -	\$ 44,924.50	\$ 46,225.59	\$ -	\$ -
<b>Subtotal</b>			\$ -	\$ 44,924.50	\$ 46,225.59	\$ -	\$ -
<b>Other Charges</b>							
2890000	47740	Travel, Training & Dues	\$ -	\$ 4,350.65	\$ 3,391.52	\$ 8,200.00	\$ 4,100.00
2890000	47760	Uniforms & Safety Items	-	2,849.52	2,936.39	2,450.00	2,705.00
2890000	47776	Parts Cost of Sales Variance	-	(40,299.88)	(28,038.35)	-	-
<b>Subtotal</b>			\$ -	\$ (33,099.71)	\$ (21,710.44)	\$ 10,650.00	\$ 6,805.00
<b>Building Service Fund Total</b>			\$ -	\$ 514,833.31	\$ 683,030.84	\$ 669,900.00	\$ 643,550.00
(S) indicates those line items that reimburse Internal Service Funds.							



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# Motor Fuel Tax Fund

## Department/Program Description

The Motor Fuel Tax (MFT) Fund is one of two major capital funds the Village uses for improvement and maintenance of Village streets. The money in this fund comes from the State MFT disbursements and is derived from a tax on the privilege of operating motor vehicles upon public highways and operating recreational watercraft upon the waters of the State of Illinois. The tax is based on the consumption of motor fuel. The Village of Algonquin receives approximately \$850,000 a year from the State, which funds these important street projects. The Village aims to improve approximately 1% of municipal streets through this fund each year.

## FY 2009-2010 Accomplishments

- Completion of Phase 2 engineering for the Old Oak Section 2 street improvement project.
- Completion of Phase 2 engineering for the Spring Creek Section 2 street improvement project.
- Completion of Phase 1 engineering for the Spring Creek Section 3 street improvement project.
- Completion of heat scarification road resurfacing project on Providence and Butterfield Drives.
- Implemented salt management policies to reduce salt usage resulting in cost-savings and environmentally-responsible procedures.

## Budget Highlights

- Construction of Old Oak Section 2 street improvements.
- Use MFT Funds to supplement the material budget in Public Works Streets Division fund to perform asphalt and concrete repairs to Souwanas Trail, Highland Avenue, Country Lane, and Parkview Terrace South, North, and East.
- Improvements to Bunker Hill Drive will be completed if federal funds are available.

## Performance Measures

The FY 10/11 budget document features performance measures related to the Village's Guiding Principles to assist linking budgetary decisions to the intended outcomes determined by the Village Board. Output, efficiency, and outcome measures are used to provide a tangible link from Village services and strategies to the Guiding Principles. Aggressive targets are set during the budget process not to determine success or failure, but to continuously improve service delivery and provide core services in the most cost-effective manner possible. Additional measures and strategies will be featured in subsequent budgets.

Guiding Principle #3: Evaluate, Plan for, and Implement Important Capital Improvement Projects in Order to Maintain the Village's Infrastructure and Uphold a High Quality of Life for Residents						
Department Objective	Strategy/Measure	2007	2008	2009		2010
		Actual	Actual	Target	Actual	Target
Provide adequate infrastructure throughout the Village.	Miles of streets improved <sup>1</sup>	0.65	0.25	N/A	0.30	0.20
	Construction costs of MFT street improvement projects <sup>1</sup>	\$908,600	\$147,256	N/A	\$99,642	\$100,000
	Percentage of overall street system improved <sup>1</sup>	0.8%	0.3%	1%	0.3%	1%
Notes: <sup>1</sup> – Strategies and measures are only applicable to the MFT-funded portion of the project. Other funds and revenue sources also contribute to the construction and maintenance of the Village's street system.						

## Future Goals and Objectives

- Use MFT funds to buy more materials since we have the equipment and manpower in-house to do road resurfacing and major repairs.

# Motor Fuel Tax Fund

# Revenues

			FY 06/07 Actual	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
03000500	36020	Interest - Illinois Funds	\$ 28,070.55	\$ 31,722.61	\$ 8,811.82	\$ 10,000.00	\$ 2,000.00
03000300	33015	MFT Allotments	847,893.53	850,149.83	836,130.34	842,000.00	815,000.00
<b>Motor Fuel Tax Fund Total</b>			<b>\$ 875,964.08</b>	<b>\$ 881,872.44</b>	<b>\$ 844,942.16</b>	<b>\$ 852,000.00</b>	<b>\$ 817,000.00</b>
Note: MFT revenues for FY 10/11 consist of allotments of \$25.60 per capita (\$780,340), and a high growth city allotment of \$34,660.							



# Motor Fuel Tax Fund

# Expenditures

			FY 06/07 Actual	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
03900300	42232	Engineering/Design Services	\$ 28,805.17	\$ 82,980.76	\$ 38,406.96	\$ 226,190.00	\$ 67,500.00
03900300	43309	Materials	117,385.26	154,836.10	412,717.33	433,000.00	328,000.00
03900300	43370	Infrastructure Maintenance	231,103.13	826,549.63	20,875.00	730,000.00	1,113,750.00
03900300	45593	Capital Improvements	-	42,703.88	63,280.48	-	-
<b>Motor Fuel Tax Fund Total</b>			<b>\$ 377,293.56</b>	<b>\$ 1,107,070.37</b>	<b>\$ 535,279.77</b>	<b>\$ 1,389,190.00</b>	<b>\$ 1,509,250.00</b>



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# Street Improvement Fund

## Department/Program Description

This Fund, along with the MFT Fund, is one of the major sources for funding the Village's street improvement capital program. The Public Works Department produces a Streets Multi-Year Plan. Members of the Department drive and assess the Village streets on a yearly basis and rate their condition. Based on this data, a forecast is made and projects are established in accordance with the Multi-Year Plan. Projects are financed using revenues from telecommunications taxes, utility taxes, and home rule sales tax. The Plan does change from year to year as emergencies and unforeseeable conditions cause priorities to adjust. This Fund has two main goals: to upgrade or recondition approximately 1-2% of the Village road system each fiscal year and to progressively manage the vast array of streams and tributaries located within the Village. One of our new priorities is to bio-engineer our creek restoration and stabilization work in which the primary source of water is from drainage of the roadway system. This allows us to provide natural solutions to creek maintenance issues.

## FY 2009-2010 Accomplishments

- Ratt Creek Tributary Streambank Stabilization was completed.
- Local Agency Pavement Preservation (LAPP) Projects was completed which included resurfacing portions of Sandbloom Road, Square Barn Road, Huntington Drive, and Hanson Road.
- Construction of Hanson Road Phase 2 from Edgewood to Huntington Drive was started.
- Phase 2 engineering was completed for Algonquin Hills Section 4.
- Phase 1 engineering was completed for Indian Shores.
- Phase 1 engineering was completed for Royal Hills Section 1.
- Surface Transportation Program (STP) application and phase 1 engineering were completed for Edgewood Drive.

## Budget Highlights

- First year of maintenance and monitoring for native plantings on Ratt Creek Streambank Stabilization will begin.
- Construction of Hanson Road Phase 2 from Edgewood to Huntington Drive will be completed. This is a Federal Aid Urban (FAU) project and will receive 80% federal funding for construction.
- Begin phase 1 engineering will be completed for the following projects: Lawndale Park Creek Stabilization, repairs to South River Road and the failing shoulder, and Edgewood Drive through the Highlands Subdivision (Edgewood Road to County Line Road).
- Begin Phase 2 engineering for Indian Shores and Royal Hill projects.
- Construct Algonquin Hills Section 4 to final out improvements to that neighborhood.

## Performance Measures

The FY 10/11 budget document features performance measures related to the Village's Guiding Principles to assist linking budgetary decisions to the intended outcomes determined by the Village Board. Output, efficiency, and outcome measures are used to provide a tangible link from Village services and strategies to the Guiding Principles. Aggressive targets are set during the budget process not to determine success or failure, but to continuously improve service delivery and provide core services in the most cost-effective manner possible. Additional measures and strategies will be featured in subsequent budgets.

<b>Guiding Principle #3: Evaluate, Plan for, and Implement Important Capital Improvement Projects in Order to Maintain the Village's Infrastructure and Uphold a High Quality of Life for Residents</b>						
Department Objective	Strategy/Measure	2007	2008	2009		2010
		Actual	Actual	Target	Actual	Target
Provide adequate infrastructure throughout the Village.	Miles of streets improved <sup>1</sup>	0.81	1.00	N/A	3.40	0.65
	Construction costs of MFT street improvement projects <sup>1</sup>	\$860,000	\$1,652,000	N/A	\$2,746,000	\$1,500,000
	Percentage of overall street system improved <sup>1</sup>	0.7%	1%	>1%	2%	>1%
Notes: <sup>1</sup> – Strategies and measures are only applicable to the Street Improvement Fund portion of the project. Other funds and revenue sources also contribute to the construction and maintenance of the Village's street system.						

## Future Goals and Objectives

- Fund and reconstruct Edgewood Road with 80% Federal funding through FAU.
- Continue to program the Street Improvement Capital Project multi-year plan for continual upgrade and maintenance of Village streets.
- Work on correcting all stream erosion and major drainage problems through naturalization construction efforts.
- Explore additional funding sources for drainage correction problems.

# Street Improvement Fund

# Revenues

			FY 06/07 Actual	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
04000500	31011	Home Rule Sales Tax	\$ 273,646.55	\$ 80,896.39	\$ 345,832.40	\$ 1,150,000.00	\$ 1,250,000.00
04000500	31190	Telecommunications Tax	518,768.87	550,522.24	542,813.80	575,000.00	535,000.00
04000500	36001	Interest	2,165.91	5,382.95	5,144.75	20,000.00	15,000.00
04000500	36020	Interest - Illinois Funds	30,351.56	46,699.22	21,643.34	10,000.00	3,000.00
04000300	33052	Donations - Capital - PW	87,148.70	99,706.43	70,780.68	-	-
04000300	33032	Donations - Operating - PW	14,816.00	4,000.00	-	-	-
04000500	31495	Utility Tax Receipts	1,029,297.64	1,023,061.91	1,014,164.08	975,000.00	955,000.00
<b>Street Improvement Fund Total</b>			<b>\$ 1,956,195.23</b>	<b>\$ 1,810,269.14</b>	<b>\$ 2,000,379.05</b>	<b>\$ 2,730,000.00</b>	<b>\$ 2,758,000.00</b>

On March 7, 2006, the Village Board approved two ordinances. The first eliminated the utility tax on natural gas and delivery charges for Village residents and businesses. The 4% utility tax related to natural gas no longer applied as of July 1, 2006. A use tax fee of \$0.0103 was implemented as a charge per therm. The second ordinance established a home rule retailers' occupation tax and service occupation tax of three-quarters percent (0.75%). This tax applies to retail and service sales and was effective on July 1, 2006. It does not apply to sales of food for human consumption off the premises where it is sold (i.e. groceries), prescription and non-prescription medicines, or other medical supplies. In addition, it does not apply to sales of tangible personal property that is titled or registered with an agency of this State's government (e.g. cars, trucks, motorcycles, etc.). For the 2009-2010 fiscal year, 33.3% of the home rule sales tax receipts were allocated to the Street Improvement Fund. The allocation is 40% for the 2010-2011 fiscal year.

Utility tax receipts are based on use tax charges on energy usage for natural gas (Nicor) and electricity (ComEd). ComEd is based on kilowatt (KW) hours, and Nicor is based on therms. The budget assumes a growth rate of 2 1/2 to 3% per year for Nicor and a 3.5% electricity usage decrease as trending in 2008. Telecommunications tax revenues assumes a growth rate of 2.5%.

# Street Improvement Fund

# Expenditures

			FY 06/07 Actual	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
04900300	42230	Legal Services	\$ -	\$ 4,023.75	\$ 12,765.39	\$ 8,000.00	\$ 8,000.00
04900300	42232	Engineering/Design Services	58,196.57	37,890.74	118,689.65	648,100.00	830,000.00
04900300	43320	Small Tools and Supplies	-	22,469.76	-	-	-
04900300	43370	Infrastructure Maintenance	-	981,295.34	5,427.00	613,000.00	125,180.00
04900300	45593	Capital Improvements	613,064.95	304,592.32	1,152,171.31	3,040,000.00	2,868,000.00
<b>Street Improvement Fund Total</b>			<b>\$ 671,261.52</b>	<b>\$ 1,350,271.91</b>	<b>\$ 1,289,053.35</b>	<b>\$ 4,309,100.00</b>	<b>\$ 3,831,180.00</b>

# Park Fund

## Department/Program Description

The Park Fund reflects funds for large-scale new development of park sites. The fund includes construction costs, engineering, and construction management. Revenues are obtained through developer donations and grants along with tree preservation ordinance fees, Woods Creek ecosystem maintenance donations, and wetland mitigation donations. The fund may also cover capital items solely used for maintenance of park parcels.

## FY 2009-2010 Accomplishments

- Spella Park wetland creation completed first of three year maintenance & monitoring period.
- Finalized enhancement of Arbor Hills Nature Preserve.
- Finalized plantings and maintenance of detention naturalization projects at Yellowstone and Countryside.
- Gaslight Park Bird & Butterfly Sanctuary was created.
- Completed a second year of intensive maintenance on the Woods Creek Corridor to preserve the wetland mitigation and enhancement done by various developers in the past as well as enhanced upland areas.

## Budget Highlights

- Year two of maintenance & monitoring will occur on Spella wetland in order to assure compliance with the Army Corps of Engineers wetland mitigation rules.
- Year one of maintenance period to establish the restoration of Gaslight Park Bird & Butterfly Sanctuary.
- Restoration of the Willoughby Farms Park wetland will be done and will include educational components and field classroom days from Westfield School.
- Begin restoration and preservation of fen and sedge meadow at Winding Creek Riparian Corridor.
- Perform assessment of High Hill Park & Nature Preserve to devise plan for future restoration efforts.

## Performance Measures

The FY 10/11 budget document features performance measures related to the Village's Guiding Principles to assist linking budgetary decisions to the intended outcomes determined by the Village Board. Output, efficiency, and outcome measures are used to provide a tangible link from Village services and strategies to the Guiding Principles. Aggressive targets are set during the budget process not to determine success or failure, but to continuously improve service delivery and provide core services in the most cost-effective manner possible. Additional measures and strategies will be featured in subsequent budgets.

Guiding Principle #6: Continue to Promote and Develop Programs with a Conservation Focus						
Department Objective	Strategy/Measure	2007	2008	2009		2010
		Actual	Actual	Target	Actual	Target
Preserve and enhance Village's tree resources.	Total Number of Tree Planted	100	147	N/A	156	N/A
	Total Cost per Tree	\$181	\$133	N/A	\$114	N/A
	Number of Tree Sites Remaining on Wait List	46	156	N/A	120	N/A

## Future Goals and Objectives

- Continue to improve and enhance the Village's natural areas and create new wetlands.
- Concentrate restoration efforts on Village's largest and most important ecological areas.
- Continue to explore grant opportunities for development of future park areas and enhancement of current facilities.



# Park Fund

# Revenues

			FY 06/07 Actual	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
06000500	36001	Interest	\$ 11,432.63	\$ 9,539.40	\$ 3,102.25	\$ 4,900.00	\$ 2,000.00
06000500	36020	Interest - Illinois Funds	38,974.31	8,235.71	-	100.00	50.00
06000300	33052	Donation - Capital - PW	128,904.00	9,417.00	52,572.00	200,000.00	-
06000300	33032	Donation - Operating - PW	733.79	2,266.28	-	-	-
06000300	33150	Donation - Ecosystem Maint.	-	12,371.00	856.00	25,000.00	-
06000300	33152	Donation - Forestation	200.00	-	-	-	-
06000300	33155	Donation - Wetland Mitigation	-	45,300.00	640.00	-	-
06000300	33252	Grants - Capital - PW	239,000.00	60,000.00	400,000.00	-	-
06000500	38001	Transfer from General Fund	12,090.00	-	-	-	-
<b>Park Fund Total</b>			<b>\$ 431,334.73</b>	<b>\$ 147,129.39</b>	<b>\$ 457,170.25</b>	<b>\$ 230,000.00</b>	<b>\$ 2,050.00</b>

## Park Fund

## Expenditures

			FY 06/07 Actual	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
06900300	42232	Engineering/Design Services	\$ 160.00	\$ 73.50	\$ -	\$ -	\$ -
06900300	42234	Professional Services	7,705.30	858.16	846.74	3,000.00	-
06900300	43320	Small Tools & Supplies	7,023.00	-	-	-	-
06900300	43370	Infrastructure Maintenance	2,916.06	2,020.00	-	-	-
06900300	44402	Reforestation <sup>1</sup>	21,532.00	18,349.00	19,976.96	20,000.00	20,000.00
06900300	44408	Wetland Mitigation <sup>1</sup>	14,195.50	94,863.64	19,344.80	44,500.00	70,600.00
06900300	44425	Maintenance-Open Space <sup>1</sup>	-	11,904.00	42,964.00	28,000.00	20,000.00
06900300	45593	Park Development	1,462,390.37	1,123,248.57	188,769.71	75,000.00	-
<b>Parks Fund Total</b>			<b>\$ 1,515,922.23</b>	<b>\$ 1,251,316.87</b>	<b>\$ 271,902.21</b>	<b>\$ 170,500.00</b>	<b>\$ 110,600.00</b>
<sup>1</sup> - Restricted Funds							

# Water and Sewer Improvement and Construction Fund

## Department/Program Description

The Water and Sewer Improvement and Construction Fund covers engineering and construction costs for the development and enhancement of water and sewer facilities and underground infrastructure. It also covers costs for significant expansion and new construction of water and wastewater treatment facilities to accommodate population growth. The revenues for this fund are derived primarily from water and sewer connection fees paid by new developments and the home rule sales tax.

## FY 2009-2010 Accomplishments

- Successful completion of repairs in the High Hill Subdivision as recommended by the Sanitary Sewer Evaluation Study.
- Successful completion of new watermain in Arrowhead Subdivision on Hillcrest Drive.
- Completion of Wastewater Treatment Facility (WWTF) site grading and landscaping.
- Began the painting and maintenance of Jacobs Water Tower.
- Completion of SCADA system upgrades.

## Budget Highlights

- Complete design of Water Treatment Plant (WTP) 3 Ion Exchange.
- Complete the painting and maintenance of Jacobs Water Tower.
- Begin design for replacement of the watermain on Oceola Drive as part of a road reconstruction project.
- Begin construction on Well 14 and the associated raw water line. This well will replace Well 6, which we intend to abandon.

## Future Goals and Objectives

- Construct the necessary expansion to WTP 3 for ion exchange.
- Look for future water capacity through continued design of Well 12.

# Water and Sewer Improvement and Construction Fund

# Revenue

			FY 06/07 Actual	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
12000500	31011	Home Rule Sales Tax	\$ 2,568,446.62	\$ 3,567,652.49	\$ 3,112,491.62	\$ 2,310,000.00	\$ 1,875,000.00
12000500	36001	Interest	219,166.58	45,593.30	14,905.73	40,000.00	20,000.00
12000500	36020	Interest - Illinois Funds	257,520.71	97,586.27	27,470.41	10,000.00	3,000.00
12000400	33500	Donations - Capital W&S	-	465,380.10	-	-	-
12000400	33035	Donations - Operating W&S	-	9,172.50	26,000.00	-	-
12000400	34800	Water Tap-On Fees	484,810.00	540,940.00	518,580.00	350,000.00	-
12000400	34810	Sewer Tap-On Fees	419,078.00	409,060.00	415,195.00	300,000.00	-
12000500	38008	Transfer from W&S Collapsed	32,200.00	32,200.00	-	25,000.00	10,000.00
12000400	37900	Miscellaneous Revenue	-	25.00	-	-	-
<b>Water &amp; Sewer Imp. &amp; Const. Fund Total</b>			<b>\$ 1,412,775.29</b>	<b>\$ 1,599,957.17</b>	<b>\$ 4,114,642.76</b>	<b>\$ 3,035,000.00</b>	<b>\$ 1,908,000.00</b>

An ordinance establishing a home rule retailer's occupation tax and service occupation tax of three-quarters percent (0.75%) was passed by the Village Board on March 7, 2006. This tax applies to retail and service sales and was implemented as of July 1, 2006. It does not apply to sales of food for human consumption off the premises where it is sold (i.e. groceries), prescription and non-prescription medicines, or other medical supplies. In addition, it does not apply to sales of tangible personal property that is titled or registered with an agency of this State's government (e.g. cars, trucks, motorcycles, etc.). 66.7% of home rule sales tax revenues was allocated to this fund in FY 09/10; 60% of home rule sales tax is allocated to this fund in FY 10/11.

# Water and Sewer Improvement and Construction Fund

# Expenditures

			FY 06/07 Actual	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
<b>Nondepartmental</b>							
12900400	42230	Legal Services	\$ 5,425.00	\$ 51,296.25	\$ 28,900.00	\$ 20,000.00	\$ 20,000.00
12900400	42232	Engineering Services	17,460.00	3,442.25	48,050.02	376,000.00	159,100.00
12900400	42234	Professional Services	6,395.62	-	-	-	-
12900400	43370	Infrastructure Maintenance	-	(461.70)	28,788.21	410,000.00	262,000.00
<b>Subtotal</b>			\$ 29,280.62	\$ 54,276.80	\$ 105,738.23	\$ 806,000.00	\$ 441,100.00
<b>Capital Expenditures</b>							
12900400	45516	Lift Station Improvements	47,882.84	-	-	75,000.00	-
12900400	45518	Well Improvements	26,942.27	21,803.00	-	725,000.00	725,000.00
12900400	45520	Water Treatment Plant	405,239.08	83,628.97	-	-	-
12900400	45539	Sewer System Evaluation	14,304.87	-	-	150,000.00	-
12900400	45565	Water Main	-	65,684.50	-	495,000.00	170,000.00
12900400	45570	Sewer Treatment Plant Expansion	6,367,639.92	9,025,949.98	-	235,000.00	-
<b>Subtotal</b>			\$ 6,862,008.98	\$ 9,197,066.45	\$ -	\$ 1,680,000.00	\$ 895,000.00
<b>Transfers and Debt Service</b>							
12900500	48007	Transfer to W & S Operating	\$ -	\$ -	\$ 1,354,805.50	\$ -	\$ -
12900500	48099	Transfer to Debt Service	383,000.00	375,000.00	-	-	-
12900400	46680	Bond Principal	-	-	-	50,000.00	100,000.00
12900400	46681	Bond Interest Expense	-	-	-	355,000.00	353,000.00
12900400	46682	Bond Fees	-	-	-	5,000.00	5,000.00
<b>Subtotal</b>			\$ 383,000.00	\$ 375,000.00	\$ 1,354,805.50	\$ 410,000.00	\$ 458,000.00
<b>Water &amp; Sewer Imp. &amp; Const. Fund Total</b>			\$ 7,274,289.60	\$ 9,626,343.25	\$ 1,460,543.73	\$ 2,896,000.00	\$ 1,794,100.00
Actual figures have been adjusted to reflect capitalization of fixed assets, per auditor.							
Capital expenditures are transferred to and capitalized in the Water & Sewer Operating Fund							
Bond Series 2005A and 2005B have been collapsed into this fund starting in FY 08/09. Therefore, bond principal, interest, and fees are expressed here in lieu of a transfer to debt service.							

# Village Construction Fund

# Revenues

			FY 06/07 Actual	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
24000500	36001	Interest	\$ 163.32	\$ 25.57	\$ 70.54	\$ 100.00	\$ 100.00
24000500	36020	Interest - Illinois Funds	2,853.85	2,896.38	965.87	1,000.00	500.00
24000100	33050	Donations - Capital - Gen. Gov.	18,400.00	3,300.00	3,450.00	5,000.00	-
24000500	38001	Transfer from General Fund	-	-	-	100,000.00	-
24000500	38016	Transfer from Hotel Tax Fund	-	-	42,000.00	45,000.00	-
Village Construction Fund Total			\$ 21,417.17	\$ 6,221.95	\$ 46,486.41	\$ 151,100.00	\$ 600.00

# Village of Algonquin

## Debt Service Fund

General Obligation Bonds. The government issues General Obligation Bonds to provide funds for the acquisition and construction of major capital facilities. General Obligation Bonds have been issued for general government activities as well as for refunding previously issued General Obligation Bonds.

	Balance May 1, 2005	Additions	Retirements	Balance April 30, 2006
General Obligation Bonds				
Series 2001B, Refunding	1,790,000	-	345,000	1,445,000
Series 2002A	3,090,000	-	-	3,090,000
Series 2002B *	1,997,882	105,648	-	2,103,530
Series 2005B **	-	2,935,000	-	2,935,000
Total	\$ 6,877,882	\$ 3,040,648	\$ 345,000	\$ 9,573,530

	Balance May 1, 2006	Additions	Retirements	Balance April 30, 2007
General Obligation Bonds				
Series 2001B, Refunding	1,445,000	-	360,000	1,085,000
Series 2002A	3,090,000	-	15,000	3,075,000
Series 2002B *	2,103,530	111,237	-	2,214,767
Series 2005B **	2,935,000	-	-	2,935,000
Total	\$ 9,573,530	\$ 111,237	\$ 375,000	\$ 9,309,767

	Balance May 1, 2007	Additions	Retirements	Balance April 30, 2008
General Obligation Bonds				
Series 2001B, Refunding	1,085,000	-	370,000	715,000
Series 2002A	3,075,000	-	40,000	3,035,000
Series 2002B *	2,214,767	117,121	-	2,331,887
Series 2005B **	2,935,000	-	-	2,935,000
Total	\$ 9,309,767	\$ 117,121	\$ 410,000	\$ 9,016,887

	Balance May 1, 2008	Additions	Retirements	Balance April 30, 2009
General Obligation Bonds				
Series 2001B, Refunding	715,000	-	390,000	325,000
Series 2002A	3,035,000	-	50,000	2,985,000
Series 2002B *	2,331,887	123,316	-	2,455,203
Series 2005B **	2,935,000	-	-	2,935,000
Total	\$ 9,016,887	\$ 123,316	\$ 440,000	\$ 8,700,203

	Balance May 1, 2009	Additions	Retirements	Balance April 30, 2010
General Obligation Bonds				
Series 2001B, Refunding	325,000	-	325,000	-
Series 2002A	2,985,000	-	140,000	2,845,000
Series 2002B *	2,455,203	129,840	-	2,585,043
Series 2005B **	2,935,000	-	-	2,935,000
Total	\$ 8,700,203	\$ 129,840	\$ 465,000	\$ 8,365,043

	Balance May 1, 2010	Additions	Retirements	Balance April 30, 2011
General Obligation Bonds				
Series 2002A	2,845,000	-	500,000	2,345,000
Series 2002B *	2,585,043	136,708	-	2,721,751
Series 2005B **	2,935,000	-	-	2,935,000
Total	\$ 8,365,043	\$ 136,708	\$ 500,000	\$ 8,001,751

\* Series 2002B is a Capital Appreciation Bond and the additions are accreted values.  
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\*\* Series 2005B is a G.O. Refunding Bond for the 2002B Capital Appreciation Bond.

# Village of Algonquin

## Water & Sewer Bonds

Revenue Bonds. The government issues bonds where the government pledges income derived from the acquired or constructed assets to pay debt service.

	Balance May 1, 2005	Additions	Retirements	Balance April 30, 2006
Revenue Bonds				
Series 2001A, Refunding	\$ 1,905,000	\$ -	\$ 155,000	\$ 1,750,000
Series 2002, Refunding	890,000	-	210,000	680,000
Series 2005A	-	9,000,000	-	9,000,000
Total	<u>\$ 2,795,000</u>	<u>\$ 9,000,000</u>	<u>\$ 365,000</u>	<u>\$ 11,430,000</u>

	Balance May 1, 2006	Additions	Retirements	Balance April 30, 2007
Revenue Bonds				
Series 2001A, Refunding	\$ 1,750,000	\$ -	\$ 170,000	\$ 1,580,000
Series 2002, Refunding	680,000	-	220,000	460,000
Series 2005A	9,000,000	-	25,000	8,975,000
Total	<u>\$ 11,430,000</u>	<u>\$ -</u>	<u>\$ 415,000</u>	<u>\$ 11,015,000</u>

	Balance May 1, 2007	Additions	Retirements	Balance April 30, 2008
Revenue Bonds				
Series 2001A, Refunding	\$ 1,580,000	\$ -	\$ 170,000	\$ 1,410,000
Series 2002, Refunding	460,000	-	235,000	225,000
Series 2005A	9,000,000	-	25,000	8,975,000
Total	<u>\$ 11,040,000</u>	<u>\$ -</u>	<u>\$ 430,000</u>	<u>\$ 10,610,000</u>

	Balance May 1, 2008	Additions	Retirements	Balance April 30, 2009
Revenue Bonds				
Series 2001A, Refunding	\$ 1,410,000	\$ -	\$ 180,000	\$ 1,230,000
Series 2002, Refunding	225,000	-	225,000	-
Series 2005A	8,975,000	-	35,000	8,940,000
Total	<u>\$ 10,610,000</u>	<u>\$ -</u>	<u>\$ 440,000</u>	<u>\$ 10,170,000</u>

	Balance May 1, 2009	Additions	Retirements	Balance April 30, 2010
Revenue Bonds				
Series 2001A, Refunding	\$ 1,230,000	\$ -	\$ 460,000	\$ 770,000
Series 2005A	8,940,000	-	25,000	8,915,000
Total	<u>\$ 10,170,000</u>	<u>\$ -</u>	<u>\$ 485,000</u>	<u>\$ 9,685,000</u>

	Balance May 1, 2010	Additions	Retirements	Balance April 30, 2011
Revenue Bonds				
Series 2001A, Refunding	\$ 770,000	\$ -	\$ 405,000	\$ 365,000
Series 2005A	8,915,000	-	50,000	8,865,000
Total	<u>\$ 9,685,000</u>	<u>\$ -</u>	<u>\$ 455,000</u>	<u>\$ 9,230,000</u>



## Debt Service Fund

## Revenues

			FY 06/07 Actual	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
99000500	36001	Interest	\$ 162,253.86	\$ 159,245.84	\$ 141,432.92	\$ 135,000.00	\$ 125,000.00
99000500	38001	Transfer From General Fund	574,000.00	592,000.00	591,000.00	612,000.00	627,000.00
Debt Service Fund Total			\$ 736,253.86	\$ 751,245.84	\$ 732,432.92	\$ 747,000.00	\$ 752,000.00

## Debt Service Fund

## Expenditures

			FY 06/07 Actual	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
99900100	46680	Bond Principal	\$ 375,000.00	\$ 410,000.00	\$ 440,000.00	\$ 465,000.00	\$ 500,000.00
99900600	46681	Bond Interest	314,781.28	298,431.28	280,643.78	262,000.00	241,500.00
99900600	46682	Bond Fees	1,016.50	1,016.50	1,016.50	3,000.00	3,000.00
<b>Debt Service Fund Total</b>			<b>\$ 690,797.78</b>	<b>\$ 709,447.78</b>	<b>\$ 721,660.28</b>	<b>\$ 730,000.00</b>	<b>\$ 744,500.00</b>
Note: Debt service on Series 2002A and 2005B.							

# Cemetery Fund

## Department/Program Description

The Cemetery Fund provides for the maintenance and operation of the Village-owned cemetery. The operation of the cemetery is managed primarily through contractual services, supplemented by services provided by the Public Works Department. This enterprise fund derives revenue from the sale of gravesites and associated fees, and from site lease fees collected from wireless service providers that lease space at the cemetery for their tower and equipment.

## FY 2009-2010 Accomplishments

- Continuation of program for grave repairs which consists of fixing monuments that have fallen, cracked or have otherwise become hazardous.
- Continuation surveying and maintenance of settlement problems throughout the cemetery.
- First year of preventative maintenance for weed control completed.
- Additional of new bushes along Illinois Route 31 as a screening mechanism.

## Budget Highlights

- Continue program for grave repairs which consists of fixing monuments that have fallen, cracked or have otherwise become hazardous.
- Second year of preventative weed control to the turf areas in the cemetery.

## Future Goals and Objectives

- Continue to survey plots in the south portion of the cemetery.

## Statistics

Algonquin Cemetery					
	2005	2006	2007	2008	2009
Monuments Repaired	31	0 <sup>1</sup>	25	28	28
Notes: <sup>1</sup> – Monument repair was not funded in 2006.					

# Cemetery Fund

# Revenues

			FY 06/07 Actual	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
02000500	36001	Interest	\$ 93.04	\$ 241.69	\$ 27.78	\$ 100.00	\$ 25.00
02000100	34300	Lots & Graves	8,540.00	4,720.00	3,910.00	8,000.00	6,000.00
02000100	34310	Grave Opening	8,339.00	10,075.00	6,025.00	8,500.00	8,500.00
02000100	34100	Rental Income <sup>1</sup>	31,831.75	16,882.64	17,389.12	17,900.00	18,450.00
02000100	34320	Perpetual Care	1,800.00	1,440.00	1,260.00	2,000.00	2,000.00
02000500	36026	Interest - Cemetery Trust	13,695.82	10,787.55	6,359.73	6,000.00	3,025.00
<b>Cemetery Fund Total</b>			<b>\$ 64,299.61</b>	<b>\$ 44,146.88</b>	<b>\$ 34,971.63</b>	<b>\$ 42,500.00</b>	<b>\$ 38,000.00</b>

<sup>1</sup> - Rental Income includes the annual rental payment for a ground lease by a wireless service provider at the cemetery.

# Cemetery Fund

# Expenditures

			FY 06/07 Actual	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
02400100	42234	Professional Services	\$ 21,961.00	\$ 27,800.00	\$ 28,090.00	\$ 28,900.00	\$ 26,600.00
02400100	42236	Insurance	1,284.58	1,337.77	1,309.84	2,000.00	2,000.00
02400100	42290	Grave Opening	6,200.00	7,700.00	4,800.00	6,000.00	6,000.00
02400100	43319	Supplies	558.40	-	110.83	2,700.00	2,200.00
02400100	43320	Small Tools & Equipment	1,525.40	-	-	-	-
<b>Cemetery Fund Total</b>			<b>\$ 31,529.38</b>	<b>\$ 36,837.77</b>	<b>\$ 34,310.67</b>	<b>\$ 39,600.00</b>	<b>\$ 36,800.00</b>



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# Swimming Pool Fund

## Department/Program Description

At the Lions-Armstrong Memorial Pool, the Village provides aquatic programming, open swim, special events, and a home for the Trails Swim Team. The Pool serves both residents and non-residents with daily pool passes, season pool passes, concessions, and a variety of programming and special events. Though the pool does rely on a transfer from the general fund to fund operations, the pool is an essential function of the community that continues to provide superior recreation and leisure opportunities to area residents. Supervision and administration of the swimming pool falls under the responsibility of the General Services Administration Department, Events and Recreation Division.

Personnel Summary	FY 06/07	FY 07/08	FY 08/09	FY 09/10	FY 10/11	Change
Full-Time Employees	0	0	0	0	0	-
Seasonal Employees	35	35	36	36	36	-
<b>TOTAL EMPLOYEES</b>	<b>35</b>	<b>35</b>	<b>36</b>	<b>36</b>	<b>36</b>	<b>-</b>

## Explanation of New Positions

No new personnel budgeted for FY 10/11.

## FY 2009-2010 Accomplishments

- Implemented all registration for lessons and membership, as well as point of sales using RecPro software.
- Staff was trained and certified in the following:
  - American Red Cross CPR (entire staff)
  - American Red Cross AED (entire staff)
  - American Red Cross First Aid (entire staff)
  - American Red Cross Water Safety Instructor Aide (swim instructor staff only)
  - American Red Cross Water Safety Instructor (2 management staff members)
  - American Red Cross Lifeguard (lifeguard staff only)
- Season passes are now key tags that are reusable from year to year.
- Finalized four year agreement with the Trails Swim Team for use of the facility.
- Purchased and installed automatic external defibrillator (AED) for use during cardiac emergency.
- Offered National Night Out on an alternative evening to educate the public about hosting their own events in their neighborhoods during the actual evening of National Night Out.
- Sold concessions at Founders' Days Fireworks festivities.
- Enforced "no outside food/drink" policy.

## Budget Highlights

- Entering second year of agreement with Trails Swim Team.
- Algonquin Middle School will be visiting both at the beginning and end of summer in 2010 due to school calendar.
- Purchase solar blankets in an effort to have a more efficient use of energy, chemicals, and water at the pool.
- Cabinet repair to be performed with existing Village staff.

- Continue selling concessions at fireworks during Founders' Days Festival.
- Investigate a Community Swim Meet or Swim-A-Thon.
- Decrease swim lesson prices to be more competitive with other area facilities per recreation report.
- Flatten daily fees for consistency (prime time vs. non-prime time).
- Decrease season pass prices.
- Eliminate overtime expenses.

## Performance Measures

The FY 10/11 budget document features performance measures related to the Village's Guiding Principles to assist linking budgetary decisions to the intended outcomes determined by the Village Board. Output, efficiency, and outcome measures are used to provide a tangible link from Village services and strategies to the Guiding Principles. Aggressive targets are set during the budget process not to determine success or failure, but to continuously improve service delivery and provide core services in the most cost-effective manner possible. Additional measures and strategies will be featured in subsequent budgets.

Guiding Principle #1: Maintain and/or Enhance Customer Service and Citizen Satisfaction						
Department Objective	Strategy/Measure	2007	2008	2009		2010
		Actual	Actual	Target	Actual	Target
Align programs with community needs.	Total Season Pool Passes Purchased	321	290	N/A	398	N/A
	Total Swim Lesson Registrants	1,233	1,037	N/A	779	N/A
Continue to develop competent staff.	WSI/LGI Certified Staff	2	2	>1	3	>1

## Future Goals and Objectives

- Implement online program registration and payment for recreation classes.
- Host swim meet and/or triathlon.
- Continue to decrease refund requests.
- Consider purchase of following items: Additional Funbrella, Pool Covers, and Window Screens for the Concession Stand.
- Develop a five year master plan for the swimming pool.
- Research cost for facility caretaker paid directly through pool salaries rather than utilizing building services for various functions.

## Statistics

Algonquin Swimming Pool					
	2005	2006	2007	2008	2009
Average Chlorine Level <sup>1</sup>	3.0	3.0	3.0	1.4	2.0
Average pH Level <sup>2</sup>	7.2	7.4	7.4	7.4	7.4
Average Air Temperature	84°	71°	77°	71°	70°
Notes: <sup>1</sup> – Acceptable chlorine levels range between 0.5 and 3.0. <sup>2</sup> – Acceptable pH levels are between 6.8 – 8.0					



# Swimming Pool Fund

# Revenues

			FY 06/07 Actual	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
05000500	36001	Interest	\$ 140.23	\$ 134.62	\$ 31.21	\$ 50.00	\$ 5.00
05000100	34500	Swimming Annual Fees <sup>1</sup>	31,598.00	39,074.60	40,730.00	40,000.00	40,000.00
05000100	34510	Swimming Daily Fees <sup>2</sup>	21,691.73	22,401.97	27,329.88	28,000.00	30,000.00
05000100	34520	Swimming Lesson Fees <sup>3</sup>	55,151.74	62,672.93	51,395.95	58,000.00	45,900.00
05000100	34560	Concessions	10,857.44	11,416.52	12,579.92	13,500.00	13,250.00
05000100	34561	Concessions - Vending <sup>4</sup>	1,955.82	1,343.40	977.16	-	-
05000100	34565	Concessions - Other <sup>5</sup>	61.59	107.22	54.86	50.00	-
05000100	34100	Rental Income <sup>6</sup>	8,398.75	14,259.88	14,993.88	15,000.00	17,350.00
05000500	38001	Transfer from General Fund	27,991.29	54,795.60	36,376.48	54,400.00	52,180.00
<b>Swimming Pool Fund Total</b>			<b>\$ 157,846.59</b>	<b>\$ 206,206.74</b>	<b>\$ 184,469.34</b>	<b>\$ 209,000.00</b>	<b>\$ 198,685.00</b>
<b>Notes:</b>							
<sup>1</sup> - Early Bird Annual Pass = \$100, In-Season Annual Pass = \$140							
<sup>2</sup> - Daily Fee = \$5 Resident/\$6 Non-Resident, Evening Fee = \$3. Line item includes revenues from Fees, Group Rates, and AMS							
<sup>3</sup> - Lesson Fee = \$45 Resident/\$50-\$60 Non-Resident, Individual Fee = \$110 Resident/\$125 Non-Resident							
<sup>4</sup> - Reallocated to Rental Income							
<sup>5</sup> - Reallocated to Concessions							
<sup>6</sup> - Pool rates are \$200 Member/\$300 Non-Member, Line item includes revenues from Swim Team, Rentals, and Lockers							

# Swimming Pool Fund

# Expenditures

			FY 06/07 Actual	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
<b>Nondepartmental Personnel</b>							
05900100	41104	FICA	\$ 6,238.30	\$ 7,188.09	\$ 7,796.20	\$ 8,000.00	\$ 7,500.00
05900100	41105	Unemployment Tax	1,957.21	1,409.42	1,324.29	2,500.00	800.00
05900100	41110	Salaries	81,545.56	93,960.48	102,154.80	100,000.00	94,000.00
05900100	41140	Overtime	-	-	-	1,000.00	-
<b>Subtotal</b>			\$ 89,741.07	\$ 102,557.99	\$ 111,275.29	\$ 111,500.00	\$ 102,300.00
<b>Contractual Services</b>							
05900100	42210	Telephone	\$ 75.16	\$ 49.82	\$ (4.64)	\$ 50.00	\$ 50.00
05900100	42211	Gas	2,684.17	4,751.20	5,649.40	6,500.00	2,555.00
05900100	42212	Electric	6,030.10	7,418.87	7,366.07	7,500.00	6,000.00
05900100	42213	Water	-	-	-	-	2,000.00
05900100	42234	Professional Services	357.75	-	-	-	-
05900100	42236	Insurance	4,896.37	5,469.69	7,073.86	8,000.00	8,000.00
<b>Subtotal</b>			\$ 14,043.55	\$ 17,689.58	\$ 20,084.69	\$ 22,050.00	\$ 18,605.00
<b>Supplies &amp; Materials</b>							
05900100	43308	Office Supplies	\$ 2,297.67	\$ 3,851.55	\$ 2,227.06	\$ 4,350.00	\$ 1,600.00
05900100	43342	Chemicals	6,637.40	242.59	-	-	-
05900100	43317	Postage	243.85	48.94	29.10	50.00	-
05900100	43319	Building Supplies	592.14	1,206.73	-	-	-
05900100	43320	Tools, Equipment & Supplies	1,650.38	1,393.48	937.03	1,610.00	850.00
05900100	43332	Office Furniture & Equipment	-	-	-	1,700.00	3,000.00
<b>Subtotal</b>			\$ 11,421.44	\$ 6,743.29	\$ 3,193.19	\$ 7,710.00	\$ 5,450.00
<b>Maintenance</b>							
05900100	44406	Pool Maintenance	\$ 7,110.49	\$ -	\$ -	\$ -	\$ -
05900100	44423	Building Services (S)	1,538.24	52,613.94	50,352.09	51,940.00	59,580.00
<b>Subtotal</b>			\$ 8,648.73	\$ 52,613.94	\$ 50,352.09	\$ 51,940.00	\$ 59,580.00
<b>Other Charges</b>							
05900100	47740	Travel/Training/Dues	\$ 894.91	\$ 650.00	\$ 756.90	\$ 1,400.00	\$ 1,050.00
05900100	47760	Uniforms & Safety Items	1,906.80	3,594.39	3,505.31	4,200.00	1,200.00
05900100	47800	Concession Purchases	11,915.60	11,528.23	10,202.19	10,200.00	10,500.00
<b>Subtotal</b>			\$ 14,717.31	\$ 15,772.62	\$ 14,464.40	\$ 15,800.00	\$ 12,750.00
<b>Swimming Pool Fund Total</b>			\$ 138,572.10	\$ 195,377.42	\$ 199,369.66	\$ 209,000.00	\$ 198,685.00

(S) indicates those line items that reimburse the Internal Service Funds.

# Special Revenue Fund

# Revenues

			FY 06/07 Actual	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
<b>Taxes</b>							
16000500	31496	Hotel Tax Receipts	\$ 68,448.04	\$ 91,260.81	\$ 80,671.25	\$ 90,000.00	\$ 90,000.00
<b>Subtotal</b>			\$ 68,448.04	\$ 91,260.81	\$ 80,671.25	\$ 90,000.00	\$ 90,000.00
<b>Donations and Grants</b>							
16000100	33142	Donations - District 300	\$ 74,090.00	\$ 8,806.00	\$ 84,202.00	\$ 300,000.00	\$ 100,000.00
16000100	33143	Donations - District 158	36,924.00	19,230.00	7,692.00	300,000.00	100,000.00
<b>Subtotal</b>			\$ 111,014.00	\$ 28,036.00	\$ 91,894.00	\$ 600,000.00	\$ 200,000.00
<b>Charges for Services</b>							
16000300	34106	Cul de Sac Fees	\$ 54,000.00	\$ 48,000.00	\$ -	\$ -	\$ -
<b>Subtotal</b>			\$ 54,000.00	\$ 48,000.00	\$ -	\$ -	\$ -
<b>Investment Income</b>							
16000500	36005	Interest - CDAP Block Grant	\$ 7,028.80	\$ 5,676.99	\$ 1,752.72	\$ 2,000.00	\$ 1,000.00
16000500	36010	Interest - School Donation	3,413.21	1,910.42	518.71	3,000.00	2,000.00
16000500	36015	Interest - Cul de Sac	60,349.73	39,641.80	23,640.23	15,000.00	15,000.00
16000500	36016	Interest - Hotel Tax	7,222.05	11,774.87	9,295.35	5,000.00	10,000.00
<b>Subtotal</b>			\$ 78,013.79	\$ 59,004.08	\$ 35,207.01	\$ 25,000.00	\$ 28,000.00
<b>Special Revenue Fund Total</b>			\$ 311,475.83	\$ 226,300.89	\$ 207,772.26	\$ 715,000.00	\$ 318,000.00

# Special Revenue Fund

# Expenditures

			FY 06/07 Actual	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
<b>School Donation</b>							
16180100	47761	School Impact Fees	\$ 337,915.35	\$ 28,907.50	\$ -	\$ 600,000.00	\$ 200,000.00
16180500	48001	Transfer to General Fund	3,000.00	3,000.00	-	3,000.00	-
<b>Subtotal</b>			<b>\$ 340,915.35</b>	<b>\$ 31,907.50</b>	<b>\$ -</b>	<b>\$ 603,000.00</b>	<b>\$ 200,000.00</b>
<b>Cul de Sac</b>							
16230300	42264	Snow Removal	\$ 36,572.00	\$ 62,092.50	\$ 53,958.00	\$ 22,000.00	\$ 15,000.00
16230300	43320	Tools, Equipment & Supplies	6,179.00	-	-	-	-
16230300	45590	Capital Purchase	-	80,999.50	-	-	-
<b>Subtotal</b>			<b>\$ 42,751.00</b>	<b>\$ 143,092.00</b>	<b>\$ 53,958.00</b>	<b>\$ 22,000.00</b>	<b>\$ 15,000.00</b>
<b>Hotel Tax</b>							
16260100	42252	Regional/Marketing	\$ 500.00	\$ 10,376.77	\$ 10,694.13	\$ 45,000.00	\$ 45,000.00
16180500	48001	Transfer to General Fund	-	-	-	-	45,000.00
16260500	48024	Transfer to Village Const. Fd	-	-	42,000.00	45,000.00	-
<b>Subtotal</b>			<b>\$ 500.00</b>	<b>\$ 10,376.77</b>	<b>\$ 52,694.13</b>	<b>\$ 90,000.00</b>	<b>\$ 90,000.00</b>
<b>Special Revenue Fund Total</b>			<b>\$ 384,166.35</b>	<b>\$ 185,376.27</b>	<b>\$ 106,652.13</b>	<b>\$ 715,000.00</b>	<b>\$ 305,000.00</b>

## Police Pension Fund

## Revenues

			FY 06/07 Actual	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
53	37010	Employee Contributions	\$ 312,957.46	\$ 334,702.76	\$ 375,497.33	\$ 390,000.00	\$ 395,000.00
53	36000	Investment Income Total	623,834.91	377,884.56	(806,231.00)	275,000.00	462,000.00
53	37020	Employer Contributions	490,084.87	445,268.48	677,063.39	769,000.00	917,000.00
<b>Police Pension Fund Total</b>			<b>\$ 1,426,877.24</b>	<b>\$ 1,157,855.80</b>	<b>\$ 246,329.72</b>	<b>\$ 1,434,000.00</b>	<b>\$ 1,774,000.00</b>

## Police Pension Fund

## Expenditures

			FY 06/07 Actual	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Budget	FY 10/11 Budget
53900000	41195	Benefits & Refunds	\$ 133,233.74	\$ 228,000.00	\$ 245,716.00	\$ 240,000.00	\$ 240,000.00
53900000	42200	Administration	53,244.11	44,000.00	58,719.00	75,000.00	94,500.00
Police Pension Fund Total			\$ 186,477.85	\$ 272,000.00	\$ 304,435.00	\$ 315,000.00	\$ 334,500.00

# Village of Algonquin

## Community Statistics

### Date of Incorporation

39 Votes Cast

February 25, 1890

### Form of Government

Village Board – President and Six Trustees

President – Trustee with Village Manager  
Elected at large for four-year overlapping terms

### Number of Employees

Full Time	158
Part Time/Temporary	75

### Land Area

12.39 Square Miles

### Bond Rating

"AA+"

### Registered Voters

McHenry County	14,192
Kane County	4,541

### Schools Servicing Algonquin Residents

Elementary	6
Middle	3
High School	3

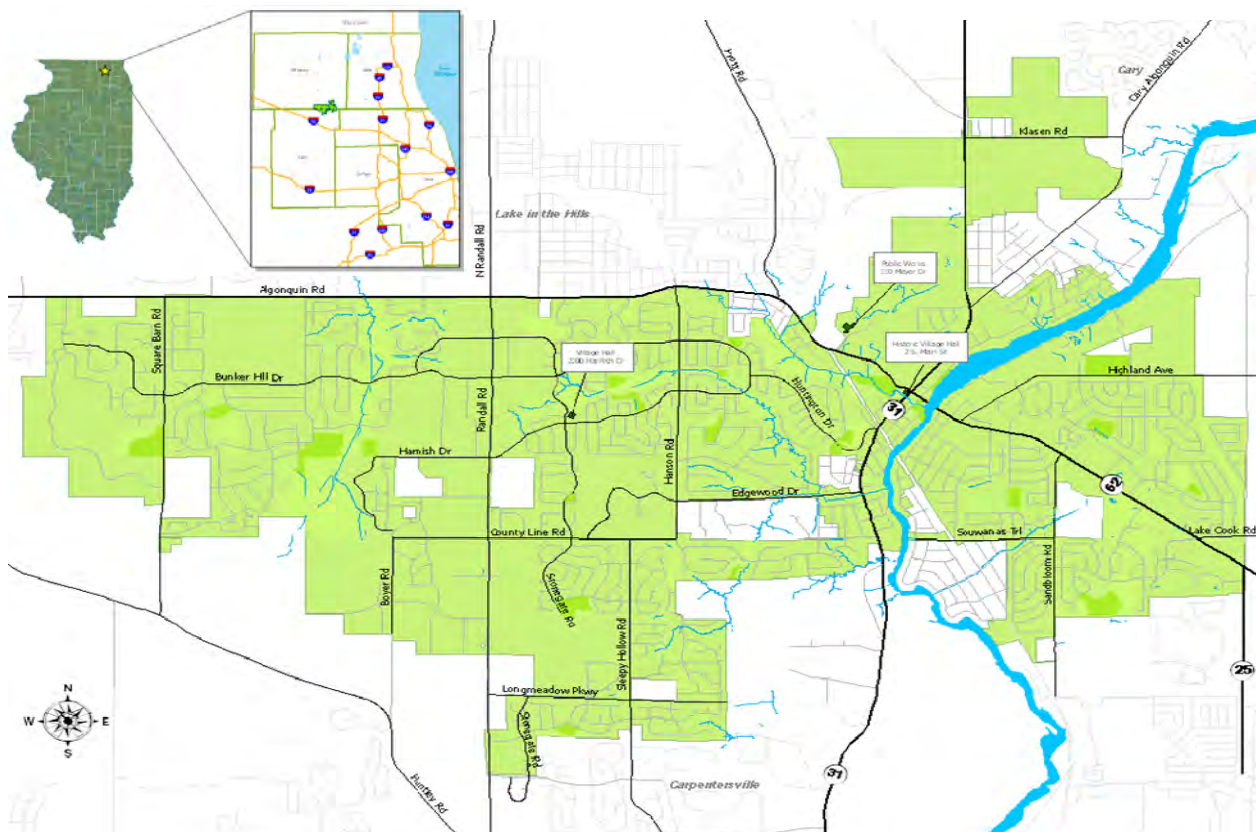
### Community Libraries

2

### Fire Stations

2

## Maps



# Village of Algonquin

## Historical Demographic Profile

	<u>1990</u>	<u>1993</u>	<u>1996</u>	<u>1998</u>	<u>2000</u>	<u>2003</u>	<u>2007</u>
<b>Number of Persons</b>	11,663	14,737	19,007	21,415	23,276	27,885	30,482
<b>Number of Households</b>	3,875	N/A	6,333	7,075	7,706	9,511	N/A
<b>Average Household Size</b>	3.01	N/A	3.00	3.03	3.02	3.01	N/A
<b>Gender</b>							
Male	5,864	N/A	9,591	10,712	11,576	13,833	N/A
Female	5,799	N/A	9,416	10,703	11,700	14,052	N/A
<b>Race</b>							
White	11,434	N/A	18,311	20,711	21,939	25,389	N/A
Black, African American	20	N/A	92	115	214	358	N/A
Am. Indian, Alaska Native	21	N/A	60	47	24	516	N/A
Asian, Pacific Islander	150	N/A	251	377	549	885	N/A
Other	38	N/A	293	165	280	426	N/A
Two or More Races	N/A	N/A	N/A	N/A	270	311	N/A
<b>Age</b>							
Under 5	1,262	N/A	1,861	2,079	2,364	2,530	N/A
5 – 9 years	N/A	N/A	1,955	2,150	2,269	2,615	N/A
10 – 14 years	N/A	N/A	1,641	1,821	2,018	2,458	N/A
15 – 19 years	N/A	N/A	1,131	1,373	1,432	1,772	N/A
20 – 24 years	N/A	N/A	691	827	751	1,132	N/A
25 – 34 years	N/A	N/A	3,302	3,422	3,485	3,631	N/A
35 – 44 years	N/A	N/A	4,140	4,726	5,072	5,928	N/A
45 – 54 years	1,129	N/A	2,414	2,800	3,224	4,122	N/A
55 – 59 years	327	N/A	568	743	906	1,260	N/A
60 – 64 years	254	N/A	380	407	525	884	N/A
65 – 74 years	394	N/A	594	679	759	909	N/A
75 – 84 years	168	N/A	279	317	384	517	N/A
85 years and older	39	N/A	51	71	87	127	N/A
Median Age	N/A	N/A	32.5	33.0	33.6	34.6	N/A
<b>Housing</b>							
Total Housing Units	3,975	N/A	6,647	7,306	7,952	9,511	N/A
<b><u>Owner-Occupied</u></b>							
# of Units	3,465	N/A	5,877	6,593	7,217	8,773	N/A
Average Household Size	3.11	N/A	3.06	3.03	3.07	3.05	N/A
Median Value	\$133,300	N/A	N/A	N/A	\$195,100	N/A	N/A
<b><u>Renter-Occupied</u></b>							
# of Units	410	N/A	456	482	489	470	N/A
Average Household Size	2.15	N/A	2.23	2.27	2.28	2.25	N/A
Median Rent	\$472	N/A	N/A	N/A	\$795	N/A	N/A



# Village of Algonquin

## Department Highlights

<b><u>Community Development</u></b>	<b><u>2006</u></b>	<b><u>2007</u></b>	<b><u>2008</u></b>	<b><u>2009</u></b>
Amount of New Commercial Square Footage	339,000	84,230	365,844	160,525
Development Review Cases	42	21	9	7
Ordinance Updates	2	5	3	6
Commercial Occupancy Permits Issued	48	66	55	20
Residential Occupancy Permits Issued	189	38	11	13
Building Inspections	7,553	4,545	5,109	4,802
Property Maintenance Inspections	2,291	2,101	3,940	3609
Property Maintenance Citations	85	64	77	91

### **Public Works**

<b><u>Parks and Forestry Division</u></b>	<b><u>2006</u></b>	<b><u>2007</u></b>	<b><u>2008</u></b>	<b><u>2009</u></b>
Park Sites	20	21	21	21
Developed Park Acreage	215	221	154.5	154.5
Open Space for Potential Development (acres)	191.25	185.25	N/A	82.37
Open Space/Detention Acreage	126	126	666.5	666.5
Parkway Trees	18,500	19,000	17,775	18,550
Playgrounds	17	18	18	18
Sites with Soccer Fields	12	12	12	12
Sites with Basketball Courts	11	12	12	12
Sites with Baseball Fields	13	13	13	13
Sites with Tennis Courts	6	9	9	9

### **Street Division**

Miles of Roads within Village Limits	124.6	124.6	151.34	151.34
Miles of Roads Maintained by Village	N/A	N/A	129.37	129.37

### **Utilities Division**

Water Treatment Facility Design Capacity (million gallons)	12	11	12	12
Water Storage Reservoir Capacity -7 Reservoirs (million gallons)	3.4	3.14	3.1	3.3
Miles of Water Main	160	160	160	160
Number of Fire Hydrants	2,003	2,003	2,027	2153
Wastewater Treatment Facility Design Average(million gallons)	3	3	5	5
Miles of Sanitary Sewer	135	135	134	134
Number of Sanitary Sewer Lift Stations	10	10	10	10

### **Police Department**

	<b><u>2006</u></b>	<b><u>2007</u></b>	<b><u>2008</u></b>	<b><u>2009</u></b>
Part I Offense	888	624	735	683
Part II Offense	2,380	1,686	1,618	1,886
Traffic Services	Unavailable	Unavailable	Unavailable	Unavailable
Traffic Accidents	1,180	1,225	1,138	1,064
Public Services	Unavailable	11,925	11,988	9,086

#### **Descriptions:**

Part I Offense— include: homicide, rape or sexual assault, robbery, aggravated battery, burglary, motor vehicle theft, and arson.

Part II Offense – include: battery, assault, deceptive practices, criminal damage or trespass, sex offenses, offenses involving children, liquor or drug offenses, serious motor vehicle offenses, and disorderly conduct.

Traffic Services – monitor traffic violations, assist with traffic hazards, non-accident investigations, and motorist assistance.

Traffic Accidents – all reportable and non-reportable accidents and assists to other departments for accidents.

Public Services – include: assistance to other agencies, assistance to public, public complaints, lost or found,

### **Other Services**

Municipal Pool

# Village of Algonquin

## Population & Housing

### Census Information

Year	Population
1900	550
1910	642
1920	693
1930	866
1940	926
1950	1,223
1960	2,014
1970	3,515
1980	5,834
1990	11,663
1993	14,737
1996	19,007
1998	21,415
2000	23,276
2003	27,885
2007	30,482

### Population Characteristics (2003)

Age	% of Population
Under 20 years	32.6
20 – 34	5.4
35 – 54	40
55 – 64	17.3
Over 65 years	4.7

### Gender

Male	49.6
Female	50.4

### Race/Ethnicity

White	93.3
Black, African American	1.2
Am. Indian, Alaska Native	0.1
Asian, Pacific Islander	2.7
Other	2.8

### Education Level (2005 Estimate)

Grade Level	%
Elementary	1.9
Some High School	4.6
High School Graduate	23.7
Some College	26.2
Associates Degree	9
Bachelors Degree	26.1
Graduate	8.5

### Housing (2003)

#### Owner Occupied

# of Units	14,939
Avg. Household Size	3

#### Renter Occupied

# of Units	1109
Avg. Household Size	2.25

### Housing Costs

#### Avg. Single-Family Home

1996	\$167,384
1997	\$175,921
1998	\$186,740
2000	\$195,100
2005	\$245,100

### Year Structure Built

Year Built	# of Units
Before 1940	309
1940 – 1949	150
1950 – 1959	303
1960 – 1969	315
1970 – 1979	906
1980 – 1989	1,698
1990 – 1999	1,961
2000 – 2006	3,944

### Income Characteristic (2002)

Income	%
\$0 – \$14,999	2.9
\$15,000 – \$34,999	8.7
\$35,000 – \$74,999	37.8
\$75,000 - \$149,999	42.2
\$150,000 +	8.4

### Property Tax (2008 Payable in 2009 in %)

#### McHenry

County	0.7014
Algonquin Township	0.1674
Grafton Township	0.0997
Algonquin (Village )	0.4849
Algonquin LITH Fire District	0.5780
Huntley Fire District	0.6078
Cary Fire District	0.3735
School District #300	3.8611
School District #158	4.0319
McHenry Community College	0.2686
Elgin Community College	0.3006
Huntley Park District	0.2689
Barrington Park District	0.0244
Algonquin Library	0.3643
Barrington Library	0.1501
Huntley Library	0.2022
Conservation District	0.1732

#### Kane

County	0.3336
Dundee Township	0.2088
Algonquin (Village)	0.4849
Algonquin LITH Fire District	0.5780
Carpentersville Fire District	0.5770
School District #300	3.8611
Elgin Community College	0.3275
Dundee Park District	0.3718
Algonquin Library	0.3655
Dundee Township Library	0.1273
Kane County Forest Preserve	0.1932

# Village of Algonquin

## Business & Employment

### Major Local Employers

- \* Crystal Die & Mold
- \* Duro Life
- \* Home Depot
- \* Jewel
- \* Kenmode Tool & Engineering
- \* Meijer
- \* Schiffmayer Plastics Corp.
- \* School District #300
- \* Target
- \* Village of Algonquin
- \* Wal-Mart

### Land Use Distribution (2000)

Type	% of Area
Business & Commercial	12.4
Industrial/Heavy & Light	12.3
Residential	63
Agriculture/Undeveloped	0
Parks & Public	6.8
All Other (Library, Schools, etc.)	5.5

**Sales Tax Rate: 7.25%**

### Retail Sales (2008)

#### Kane & McHenry Counties

Category	% of Sales
General Merchandise	2.7%
Food	16.1%
Drinking & Eating Places	13.6%
Apparel	6.5%
Furniture & H.H. & Radio	2.2%
Lumber, Bldg., Hardware	4.8%
Automotive & Filling Stations	16.3%
Drugs & Misc. Retail	16.2%
Agriculture & All Others	2.0%
Manufacturers	1.6%

### Utility Tax Rates

Electricity	4.00%
Telephone	3.75%
Water	0.00%
Natural Gas (per therm)	0.0103¢

### Resident Labor Force (2007 Estimate)

Employment	
Male	16,628
Female	16,971
Unemployment	790
Total	34,389
Unemployment Rate	2.4%

**Retail Sales                      \$    6,443,924.34**

### Resident Labor Force

#### Employment by Occupation (2007 Estimate)

### Sales Tax Revenue

Fiscal Year End	Revenue
1997	\$1,159,713
1998	\$1,155,098
1999	\$1,350,229
2000	\$1,467,113
2001	\$1,916,680
2002	\$2,285,971
2003	\$2,909,635
2004	\$3,456,517
2005	\$4,105,890
2006	\$5,447,641
2007	\$6,216,969
2008	\$6,504,882
2009	\$6,365,352

Occupation	%
Management/Professional	41.5
Service Occupations	9.1
Sales and Office	29.6
Construction/Maintenance	8.7
Production/Transportation	11.1



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## Glossary

<b>Account</b>	A unit of financial reporting for budget, management, or accounting purposes.
<b>Accounts Payable</b>	Term for amounts owed for goods and/or services.
<b>Accounts Receivable</b>	Amount due from others for goods or services provided.
<b>Accrual Basis (Proprietary Funds)</b>	Revenues are recognized in the accounting period they are earned and become measurable. Expenses are recognized in the accounting period in which the liability is incurred.
<b>Ad Valorem</b>	Latin term meaning “according to value”; refers to a way of assessing taxes on property.
<b>Allocation</b>	Designation of expenditure for a specific purpose or level of the organization.
<b>Allotment</b>	Distribution of revenues from the State of Illinois.
<b>Alternate Revenue Bond</b>	Also known as a double-barreled bond is secured by the pledge of two or more sources of payment.
<b>Amortization</b>	To liquidate a debt by payments at regular intervals over a specified time period.
<b>Arbitrage</b>	Arbitrage in the municipal market is the difference between the interest paid on tax-exempt bonds and the interest earned on normally higher-yielding taxable securities. Federal tax law restricts the yield that can be earned on the investment in taxable bonds.
<b>Arbitrage Certificate</b>	Transcript certificate evidencing compliance with the limitations on arbitrage imposed by the Internal Revenue Code and applicable regulations.
<b>Assessed Valuation</b>	Value placed on real estate or other property by a government entity as a foundation for levying taxes.
<b>Asset</b>	Government owned or held resources with monetary value.
<b>Asset Allocation</b>	Terms pertaining to pension plans to determine which types of investments are to be included and the percentages of overall investment portfolio each type of investment can represent.

## Glossary

<b>Audit</b>	Formal examination of financial records.
<b>Balanced Budget</b>	A balanced budget exists when revenues are equal to or exceed expenditures for operating expenses and/or a cash reserve is present to offset large capital expenses.
<b>Bond (General Obligation or Revenue)</b>	Promise to pay a specified amount of money (face amount of bond) on a particular date (maturity date). Primarily used to finance capital projects.
<b>Bond Anticipation Note (BAN)</b>	A note issued in anticipation of later issuance of bonds, usually payable from the proceeds of the sale of the bonds or renewal notes. BANs can also be general obligations of the issuer.
<b>Bond Counsel</b>	A lawyer or law firm that delivers a legal opinion to the bondholders that deals with the issuer's authorization to issue bonds and the tax-exempt nature of the bond. Bond counsel is retained by the issuer.
<b>Bond Insurance</b>	Legal commitment by insurance company to make scheduled payment of interest and principal of a bond issue in the event that the issuer is unable to make those payments on time. The cost of insurance is usually paid by the issuer in case of a new issue of bonds, and the insurance is not purchased unless the cost is offset by the lower interest rate that can be incurred by the use of the insurance. Insurance can also be obtained for outstanding bonds in the secondary market.
<b>Bond Refunding</b>	Refinancing of a previously issued bond.
<b>Bonded Indebtedness</b>	Outstanding debt created by issuance of bonds. Repaid with ad valorem or other revenue.
<b>Budget</b>	Document outlining financial plan for a specific time period (fiscal year). Includes all planned revenues and expenditures for that time period.
<b>Budget Calendar</b>	Key dates followed in the process to prepare and adopt annual budget.
<b>Budgetary Accounts</b>	Special accounts used to achieve budgetary integration but not reported in the general –purpose external financial statements.

## Glossary

<b>Budgetary Basis of Accounting</b>	Time period used for recognizing when the effects of transactions or events should be acknowledged for financial reporting.
<b>Budgetary Fund Balance</b>	The difference between assets and liabilities in a governmental fund calculated in accordance with the basis of budgeting.
<b>Budgetary Guidelines</b>	The National Advisory Council on State and Local Budgeting recommendations on the budgeting process.
<b>Budgetary Journal Entries</b>	Journal entries that correspond to budgetary accounts.
<b>Buffalo Box (B-Box)</b>	Box at curb stop utilized to turn water off or on.
<b>Business-Type Activities</b>	Term used in governmental financial statements for activities of state or local government to utilize user charges to recover costs.
<b>Call</b>	Actions taken to pay the principal amount prior to the stated maturity date in accordance with the provisions for call stated in the proceedings and the securities.
<b>Callable</b>	Subject to payment of the principal amount (and accrued interest) prior to the stated maturity date, with or without payment of a call premium. Bonds can be callable under a number of different circumstances, including at the option of the issuer, or on a mandatory or extraordinary basis.
<b>Call Premium</b>	A dollar amount, usually stated as a percentage of the principal amount called, paid as a penalty or a premium for the exercise of a call provision.
<b>Call Protection</b>	Bonds that are not callable for a certain number of years before their call date.
<b>Capital Assets</b>	Tangible or intangible assets such as land, easements, buildings, vehicles, equipment, machinery, works of art, historical items, infrastructure, and improvements to any of these items used in the operation of the Village.
<b>Capital Expenditures</b>	Expenditures made to acquire, add to, or improve property, plant, and equipment, including land, structures, machinery, equipment, special tools, and other depreciable property; construction in progress; and tangible and intangible exploration and development costs. In accounting, a capital expenditure

## Glossary

	is added to an asset account (i.e. capitalized), thus increasing the asset's basis.
<b>Capital Project Fund</b>	Fund to be used to account for revenues and expenditures relating to acquisition or construction of major capital facilities.
<b>Capitalization</b>	Statement of capital in the form of money, stock or long term debt.
<b>Cash Basis of Accounting</b>	Accounting system that recognizes transactions when actually received or dispersed.
<b>Cash Equivalent</b>	Highly liquid investments that are easily converted to cash or near maturity.
<b>Cash/Cash Flow</b>	Currency on hand and demand deposit accounts with banks or other financial institutions.
<b>Census Enumerators</b>	US Census Bureau employees, who visit each residence in a municipality to record demographic information.
<b>Commingled</b>	Dollars from separate funds are maintained in same account.
<b>Comprehensive Annual Financial Report (CAFR)</b>	An annual report for the Village. It details all funds and includes financial statements and supporting documentation, combining statements and individual fund statements. The report should also include general information about the Village and information to document compliance of legal or contractual issues.
<b>Constraint Budgeting</b>	Advance knowledge of bottom-line budget amounts.
<b>Cost of Service</b>	Fee structure which results in user fees, rates, and customer charges sufficient to cover cost of providing the service.
<b>Competitive Underwriting</b>	A sale of municipal securities by an issuer in which underwriters or syndicates or underwriters submit sealed bids (or oral auction bids) to purchase the securities. The securities are won and purchased by the underwriter or syndicate of underwriters who submit the best bid according to the guidelines in the notice of sale.
<b>Credit Enhancement</b>	The use of the credit of a stronger entity to strengthen the credit of a lower-rated entity in bond or note



## Glossary

financing.

### **Critical Incident Deployment**

Dispatch of police or emergency assistance for incidents of an unusual and catastrophic nature. It is a series of emergency levels tailored to meet the needs of varying degrees of emergencies, while at the same time providing and maintaining continuous police coverage not affected by the emergency.

### **Current Financial Resources Measurement Focus**

A term used in connection with government funds that refers to an approach to financial reporting that presents only financial assets and certain near-term liabilities, consistent with the focus of a typical operating budget.

### **Debt Limit**

Statutory or constitutional limit on the principal amount of debt that an issuer may incur (or that it may have outstanding at any one time).

### **Debt Service Fund**

Fund used to pay general long-term debt principal and interest.

### **Deferred Revenue**

Unearned revenue or revenue that cannot be liquidated in the current fiscal period.

### **Deficit**

Amount by which a sum of money falls short of expected amount.

### **Depreciation**

Expense charges against earnings to write off cost of item over its useful life, giving consideration to wear and tear, obsolescence, and salvage value.

### **Derivative**

A derivative is a financial product that derives its value from an underlying security.

### **Designated Unreserved Fund Balance**

Funds which are expendable for which the Board or management staff has tentative plans.

### **Disbursement**

Paying out of money to satisfy debt or expense.

### **Economic Resources Measurement Focus**

A form of financial reporting used for proprietary funds, fiduciary funds, and government-wide financial statements. All assets are presented whether they are or will become available for spending and all liabilities are included regardless of when and how they will be liquidated.

### **Encumbrances**

Commitment to perform services or provide goods at a

## Glossary

later time.

### **Enterprise Fund**

Account used to report activity pertaining to goods and services provided for which a fee is charged.

### **Equity**

Term for difference between assets and liabilities in a fund or column of the government-wide financial statements.

### **Expenditure**

Cost incurred in normal course of business.

### **Expense**

Charges incurred for all facets of a business – operations, maintenance, interest, etc.

### **Fiduciary Funds**

Pertaining to funds in trust.

### **Financial Assets**

Assets that either now or will become available for spending.

### **Financial Advisor**

A consultant to an issuer of municipal securities who provides the issuer with advice with respect to the structure, timing, terms, or other similar matters concerning a new issue of securities.

### **Fiscal Policy**

Government's policies concerning revenues, expenditures, and debt management and how they correspond to the entity's services, programs, and capital investments. This provides a basis for the planning and programming of the government's budget and funding.

### **Fiscal Year**

Declared accounting period, twelve month period designated May 1 – April 30.

### **Fixed Asset**

Asset intended to be held or used for more than one fiscal year.

### **Force Account**

Construction or maintenance work performed by the Village's personnel, not outside laborers.

### **Forecast**

Estimate of expected business result, business plan for municipality for the future.

### **Fund**

Fiscal and accounting tool to record expenditures and revenues.

### **Fund Balance**

Excess of assets over liabilities.

## Glossary

<b>Fund Classification</b>	Categories used to classify funds – governmental, proprietary, or fiduciary.
<b>Fund Type</b>	Eleven classifications for all funds. Governmental funds include the general fund, special revenue funds, debt service funds, capital project funds and permanent funds. Proprietary funds include enterprise funds and internal service funds. Fiduciary funds include pension, trust, investment, private-purpose trust, and agency funds.
<b>GAAP Fund Balance</b>	A term for the difference between assets and liabilities reported in a government fund and calculated according to general accepted accounting principles.
<b>GASB 34</b>	Governmental Accounting Standards Board – Proclamation #34. Basic financial statements and management’s discussion and analysis for state and local governments.
<b>General Accounting Office (GAO)</b>	This office was established by the Federal Government to improve performance and accountability. The office issues Government Auditing Standards.
<b>General Fund</b>	General operating fund of the Village. Revenues largely derived from property taxes, user fees, fines, and the Village’s share of the state income and sales taxes.
<b>General Obligation Bond</b>	Bonds that finance a variety of public projects such as streets, buildings, and improvements. Repayment of the bonds is typically from property taxes. The Village pledges to repay this municipal bond and the bond is backed with the full faith and credit of the Village.
<b>General Revenues</b>	Any revenue not required to be reported as program revenue. Taxes are general revenues and should be reported by type of tax. Also, other non-tax revenue such as grants, interest, and contributions should be reported as general revenue.
<b>Generally Accepted Accounting Principles (GAAP)</b>	The rules and procedures that provide the norm for fair presentation of financial statements.
<b>Geographic Information Systems</b>	An organized collection of computer hardware, software and geographic data to efficiently capture, store, update, analyze, and display all forms of geographic reference information.

## Glossary

<b>Goal</b>	A broad statement of purpose, intent or direction for the municipality.
<b>Government Finance Officers Association (GFOA)</b>	An association of public finance professionals that is instrumental in developing and promoting generally accepted accounting principles for state and local government. They sponsor the Certificate of Achievement for Excellence in Financial Reporting Program.
<b>Government Funds</b>	General, Special Revenue, Debt Service and Capital Project funds.
<b>Governmental Accounting Standards Board #34 (GASB 34)</b>	Specific proclamation issued by GASB which establishes several changes in governmental reporting and impacts the presentation of governmental financial statements.
<b>Governmental Accounting Standards Board (GASB)</b>	The ultimate authority on accounting and financial reporting standards established for state and local government.
<b>Governmental Activities</b>	Activities of a state or local government that are supported by taxes.
<b>Government-Wide Financial Reporting</b>	Non-fiduciary fund statements that report governmental and business-type activities rather than funds or fund types.
<b>Grant</b>	Money bestowed on municipality through application process.
<b>Illinois Funds</b>	A money market fund that was developed and implemented in 1975 by the Illinois General Assembly under jurisdiction of the Treasurer to provide an investment alternative for public treasurers across the state of Illinois.
<b>Impact Fees</b>	Fees assessed to developers for improvement costs of the development, such as schools, parks, roads, etc.
<b>Improvement</b>	An addition or change made to a capital asset for the purpose of prolonging the life or the asset or increasing the efficiency. The cost of the addition or change is added to the book value of the asset.
<b>Inflation</b>	Increase in general price level of goods and services, decrease in purchasing power of dollar.

## Glossary

<b>Infrastructure</b>	Capital assets that are typically stationary and can be preserved to a greater number of years than most capital assets (buildings, equipment, roads, water mains, etc).
<b>Internal Service Fund</b>	Proprietary fund that is used to report activity that provides goods or services to other funds, departments, or agencies on a cost-reimbursement basis.
<b>Invested In Capital Assets Net Of Related Debt</b>	The portion of net assets reflecting equity in capital assets.
<b>Investing Activity</b>	Terminology associated with cash flows reporting. Examples of these activities are making and collecting loans, and acquiring and selling debt or equity instruments.
<b>Investment</b>	Purchase of property, stocks, bonds, annuities, mutual funds, etc. with the expectation of realizing income or capital gain.
<b>K-9 Unit</b>	Unit in Police Department that employs use of dog for investigation.
<b>Letter of Credit (LOC)</b>	A commitment, usually issued by a bank, used to guarantee the payment of principal and interest on debt issues. The LOC is drawn if the issuer is unable to make the principal and/or interest payments on a timely basis.
<b>Level Debt Service</b>	A debt service schedule where total annual principal plus interest is approximately the same throughout the life of the bond. This entails a maturity schedule with increasing principal amounts each year.
<b>Level Principal</b>	A debt service schedule where total annual principal plus interest declines throughout the life of the bond. This entails a maturity schedule with the same amount of principal maturing each year, with a resulting smaller interest component each year.
<b>Liquidity</b>	Ability to “cash in” at any moment in time with minimal chance of loss.
<b>Live Scan</b>	A fingerprint system that produces forensic quality ten-print records by electronically scanning and capturing rolled fingerprints.

## Glossary

<b>Makeup Tax</b>	A sales makeup tax on sales of tax exempt sand and gravel shipped from annexed property, Meyer Material, at the rate of 1.8 cents per ton. (Ordinance 93-O-54)
<b>Management Letter</b>	A letter issued by an auditor to management that outlines internal control weaknesses resulting from the audit of the financial statements.
<b>McHenry County Municipal Risk Management Agency (MCMRMA)</b>	Consortium of municipal entities partnered to provide self insurance for workers compensation and general liability.
<b>Median Rent</b>	Midpoint of rent values in a specified area.
<b>Merit Compensation Plan</b>	Performance-based system for compensating non-union employees.
<b>Modified Accrual Basis (Governmental Funds)</b>	Revenues recognized in the accounting period in which they become available and measurable. Expenditures are recognized in the accounting period in which the liability is incurred.
<b>Money Market Investment</b>	<p>A short-term, highly liquid investment. These investments include commercial paper, banker's acceptances, and US treasury and agency obligations.</p> <p>A bond issued by a state or local government unit.</p>
<b>Municipal Bond</b>	In a negotiated underwriting the sale of bonds is by negotiation and agreement with an underwriter or underwriting syndicate selected by the issuer before the moment of sale.
<b>Negotiated Underwriting</b>	
<b>Notice of Sale (NOS)</b>	An official document disseminated by an issuer of municipal securities that gives pertinent information regarding and upcoming bond issue and invites bids from prospective underwriters.
<b>Operating and Maintenance Costs</b>	All costs of operating, maintaining and routine repair of the waterworks and sewerage system, including wages, salaries, costs of material and supplies, power, fuel, insurance, purchase of water or sewerage treatment services, including all payments by the Village pursuant to long term contracts for such services, and, in particular, all payments from time to time under any water supply agreement between the Village and a duly constituted water commission or intergovernmental

## Glossary

agency, notwithstanding that such contract may contain provisions for payment even in the event water is not supplied; but excluding debt service, depreciation, or any reserve requirements; and other wise determined in accordance with generally accepted accounting principles for municipal enterprise funds.

### **Operating Revenues and Expenses**

Proprietary fund statement of revenues, expenses, and changes in net assets.

### **Overlapping Debt**

The debt of other issuers that is payable in whole or in part by taxpayers of the subject issuer.

### **Pension Plan**

Plan which allows for payment of pension benefits from the assets of the plan. The pension benefits include refunds of contributions to plan member or their beneficiaries as outlined by the terms of the plan.

### **Permit Excursion**

The IEPA sets limits and parameters on what can be discharges from the Wastewater Treatment Plant. Excursions occur when those limits are exceeded.

### **Perpetual Care**

Continuous ongoing care as it relates to the cemetery operations.

### **Pledged Revenues**

Revenues minus Operation and Maintenance Costs.

### **Principal**

The face amount of a bond, exclusive of accrued interest and payable at maturity.

### **Proprietary Funds**

Enterprise and internal service funds – pertain to, operating income, changes in net assets, financial position, and cash flow.

### **Ratings**

Alpha and/or numeric symbols used to give indications of relative credit quality. In the municipal market these designations are published by the investors' rating services.

### **Refunding**

Sale of a new issue, the proceeds of which are to be used, immediately or in the future, to retire an outstanding issue by, essentially, replacing the outstanding issue with the new issue. Refundings are done to save interest cost, extend the maturity of the debt, or relax existing restrictive covenants.

### **Request for Proposals (RFP)**

A series of questions sent by a potential issuer to evaluate the qualification of potential underwriters of

## Glossary

	their negotiated issues.
<b>Reserved Fund Balance</b>	Financial assets that are not available for spending.
<b>Restricted Assets</b>	Assets that must be used in accordance with externally imposed creditors, grantors, contributors, or laws or regulations of other governments or in accordance with laws imposed through constitutional provisions or enabling legislation.
<b>Restricted Net Assets</b>	The portion of net assets equal to resources whose use is legally restricted minus any non-capital related liabilities payable from those same resources.
<b>Revenue</b>	Inflow of assets from the sale of goods or services.
<b>Revenue Anticipation Note (RAN)</b>	RANs are issued in anticipation of other sources of future revenue other than taxes.
<b>Revenue Bonds</b>	Bonds usually sold for constructing a project that will produce revenue for the government. The revenue is used to pay the principal and interest of the bond.
<b>Revolving Loan Fund</b>	A state funded loan to be used to assist in job growth within the community. A loan that is automatically renewed upon maturity.
<b>Short-Term Debt</b>	Generally, debt that matures in one year or less.
<b>Single Audit</b>	An audit conducted in compliance with the Single Audit Act of 1984 and Office of Management and Budget Circular A-133, <i>Audits of States, Local Governments, and Non-Profit Organizations</i> .
<b>Single Audit Act of 1984</b>	Federal legislation that provides for state and local government agencies that are recipients of federal assistance to have one audit performed to meet the needs of all federal grantor agencies. Act amended in 1996.
<b>Special Assessment</b>	Mandatory levy applied to certain properties to offset in part or whole the cost of capital improvements or services that would primarily benefit those properties.
<b>Surplus</b>	Remainder of fund appropriated for a particular purpose.
<b>Swap</b>	A transaction in which an investor sells one security and



## Glossary

simultaneously buys another with the proceeds, usually for about the same price and frequently for tax purposes.

### **Tap-on Fees**

Fees charged to join or to extend to an existing utility system.

### **Tax Anticipation Note (TAN)**

TANs are issued by states or local governmental units to finance current operations in anticipation of future tax receipts.

### **Tax-Exempt Commercial Paper (TECP)**

A short-term promissory note issued for periods up to 270 days is often used in lieu of fixed-rate BANs, TANs, and RANs because of the greater flexibility offered in setting both maturities and determining rates.

### **Telecommunication Tax**

A 3.7% tax levied by the Village on communication companies/customers for transmissions on telephone lines and wireless transmissions.

### **True Interest Cost (TIC)**

A method of calculating bids for new issues of municipal securities that takes into consideration the time value of money.

### **Underwriter**

The securities dealer who purchases a bond or note issue from an issuer and resells to investors. If a syndicate or selling group is formed, the underwriter who coordinates the financing and runs the group is called the senior or lead manager.

### **Unqualified Opinion**

Opinion given by independent auditor that financial statements are presented fairly.

### **Unreserved Fund Balance**

Expendable available financial resources in a government fund.

### **Unrestricted Net Assets**

The remaining balance of net assets after the elimination of invested in capital assets nets of related debt and restricted net assets.

### **Utility Tax**

A tax levied by the village on the customers of various utilities such as electricity. The tax rate is based on kilowatt usage levels for electricity.

### **Yield**

Potential dollar earnings an investment can provide; may be called rate of return.



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## Village of Algonquin

### Glossary of Acronyms

<b>AMS</b>	<b>Algonquin Middle School</b> Elementary school located at 520 Longwood Drive, Algonquin.
<b>APWA</b>	<b>American Public Works Association</b> An international educational and professional association of public agencies, private sector companies, and individuals dedicated to providing high quality public works goods and services.
<b>AVL</b>	<b>Automatic Vehicle Locator</b> Global Positioning System for locating and tracking village vehicles to know location and collect data live.
<b>AWWA</b>	<b>American Water Works Association</b> An international nonprofit professional organization dedicated to the improvement of drinking water quality and supply.
<b>BASSET</b>	<b>Beverage Alcohol Sellers and Servers Education and Training</b> Illinois's seller/server training program that is an educational tool to promote responsibility and compliance with the laws.
<b>CAFR</b>	<b>Comprehensive Annual Finance Report</b> An annual report for the Village. It details all funds and includes financial statements and supporting documentation, combining statements and individual fund statements. The report should also include general information about the Village and information to document compliance of legal or contractual issues.
<b>CALEA</b>	<b>Commission on Accreditation of Law Enforcement Agencies</b> The Commission of Accreditation of law Enforcement Agencies, Inc. was established as an independent accrediting authority in 1979 by the four major law enforcement membership associations: International Association of Chiefs of Police, national Organization of Black Law Enforcement Executives, National Sheriffs' Association, and Police Executive Research Forum. The overall purpose of the Commission's accrediting program is to improve delivery of law enforcement services by offering a body of standards, developed by law enforcement practitioners, covering a wide range of up-to-date law enforcement topics.
<b>CFA</b>	<b>Computerized Fleet Analysis</b> A software program designed to troubleshoot service problems experienced by the Village fleet of vehicles and equipment.
<b>CPR</b>	<b>Cardio-Pulmonary Resuscitation</b> A technique designed to temporarily circulate oxygenated blood through the body of a person whose heart has stopped.

<b>DARE</b>	<b>Drug Abuse Resistance Education</b> It is a drug abuse prevention program designed to equip elementary, middle, and high school children with knowledge about drug abuse, the consequences of abuse and skills for resisting peer pressure to experiment with drugs, alcohol, and tobacco.
<b>DMR QA/QC</b>	<b>Discharge Monitoring Report Quality Assurance/Quality Control</b> Annual participation in a laboratory testing program to provide assurance our testing methodology and practices are accurate. Required by IEPA.
<b>DNR</b>	<b>Department of Natural Resources</b> A governmental agency who's goal is to manage, protect and sustain Illinois' natural and cultural resources; provide resource-compatible recreational opportunities and to promote natural resource-related issues for the public's safety and education
<b>DUI</b>	<b>Driving Under the Influence</b> Term used to describe an individual who is under the influence of a mood or mind altering substance.
<b>E-911</b>	<b>Emergency 911</b> Universal telephone number established for the reporting of emergency situations. 911 calls automatically present the address of the caller to allow police officers to respond immediately.
<b>EAP</b>	<b>Employee Assistance Program</b> Confidential service that offers assistance to employees and their family members. The program provides professional assistance and counseling for personal problems.
<b>EAV</b>	<b>Equalized Assessed Value</b> The equalized assessed value, or EAV, is the result of applying the state equalization factor to the assessed value of a parcel of property. Tax bills are calculated by multiplying the EAV (after any deductions for homesteads) by the tax rate.
<b>EPA</b>	<b>Environmental Protection Agency</b> A federal agency established in 1970 to protect human health and the environment.
<b>ESDA</b>	<b>Emergency Services Disaster Agency</b> Agency formed to coordinate major or emergency disaster efforts. ESDA can assist Incident Commanders in coordinating the incident with appropriate governmental agencies. Additionally, the can assist in notification to other municipal and state organizations as necessary.
<b>EVOC</b>	<b>Emergency Vehicle Operators Course</b> Course that provides law enforcement personnel with the skills, knowledge, and behavior traits needed to safely and effectively operate their emergency vehicles under different traffic and weather conditions.
<b>FICA</b>	<b>Federal Insurance Contribution Act</b> FICA tax is a tax levied in equal amounts on employees and employers to fund old-age,

survivors, and disability claims. This tax is composed of two elements: 6.2% Social Security tax and 1.45% Medicare tax.

<b>FUTA</b>	<b>Federal Unemployment Tax Act</b> The Federal Unemployment Tax Act, with state unemployment systems, provides for payment so unemployment compensation to workers who have lost their jobs. Most employers pay both a federal and a state unemployment tax. For 2010, state UTA tax rate is 0.85% of the first \$12,520 of salary.
<b>FY</b>	<b>Fiscal Year</b> Declared accounting period, twelve month period designated May 1 – April 30.
<b>FYE</b>	<b>Fiscal Year End</b> The end of the declared accounting period (e.g. FYE 2011 would be April 30, 2011).
<b>GAAP</b>	<b>Generally Accepted Accounting Principles</b> The rules and procedures that provide the norm for fair presentation of financial statements.
<b>GAAS</b>	<b>Generally Accepted Auditing Standards</b> The rules and procedures that govern the conduct of financial audit. There are ten basis GAAS, classed into three broad categories: general standards, standard of field work, and standards or reporting.
<b>GAO</b>	<b>General Accounting Office</b> This office was established by the Federal Government to improve performance and accountability. The office issues Government Auditing Standards.
<b>GASB</b>	<b>Governmental Accounting Standards Board</b> The ultimate authority on accounting and financial reporting standards established for state and local government.
<b>GASB 34</b>	<b>Governmental Accounting Standards Board – Proclamation #34</b> Specific proclamation issued by GASB which establishes several changes in governmental reporting and impacts the presentation of governmental financial statements.
<b>GFOA</b>	<b>Government Finance Officers Association</b> As association of public finance professionals that is instrumental in developing and promoting generally accepted accounting principles for state and local government. They sponsor the Certificate of Achievement for Excellence in Financial Reporting Program.
<b>GIS</b>	<b>Geographic Information Systems</b> An organized collection of computer hardware, software, and geographic data to efficiently capture, store, update, analyze, and display all forms of geographic reference information.
<b>GO Bond</b>	<b>General Obligation Bond</b> Bonds that finance a variety of public projects such as streets, buildings, and improvements. Repayment of the bonds is typically from property taxes. The Village pledges to repay this municipal bond and the bond is backed with the full faith and credit of the Village.

<b>GOBI</b>	<b>General Obligation Bond, Interest</b> The interest accrued from a general obligation bond.
<b>gpm</b>	<b>Gallons Per Minute</b> System of measurement for both the Village water and wastewater treatment facilities.
<b>HVAC</b>	<b>Heating, Ventilation, and Air Conditioning</b> System that provides heating, ventilation and/or cooling within a building.
<b>HTE</b>	<b>Sunguard HTE</b> Software encompassing Report Manager, CAD (computer aided dispatch), MDB (mobile data browsers).
<b>I&amp;I</b>	<b>Inflow and Infiltration</b> Term used to describe occurrence during a rain event in which storm water may drain into the sanitary sewer system. It is important to monitor the inflow and infiltration because a wastewater facility is designed to process a certain volume per day and too much additional volume will tax the system.
<b>ICMA</b>	<b>International City/County Management Association</b> ICMA was founded in 1953 for the purpose of supporting and improving municipal and county management and strengthening local government. The Association's 500 plus members are professionals who share the common interest of promoting effective local government.
<b>IDOT</b>	<b>Illinois Department of Transportation</b> The Department responsible for planning, construction, and maintenance of Illinois' transportation network which encompasses, highways and bridges, airports, public transit, rail freight and rail passenger systems.
<b>IEPA</b>	<b>Illinois Environmental Protection Agency</b> State agency developed with the same mission as the Federal Environmental Protection Agency.
<b>ILGISA</b>	<b>Illinois Geographical Information Systems Association</b> Professional organization for Geographical Information System professionals.
<b>IMFR</b>	<b>Illinois Municipal Retirement Fund</b> Established in 1941, a program that provides employees of local governments and school districts in Illinois with a sound and efficient system for payment of retirement disability, and death benefits.
<b>IML</b>	<b>Illinois Municipal League</b> Established in 1914, the League offers membership to any city, village, or incorporated town in the state of Illinois and provides a common meeting ground, provides a formal voice for municipalities, promotes competence and integrity in government, and offers programs that provide knowledge, experience, and assistance for municipal officials.

<b>IPRA</b>	<b>Illinois Park and Recreation Association</b> The Illinois Park and Recreation Association is a not-for-profit organization and public interest group with the goal of providing quality park and recreation opportunities for the citizens of Illinois. Advocates for lifetime benefits of parks, recreation, and conservation.
<b>ISO</b>	<b>Insurance Services Office</b> Provides statistical measurement for risk management.
<b>IT</b>	<b>Information Technology</b> The branch of engineering that deals with the use of computers and telecommunications to retrieve, store, and transmit information.
<b>KW</b>	<b>Kilowatt</b> A measure of electric power. One kilowatt equals 1000 watts.
<b>JULIE</b>	<b>Joint Utility Locating Information for Excavation</b> JULIE is the entity to contact 48 hours prior to the start of any project that involves excavating. JULIE provides the service of notifying utility and service providers to mark their underground lines to prevent injury or service disruption as a result of digging into unburied lines.
<b>LEAP</b>	<b>Law Enforcement and Advocate Partnership</b> LEAP is a division of Turning Point, a shelter near Woodstock, Illinois for victims of domestic violence with a particular emphasis on women and minor children. It is an organization offering training to area law enforcement officers in responding to domestic violence incidents, providing after hour Orders of Protection and accelerated follow-up to at-risk victims of domestic violence.
<b>LGI</b>	<b>Life Guard Instructor</b> American Red Cross certification issued for individuals who successfully complete the lifeguard instructor class. Participants learn to teach the Lifeguard Training course and its accompanying components: AED Essentials, Oxygen Administration for the Professional Rescuer, CPR/AED for the Professional Rescuer, Lifeguard Management, and Blood borne Pathogens: Preventing Disease Transmission.
<b>MCMRMA</b>	<b>McHenry County Municipal Risk Management Agency</b> Consortium of municipal entities partnered to provide self insurance for workers compensation and general liability.
<b>MFT</b>	<b>Motor Fuel Tax</b> Since October 1, 1977, Illinois has imposed a motor fuel use tax on fuel used by interstate commercial motor vehicles. The Illinois Department of Revenue collects approximately \$1.3 billion annually to help, in part, build and maintain roads and highways. Programs such as railroad crossing protection, boating safety, and vehicle emission testing also benefit from motor fuel taxes.
<b>MGD</b>	<b>Million Gallons Per Day</b> System of measurement for both the Village water and wastewater treatment facilities.

<b>NIMS</b>	<p><b>National Incident Management System</b></p> <p>A system mandated by Homeland Security Presidential Directive that provides a consistent nationwide approach governmental agencies and nongovernmental organizations to work effectively and efficiently to prepare, respond and recover from domestic incidents.</p>
<b>NPDES</b>	<p><b>National Pollution Discharge Elimination System</b></p> <p>The Federal Water Pollution Control Act authorized the Surgeon General of the Public Health Service to prepare comprehensive programs for eliminating or reducing the pollution of interstate waters and tributaries and improving the sanitary condition of surface and underground waters. Section 402 of the Federal Water Pollution Control Act establishes the NPDES to authorize EPA issuance of discharge permits to control discharges into waterways.</p>
<b>OSHA</b>	<p><b>Occupational Safety and Health Association</b></p> <p>OSHA's mission is to assure the safety and health of America's workers by setting and enforcing standards and providing training and education. The staff establishes protective standards, enforces those standards, and supports employers and employees through technical assistance and consultation programs.</p>
<b>PIMS</b>	<p><b>Police Information Management System</b></p>
<b>PPE</b>	<p><b>Personal Protective Equipment</b></p> <p>Safety equipment for laborers.</p>
<b>PT</b>	<p><b>Part Time</b></p> <p>An employee who is employed in a position which requires the performance of duty for less than one thousand hours per year. An employee who is hired for a specific position with no specific date upon which employment ends.</p>
<b>PVR</b>	<p><b>Pressure Reducing Valve</b></p> <p>The EPA establishes standards for the amount of pressure allowable for water entering residential and commercial locations. There are two zones in a water system that are based on a gravity feeding system. This force creates a pressure higher than the EPA allowable standard. The pressure reducing valve is used to lower the pressure before it is distributed to homes and businesses.</p>
<b>PW</b>	<p><b>Public Works</b></p>
<b>R (R)</b>	<p><b>Redistribution</b></p> <p>Expenses that are allocated to one department and then redistributed to other departments/funds according to usage.</p>
<b>R&amp;B</b>	<p><b>Road and Bridge</b></p> <p>Term used to refer to the network of roads and bridges in the Village.</p>
<b>S (S)</b>	<p><b>Service</b></p> <p>Service Fund (Internal Service Fund) is a proprietary fund type that may be used to report any activity that provides goods or services to other funds, departments, or agencies of the</p>



primary government and its component units, or to other governments, on a cost-reimbursement basis.

<b>SCADA</b>	<b>Supervisory Control and Data Acquisition</b> System utilized by the Village for both production of drinking water and treatment of sanitary sewer. In the production of water, SCADA automatically turns pumps on or off, monitors water levels in storage tanks, monitors chemical feed rates, and notifies staff of failures. In the treatment of sanitary sewer SCADA monitors flow rates, controls pumps on/off, and notifies staff of failures. SCADA is also essential for data collection.
<b>SEECOM</b>	<b>Southeast Emergency Communication</b> This entity is a regionalized central communications center that provides 911 response and dispatch services. The center consolidates the 911 services for Algonquin, Cary, and Crystal Lake and other members..
<b>SSES</b>	<b>Sanitary Sewer Evaluation Survey</b> Data collection and engineering interpretation to determine such factors as sanitary sewer capacity, hydraulics, and the effects of inflow/infiltration on the system.
<b>St</b>	<b>State</b> One of the geographic subdivisions of the United States.
<b>STP</b>	<b>Sewer Treatment Plant</b> Facility responsible for treating the Village's sanitary sewer flow and meeting the standards set by the Federal and State Environmental Agencies that regulate wastewater operations.
<b>Twp</b>	<b>Township</b> Local governmental entity that is the subdivision of a county. Multiple townships make up a county and multiple villages and unincorporated areas make up a township.
<b>VHS</b>	<b>Vertical Helical Scan or Video Home System</b> Widely used method of recording audio and video electrical signals onto magnetic tape.
<b>WEFTEC</b>	<b>Water Environment Federation Technical and Exhibition Conference</b> An annual, nationwide conference highlighting the wastewater industry.
<b>W&amp;S</b>	<b>Water and Sewer</b> The two subdivisions of the Utility division. The water division is responsible for maintaining the water distribution system and providing water for residential and commercial use as well as fire fighting capabilities. The sewer division is responsible for maintaining the sanitary sewer collection systems, maintaining the Village's sanitary sewer lift stations, and treating the sanitary flow each day.
<b>WSI</b>	<b>Water Safety Instructor</b> American Red Cross certification issued to individuals who successfully complete the class to teach swimming and water safety courses.

**WTP****Water Treatment Plant**

Facility responsible for processing the water that is provided to the Village residents and businesses while meeting the standards set by the Federal and State Environmental Agencies that regulate water operations.

**WWTP****Waste Water Treatment Plant**

Facility responsible for treating the Village's sanitary sewer flow and meeting the standards set by the Federal and State Environmental Agencies that regulate wastewater operations.





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