



*The
Village
of* **Round Lake Beach**



Annual Budget
Fiscal Year 2012 – 2013
(May 1, 2012 – April 30, 2013)

**Village of Round Lake Beach
Fiscal Year 2012 – 2013
Annual Budget**

Mayor

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Board of Trustees

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Margaret Cleveland

Village Administrator

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Gary Bitler

Public Works Director

Gary Gramhofer

Finance Director

Brian C. Gosnell

Economic Development Director

Jon Wildenberg

Village Hall
1937 North Municipal Way
Round Lake Beach, Illinois 60073
(847) 546-2351
www.villageofroundlakebeach.org



GOVERNMENT FINANCE OFFICERS ASSOCIATION

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For the Fiscal Year Beginning

May 1, 2011

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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 Round Lake Beach, Illinois, for the Annual Budget beginning May 1, 2011. The Village has received this award for the 3rd consecutive year. 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. The Village believes this current budget continues to conform to program requirements and will be submitting it to GFOA to determine its eligibility for another award.

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BUDGET MESSAGE

To: Mayor and Board of Trustees
Residents of the Village of Round Lake Beach

Local governments continue to experience financial pressure as a result of local, regional and national economic conditions. Many of the Village's major revenue sources are being outpaced by increasing personnel and inflationary increases. The result is less available resources to support ongoing operations, and maintenance and replacement of critical Village infrastructure.

Traditionally the Village has financed its capital replacement through funding mechanisms such as Tax Increment Financing (TIF) districts, debt issuance and low interest government loans to minimize the burden on taxpayers. Legislation and financial issues at the Federal and State levels are making it increasingly more difficult to continue to take advantage of these alternative funding sources. As a result of the inability to rely on traditional funding mechanisms, the Village is forced to seek alternative means to plan for and finance operations, and capital replacement and maintenance.

In this new economic reality the Village must seek innovative ways to deliver services at a lower cost to decrease the funding requirements of operations in order to continue to fund capital needs and reduce the burden to taxpayers. This budget cycle represents the beginning of a commitment to long-term detailed analysis of Village operations that will be undertaken by every Department, and sets the stage for continued long term planning. Each department has been charged with reviewing operations and challenging traditional methods of service delivery. This review includes Village staff reviewing service delivery methods and identifying areas where private sector competition, technology and process reengineering can lead to cost and staffing efficiencies. It is important that the Village be able to operate in such a manner that it can make a long-term commitment to employees and provide consistent and sustainable services to taxpayers.

I am extremely proud of the efforts of the Village's Management Team who worked in a collective and cooperative manner in the development of the Fiscal Year 2012 - 2013 Annual Budget. Through their collaborative efforts I am proud to present to the Mayor and Village Board a balanced budget that maintains a high level of service to the residents of Round Lake Beach.

David Kilbane

Village Administrator

BUDGET CHALLENGES

The Village has traditionally funded major capital projects through the use of TIF districts, debt issuance and low interest loans. The Village has established 4 TIF districts to fund the costs of major capital projects such as road reconstruction. The 4th TIF district was established in calendar year 2011 and is not anticipated to produce significant tax increment for a number of years, and the other 3 TIF districts expire in consecutive years starting in 2011. The future ability to utilize TIF as a funding mechanism is continuously being challenged by State government. This has necessitated the need for the Village to establish long-term capital and financial planning systems. The need to identify a funding plan for continued capital replacement and maintenance without the use of funding mechanisms such as TIF districts is a priority for the Village in the FY2013 budget year, and highlights the need to operate in the most cost efficient manner to provide ongoing funding of projects through existing revenue streams.

The slow pace of the economic recovery and the economic concerns globally impact revenue streams at the local level. Sales taxes are the largest source of General Fund revenue and are projected to increase modestly in FY2013. The Village will benefit from the most recent census which resulted in a population increase for the Village and will increase those state shared revenues disbursed based on population such as Income and Use tax. However, looming collective bargaining considerations, inflationary increases, and the slow pace of the economic recovery will offset increased revenues.

The pressure of the declining housing market on the Village's EAV, the basis for which property taxes are assessed, makes it difficult for the Village to increase property tax revenue at this time. The Village's total EAV decreased by 9.13% for tax year 2011. Without the expiration of the TIF and the associated EAV being added back to the tax rolls, the Village's total EAV would have dropped by over 12%. The Village Board adopted a flat property tax levy for tax year 2011 which will be collected in fiscal year 2013. This marks the 3rd consecutive year without a property tax increase, as residents and businesses deal with other burdens as a result of the economic and housing market realities.

Increases in obligatory expenditures, including but not limited to pension contributions and salary increases, made it necessary to hold the line on operating expenditures in all departments. Full Time positions included in the 2013 budget have been reduced by 1 to 86. Efficiencies in staffing, particularly in the administrative and support functions, have allowed the Village to decrease operating costs to match stagnant revenues, and reorganize staff to better fit the needs of the Village and avoid an increased number of layoffs. Despite the need to maintain operating expenditures to match revenues, the Village has worked to maintain a consistent number of patrol officers to maintain public safety. The number of patrol officers included in the 2013 budget is the same as it was in the 2008 budget.

The Special Revenue Funds are isolated due to restricted uses for these funds. These funds include the Police Special Revenues Fund, the Housing & Redevelopment Fund, and the Motor Fuel Tax (MFT) Fund. The Motor Fuel Tax Fund will utilize reserves to fund some of the capital projects and maintenance activities.

\$5.15 million will be invested in capital projects in FY13 as the Village completes planned capital improvements that are necessary to maintain and improve the Village's infrastructure. The Village's TIF districts are nearing the end of their life cycle and associated capital projects are nearing completion, accounting for the majority of the reduction in capital spending. Anticipated projects included in the budget are sidewalk and pedestrian crossing improvements, a continued road and watermain replacement program in the Southwest portion of the Village, upgrades to wells that provide a back-up to the Village's water supply, and ongoing, annual maintenance to the water supply infrastructure.

BUDGET DOCUMENT OVERVIEW

Round Lake Beach aspires to be a comfortable, family oriented community which provides a full range of public and commercial services to its residents.

The Village government is committed to maintaining a safe and secure environment which offers everyone opportunities to prosper.

This budget includes the resources and uses of funds to support that vision for the fiscal year ending April 30, 2013.

The budget document is organized into several sections with the intent of presenting information in an easily understandable format. The Budget Summary includes an overview of the FY2013 budget as well as a Fund Balance Summary. The Personnel Section contains an organization chart of the Village and each individual department, as well as charts showing the Village's authorized personnel strength. The Village's staff is complemented by contractual services and temporary labor.

The Revenue Detail section provides a more detailed breakdown of the Village's historical revenues and projections for FY2013. The Village's two largest operating funds, the General Fund and the Water and Sewer Fund, each have their own section focusing on the detailed revenue streams and expenses of those two funds. All Other Funds are covered in the next section, which shows the revenues and expenses as well as the impact on fund balance for those funds.

The Capital Improvements section provides detailed information on the Village's Capital Improvement Program. In the Appendix, a description of the budgeting process, the Village's Financial Policies, debt schedules, a fund description, and various statistical data can be found, along with a glossary of the financial and budgetary terms used in this budget document.

BUDGET SUMMARY – ALL FUNDS

FY13 Budget by Fund Type

The budget goals for the Fiscal Year 2013 covering May 1, 2012 – April 30, 2013 were to propose a balanced budget that maintains existing services and service levels; adheres to the Village’s financial policies; does not rely on new or increased fees; continues with planned, necessary capital improvements; and meets all debt service obligations. The Village of Round Lake Beach Fiscal Year 2013 (FY13) Budget, balanced at \$24,933,076 in revenues and expenditures, meets these goals.

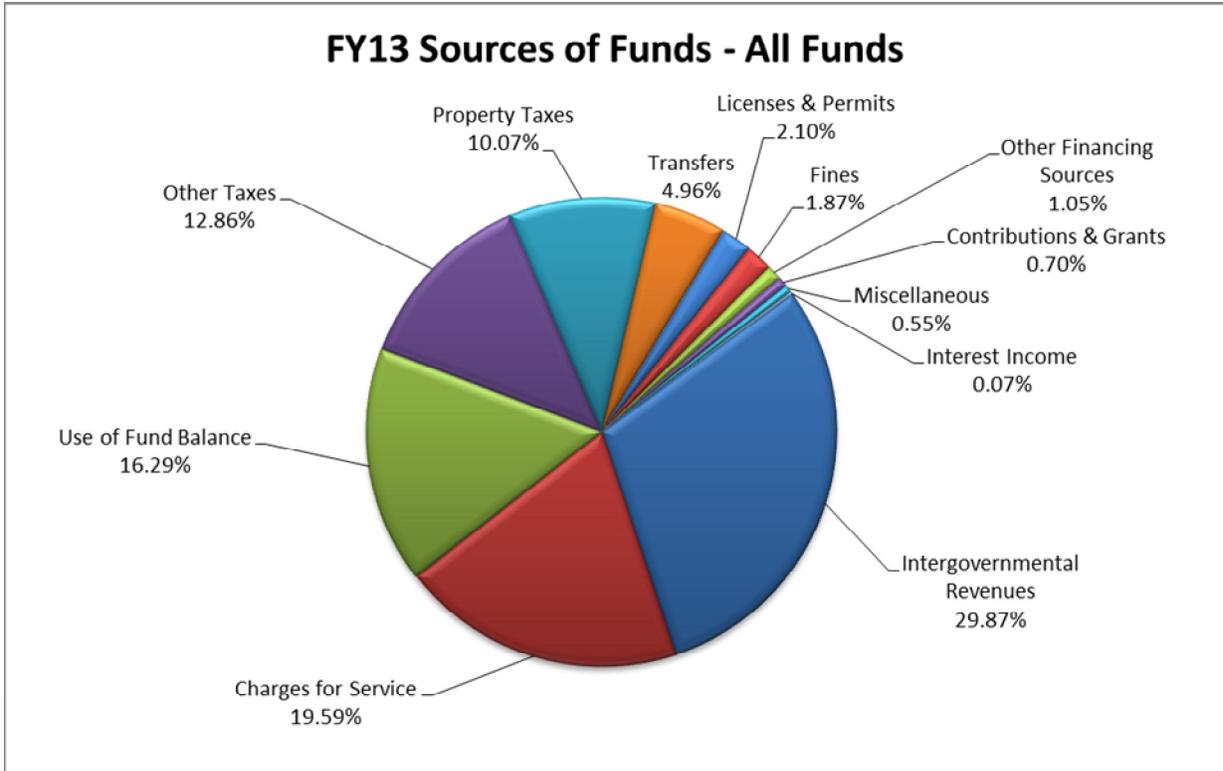
The FY13 Budget is a 26.19% decrease over the FY12 Budget. The total breaks down by type of fund as follows:

	<u>FY12 Budget</u>	<u>FY13 Budget</u>	<u>% Change</u>
Operating Funds			
General Fund	10,220,725	10,473,214	2.47%
Water & Sewer Operating Fund	6,871,490	4,658,167	-32.21%
Metra Operations	32,010	37,250	16.37%
Civic Center Operations	108,966	102,250	-6.16%
Total Operating Funds	<u>17,233,191</u>	<u>15,270,881</u>	<u>-11.39%</u>
Special Revenue Funds			
Police Special Revenue	28,577	52,063	82.18%
Housing & Redevelopment	252,400	165,200	-34.55%
Motor Fuel Tax Fund	935,445	1,312,124	40.27%
TIF #2 Rebate Fund	2,201,800	0	-100.00%
Total Special Revenue Funds	<u>3,418,222</u>	<u>1,529,387</u>	<u>-55.26%</u>
Capital Projects Funds			
Water Capital Projects	2,919,573	1,194,650	-59.08%
Sewer Capital Projects	0	374,160	100.00%
TIF #1 Capital Projects	3,654,000	804,500	-77.98%
TIF #3 Capital Projects	325,000	345,000	6.15%
TIF #4 Capital Projects	0	0	0.00%
Bond Funded Capital Projects	2,961,000	1,300,000	-56.10%
General Capital Projects Fund	445,142	1,136,992	155.42%
Total Capital Projects Funds	<u>10,304,715</u>	<u>5,155,302</u>	<u>-49.97%</u>
Debt Service Funds			
TIF #1 Debt Service	797,917	986,270	23.61%
Bond Debt Service	2,027,928	1,991,236	-1.81%
Total Debt Service Funds	<u>2,825,844</u>	<u>2,977,506</u>	<u>5.37%</u>
Total All Funds	<u>33,781,972</u>	<u>24,933,076</u>	<u>-26.19%</u>

Note: Water & Sewer Operating Fund includes capital transfers to the Water and Sewer Capital Funds

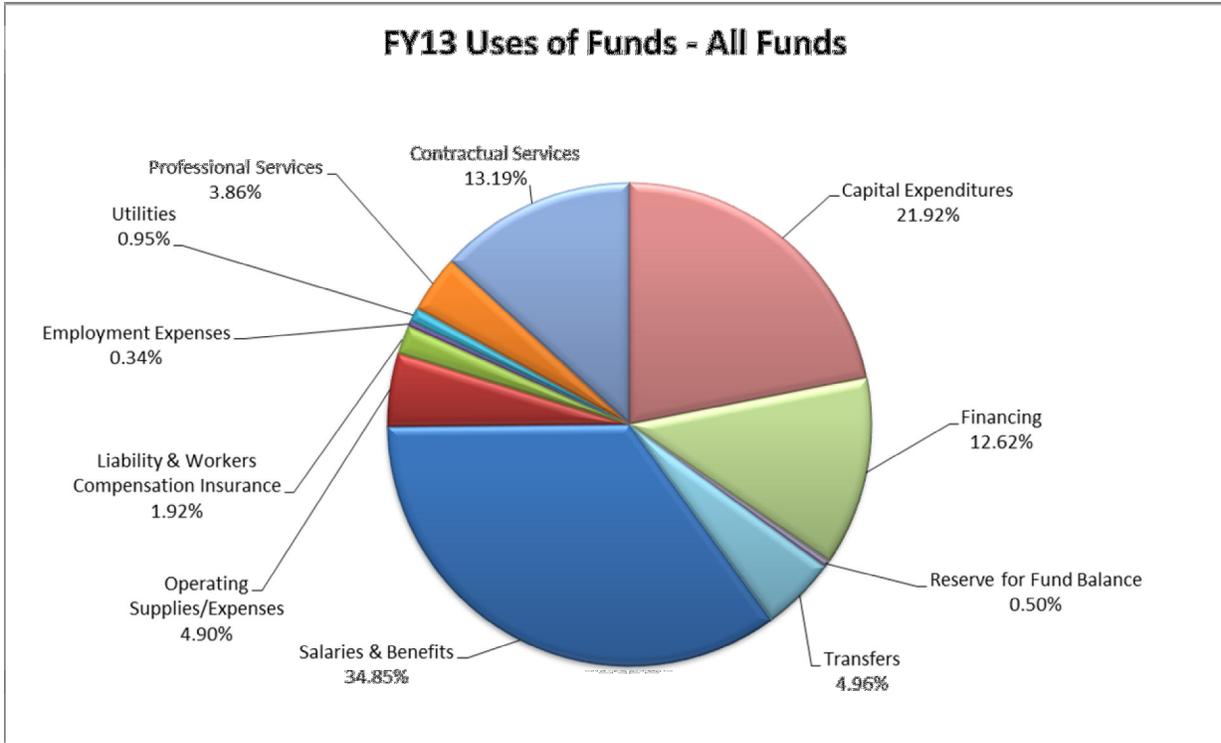
Sources and Uses of Funds

The Village's revenues and expenditures are broken into broad categories of sources (revenues) and uses (expenditures) in the charts on the following pages.



29.87% of all revenues for FY13 are Intergovernmental Revenues. These revenues include Sales Tax, Income Tax, Use Tax, and Motor Fuel Tax Allotments, which are received by the State and distributed to municipalities. Charges for Service make up 19.59% of all revenue due in large part to charges for Lake Michigan water. Use of Fund Balance or reserves makes up 16.29% as bond and TIF funded capital projects come to completion.

Other Taxes (e.g., Home Rule Sales Tax, Utility Taxes and Amusement Tax) make up 12.86% of total revenue. These are referred to as "other" local taxes because Property Taxes are categorized separately. Property Taxes fund 10.07% of the Village's total budget for FY13.



Salaries & Benefits make up 34.85% of the budget. The Village has an authorized strength of 86 full-time employees (excluding elected officials), and 90.2 Full-Time Equivalents (FTE's), when part time and seasonal employees are included. The staff is funded in three different operating budgets, the General Fund, the Water and Sewer Operations Fund, and the Civic and Cultural Center Fund. Capital Expenditures make up 21.92% of the Village expenditures for FY13. These include street, parking lot, water infrastructure improvements, and rehabilitation and replacements. Contractual Services account for 13.19% of all expenditures and include items such as the purchase of Lake Michigan water, dispatching services, street light maintenance and vehicle maintenance. Financing Expenses include debt service payments, bank fees, tax rebates, and other minor costs for property taxes and liens. These expenditures make up 12.62% of the FY13 budget.

Finally, 4.9% of the FY13 budget is comprised of Operating Supplies/Expenses. This category includes all of the goods and services used to conduct Village business, including office supplies, small equipment purchases, vehicles, fuel, and many other operating expenses.

The following chart provides historical perspective of the Sources and Uses of Funds for FY13 by comparing it to FY11 actual and the projected totals for FY12. Projected FY12 totals are based on ten full months of actual activity and estimates for the final two months, due to the timing of the budget process.

SOURCES & USES OF FUNDS – ALL FUNDS

Revenues	FY11 Actual	FY12 Projected	FY13 Budget
Charges for Service	\$4,403,337	\$4,858,937	\$4,884,017
Contributions & Grants	\$226,513	\$138,474	\$175,000
Fines	\$506,479	\$456,000	\$467,250
Interest Income	\$93,456	\$21,284	\$18,400
Intergovernmental Revenues	\$7,382,435	\$7,577,467	\$7,447,832
Licenses & Permits	\$564,167	\$579,817	\$523,590
Miscellaneous	\$2,115,658	\$1,240,620	\$137,256
Other Financing Sources	\$3,085,505	\$138,033	\$261,825
Other Taxes	\$3,082,625	\$3,116,030	\$3,207,050
Property Taxes	\$6,910,486	\$4,915,041	\$2,512,000
Transfers	\$3,123,840	\$6,552,055	\$1,237,230
Use of Fund Balance	\$0	\$5,100,448	\$4,061,624
Total	\$31,494,502	\$34,694,206	\$24,933,074

Expenses			
Capital Expenditures	\$6,919,714	\$9,822,597	\$5,464,721
Contractual Services	\$3,010,552	\$3,142,985	\$3,288,070
Employment Expenses	\$71,788	\$78,913	\$84,752
Financing	\$5,687,770	\$5,481,931	\$3,147,516
Liability & Workers Compensation Insurance	\$353,886	\$643,733	\$478,100
Operating Supplies/Expenses	\$1,018,002	\$1,423,016	\$1,221,026
Professional Services	\$1,187,631	\$2,023,850	\$963,330
Reserve for Fund Balance	\$0	\$0	\$124,235
Salaries & Benefits	\$8,137,810	\$8,474,044	\$8,688,056
Transfers	\$3,123,840	\$7,647,634	\$1,237,230
Utilities	\$288,512	\$267,588	\$236,040
Total	\$29,799,506	\$39,006,292	\$24,933,076

Expenditures by Department

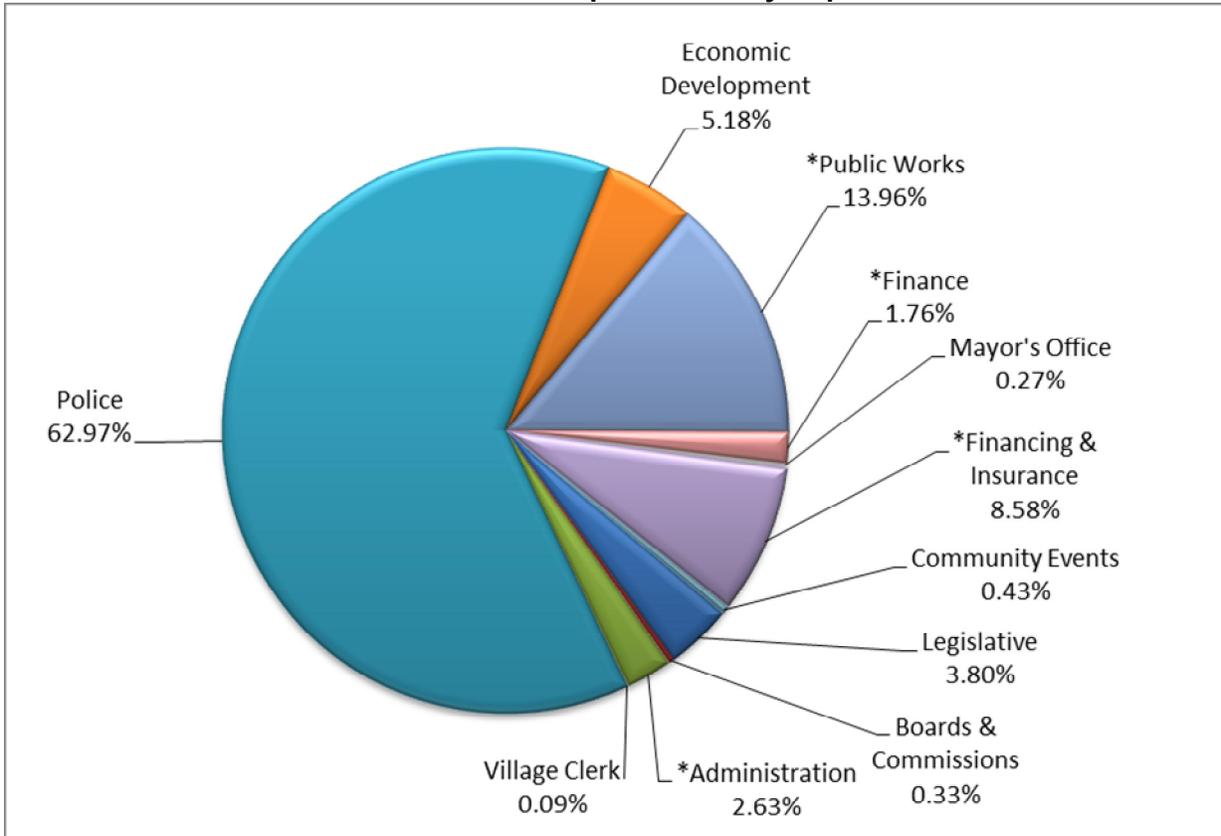
The FY13 General Fund budget is an increase of 2.47% over the FY12 budget. Major Increased are noted in Salaries & Benefits due primarily to contractual obligations, Operating Expenses due primarily to increased fuel costs, Professional Services due primarily to a reallocation of network support charges and the outsourcing of certain functions in the Finance Department, and Contractual Services due primarily to increases for dispatching services and vehicle maintenance.

The chart below shows the breakdown of General Fund expenditures by department. The Police Department is fully funded in the General Fund and makes up 62.97% of the total fund budget. The Public Works, Administration, and Finance Departments support both the General Fund and Water and Sewer Fund operations, so their personnel and operating expenses are allocated proportionately between those two funds. The Public Works department makes up 13.96% of the General Fund budget, while the Economic Development Department and Legislative Branch each make up around 5.18% and 3.8% of the General Fund budget respectively. The Administration and Finance Departments comprise approximately 2.63% and 1.76% of the budget in the General Fund respectively.

The Financing and Insurance section of the pie chart does not reflect expenditures incurred by a particular department. Rather, the expenses related to debt service payments and insurance costs are isolated into their own section of the budget. These costs make up 8.58% of the total budget. The Mayor's Office, Village Clerk, Boards & Commissions, and Community Events budgets each make up a very small portion of the overall budget.

A Summary of Operating Expenditures by Department is shown on page 17. The detailed FY13 expenditures by type for each department are included in the General Fund section starting on page 41.

FY13 General Fund Expenditures by Department



Fund Balance

The operating budgets are balanced, in that revenues are equal to expenditures. Therefore, the fund balance of the General Fund does not change as a result of the FY13 budget. The General Fund's projected Fund Balance as of April 30, 2012, is \$7,064,000. The projected fund balance as a percentage of General Fund revenues is about 67%. This is considerably higher than the 25% benchmark that is required by the Village's Financial Policies (included in the Appendix), though the Village's undocumented policy is to maintain approximately six months operating expenses in reserves (equal to about 50% of General Fund budgeted revenues). This conservative methodology allowed the Village to absorb its first expected use of fund balance in FY10, and is expected to complete FY12 without the use of reserves.

The TIF#1 Capital Projects Fund will see a decline of nearly \$805,000 in fund balance during FY13 as road/watermain replacement projects are nearing completion. The Bond Capital Projects Fund will be nearly zeroed out by the end of FY13, with the completion of the South Southwest Basin roadwork funded by the 2010 General Obligation bond issue. The General Capital Improvements Fund fund balance is expected to increase slightly, due to vehicle and technology replacements that have been delayed due to the economy. Finally, the Water & Sewer Fund will see a decline in Fund Balance as the Village completes a planned drawdown of fund balance for capital improvements. The impact of FY13 budgeted revenue and expenditures on the April 30, 2012 fund balances is depicted in the following table.

COMBINED STATEMENT OF PROPOSED REVENUE/EXPENDITURE & CHANGES IN FUND BALANCES Year Ended April 30, 2013

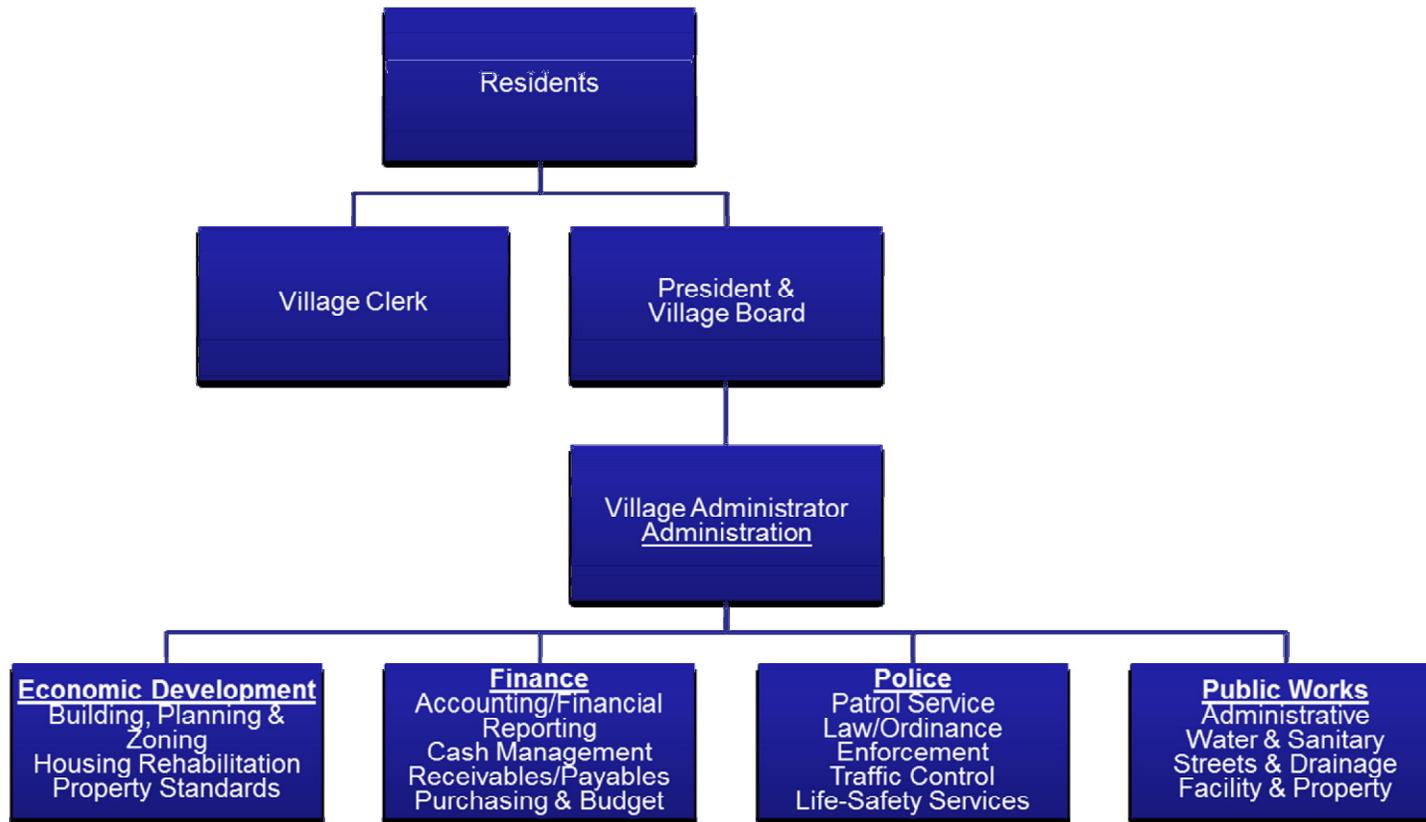
	GOVERNMENTAL FUNDS							Total	SPECIAL REVENUE FUNDS					PROPRIETARY FUND	Total
	General Fund (Funds 01 and 09)	TIF #1 Debt Service	TIF #1 Capital Projects	Bond Capital Projects	General Capital Improvements	Civic Center Operations	TIF #3 Capital Projects	Governmental Funds	Police Special Revenue	Metra Operations	Motor Fuel Tax	GO Debt Service	Water & Sewer (Operations + Capital Projects)	All Funds	
Revenues															
Intergovernmental Revenues	\$5,485,910	\$985,770	\$0	\$0	\$50,000	\$0	\$0	\$6,521,680	\$0	\$0	\$926,152	\$0	\$0	\$7,447,832	
Charges for Service	\$106,750	\$0	\$0	\$0	\$0	\$102,250	\$0	\$209,000	\$0	\$35,000	\$0	\$0	\$4,640,017	\$4,884,017	
Other Taxes	\$1,445,964	\$0	\$0	\$0	\$186,086	\$0	\$0	\$1,632,050	\$0	\$0	\$0	\$1,575,000	\$0	\$3,207,050	
Property Taxes	\$2,427,000	\$0	\$0	\$0	\$0	\$0	\$85,000	\$2,512,000	\$0	\$0	\$0	\$0	\$0	\$2,512,000	
Transfers	\$0	\$0	\$419,445	\$0	\$0	\$0	\$0	\$419,445	\$0	\$0	\$0	\$351,475	\$0	\$770,920	
Licenses & Permits	\$523,590	\$0	\$0	\$0	\$0	\$0	\$0	\$523,590	\$0	\$0	\$0	\$0	\$0	\$523,590	
Fines	\$432,500	\$0	\$0	\$0	\$0	\$0	\$0	\$432,500	\$32,500	\$2,250	\$0	\$0	\$0	\$467,250	
Other Financing Sources	\$150,000	\$0	\$0	\$0	\$0	\$0	\$0	\$150,000	\$0	\$0	\$49,166	\$62,660	\$0	\$261,826	
Contributions & Grants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$175,000	\$175,000	
Miscellaneous	\$57,000	\$0	\$0	\$0	\$80,256	\$0	\$0	\$137,256	\$0	\$0	\$0	\$0	\$0	\$137,256	
Interest Income	\$9,700	\$500	\$0	\$1,500	\$650	\$0	\$0	\$12,350	\$50	\$0	\$400	\$2,100	\$3,500	\$18,400	
Total Revenues	\$10,638,414	\$986,270	\$419,445	\$1,500	\$316,992	\$102,250	\$85,000	\$12,549,871	\$32,550	\$37,250	\$975,718	\$1,991,235	\$4,818,517	\$20,405,141	
Expenditures															
General Government	\$1,463,151				-\$711,455	\$102,250		\$853,946					\$580,366		
Police	\$6,595,214				\$103,091			\$6,698,305	\$52,063					\$6,750,368	
Public Works	\$1,462,369				\$901,756			\$2,364,125		\$37,250	\$960,649		\$4,636,491	\$7,998,515	
Economic Development	\$708,165				\$23,600			\$731,765						\$731,765	
Debt Service								\$0						\$0	
Principal	\$393,265	\$515,000						\$908,265			\$210,000	\$1,230,000	\$122,066	\$2,470,331	
Interest		\$48,825						\$48,825			\$140,475	\$757,735	\$47,584	\$994,619	
Fiscal agent fees	\$16,250	\$3,000						\$19,250			\$1,000	\$3,500		\$23,750	
Capital Outlay		\$419,445	\$804,500	\$1,300,000			\$345,000	\$2,868,945					\$249,925	\$3,118,870	
Total Expenditures	\$10,638,414	\$986,270	\$804,500	\$1,300,000	\$316,992	\$102,250	\$345,000	\$14,493,426	\$52,063	\$37,250	\$1,312,124	\$1,991,235	\$5,636,432	\$22,088,218	
Excess (deficiency) of revenues over expenditures	\$0	\$0	(\$385,055)	(\$1,298,500)	\$0	\$0	(\$260,000)	(\$1,943,555)	(\$19,513)	\$0	\$0	\$0	(\$817,915)	-\$837,428	
Other Financing Sources (uses)															
Transfers in/Proceeds from Sale								\$0						\$0	
Transfers out								\$0						\$0	
Total Financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Net Change in Fund Balance	\$0	\$0	(\$385,055)	(\$1,298,500)	\$0	\$0	(\$260,000)	(\$1,943,555)	(\$19,513)	\$0	(\$336,406)	\$0	(\$817,915)	-\$3,117,389	
Fund Balance - May 1, 2012 (projected)	\$7,156,139	\$1,267,497	(\$1,869,760)	\$1,135,945	\$1,470,211	(\$68,041)	\$136,363	\$9,228,354	\$77,936	\$1,264	\$343,092	\$2,794,656	\$5,557,322 (1)	\$18,002,624	
Fund Balance - April 30, 2013 (projected)	\$7,156,139	\$1,267,497	(\$2,254,815)	(\$162,555)	\$1,470,211	(\$68,041)	(\$123,637)	\$7,284,799	\$58,423	\$1,264	\$6,686	\$2,794,656	\$4,739,407	\$14,885,235	

(1) Represents Unrestricted Net Assets

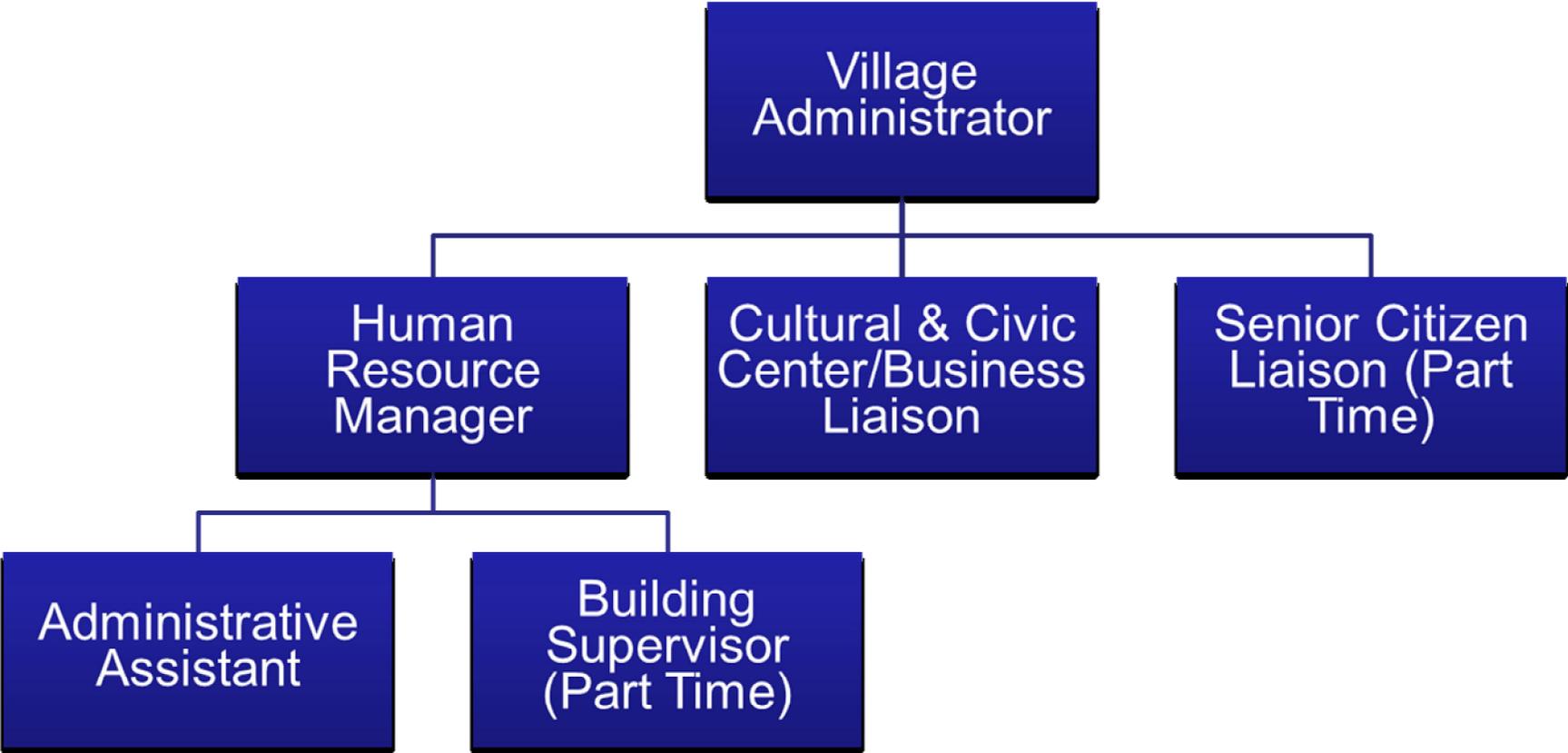
Personnel

In response to economic conditions and increasing personnel costs, the Village has made strategic staffing adjustments in each of the last 4 fiscal years. By analyzing and reallocating resources in FY2013, the Village was able to reduce personnel expenditures while maintaining services and service levels.

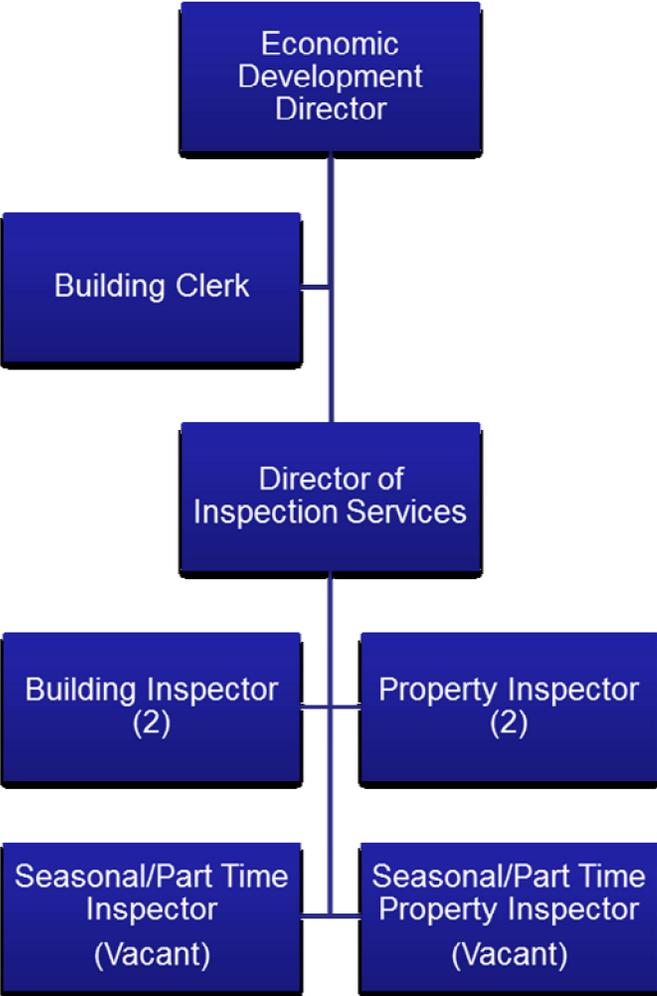
Village of Round Lake Beach



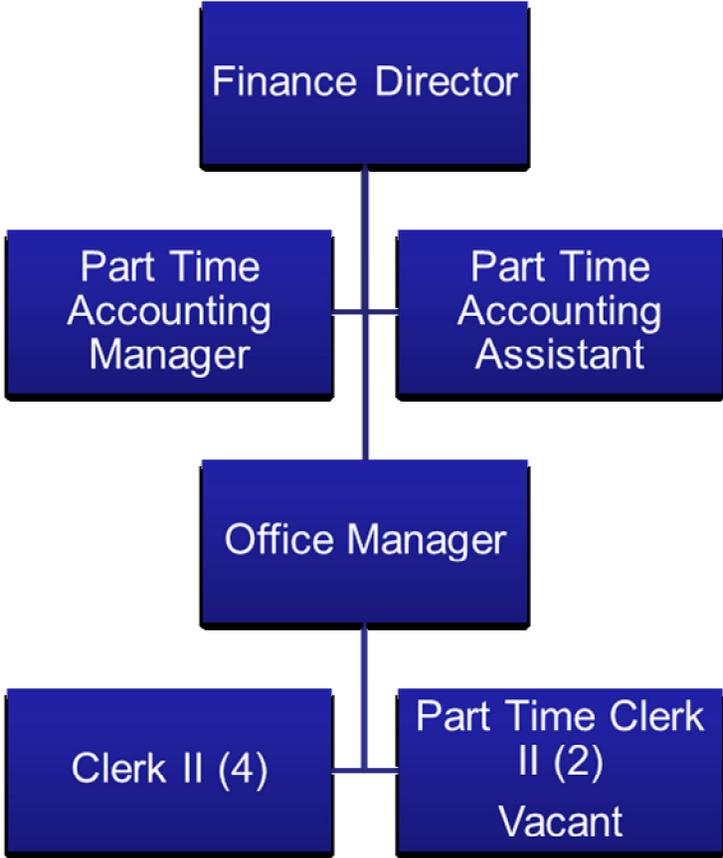
Administration



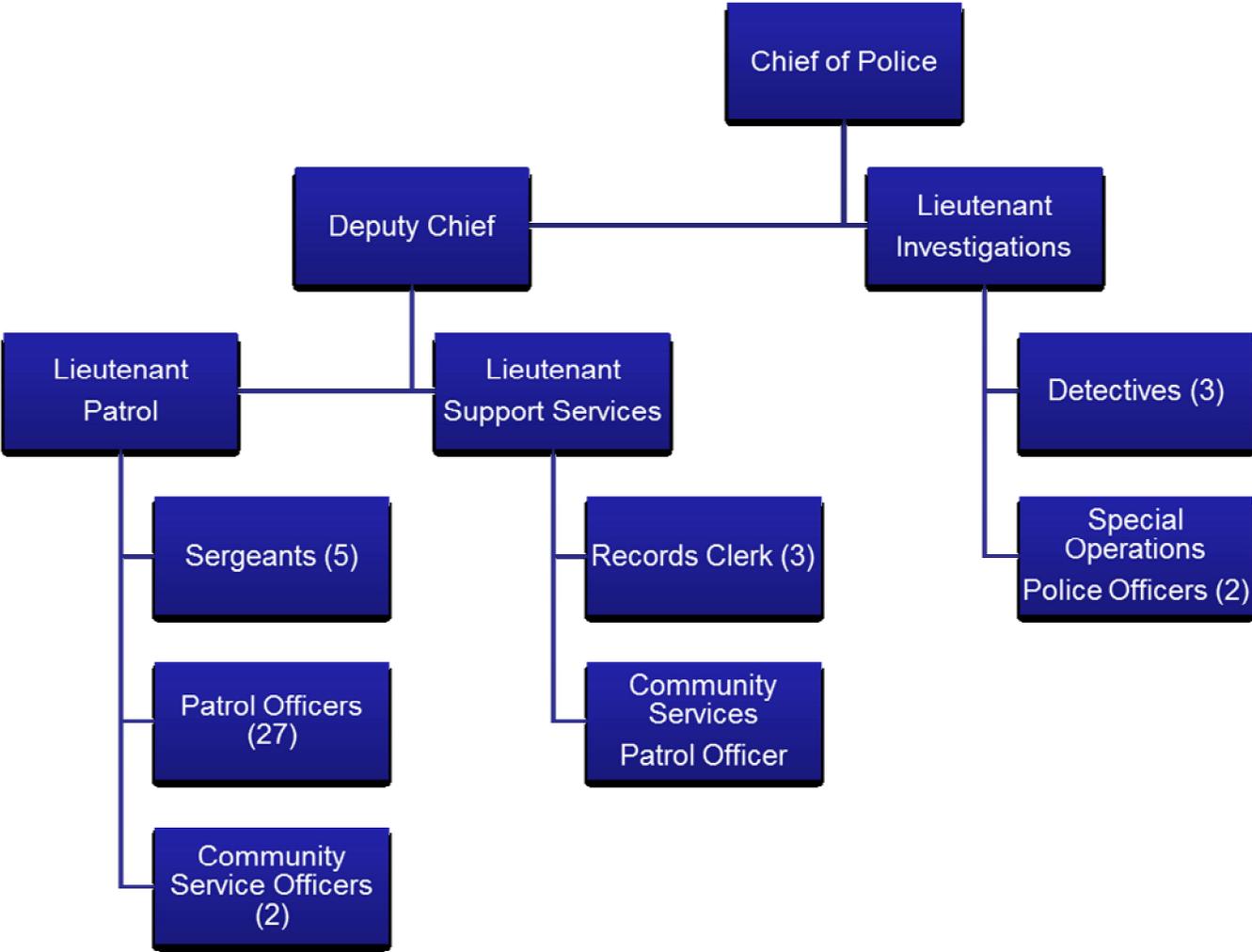
Economic Development Department



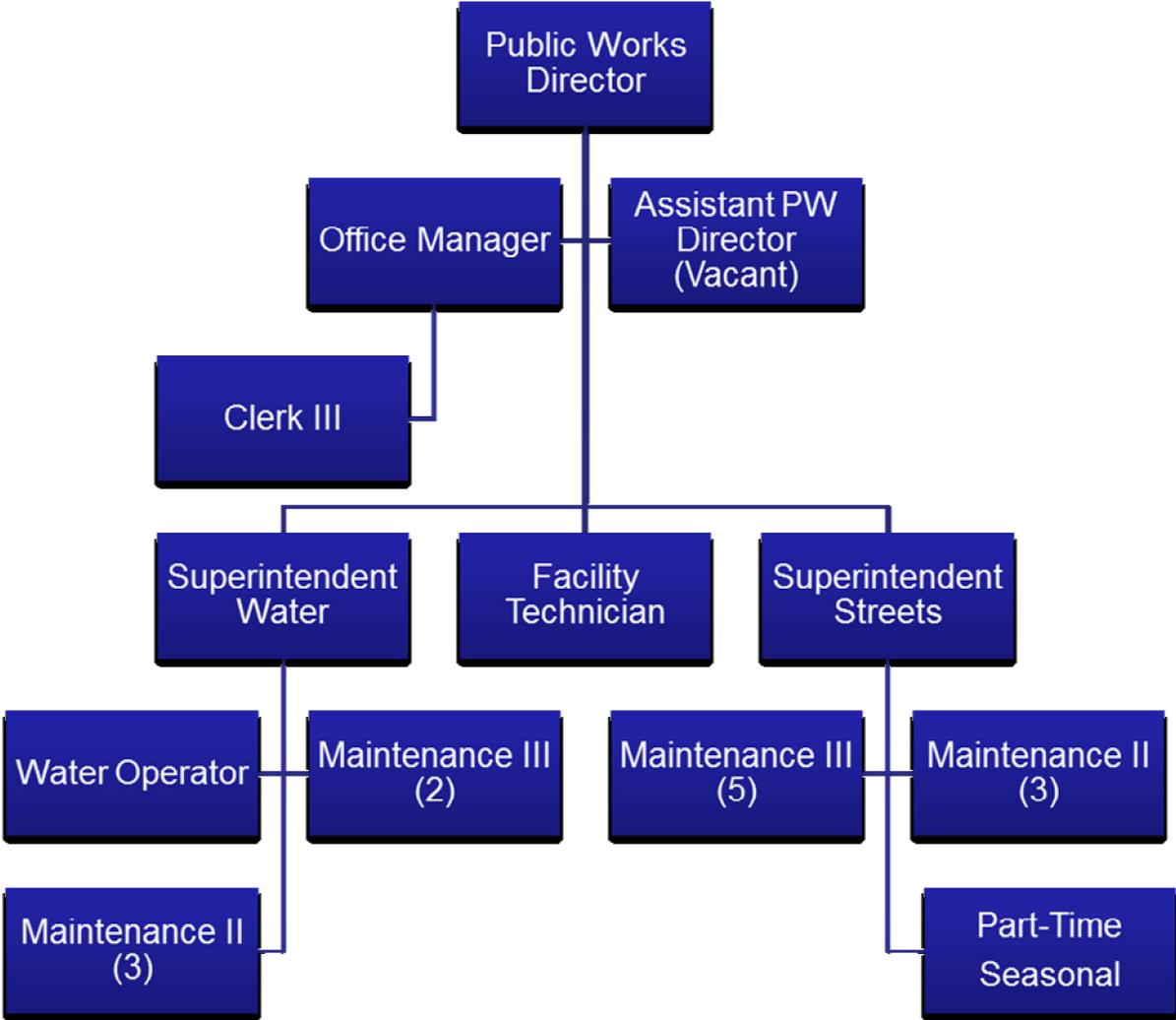
Finance Department



Police Department



Public Works Department

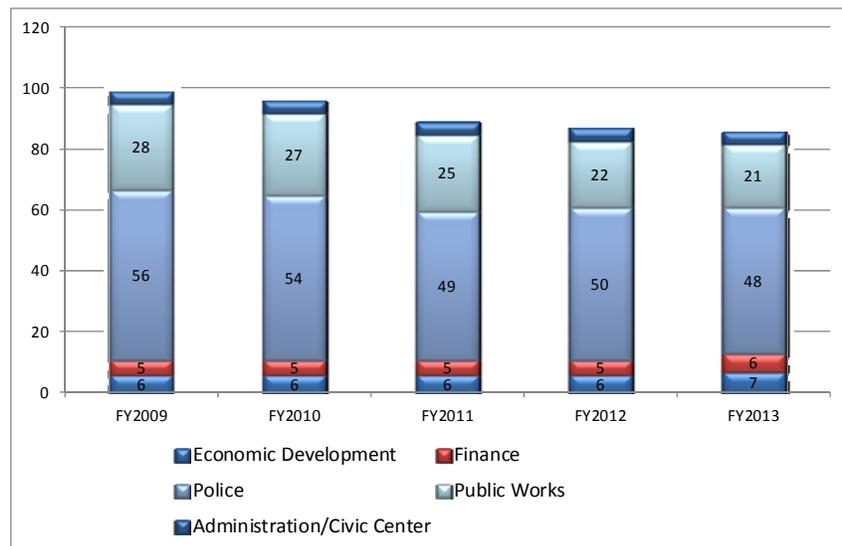


**SUMMARY OF FULL-TIME AND PART-TIME POSITIONS in Full-Time Equivalents (FTE's)
AUTHORIZED IN FISCAL YEAR BUDGET**

Fiscal Year	Administration/ Civic Center	Economic Development	Finance	Police	Public Works	TOTAL
2012 - 2013						
Full-Time	4.0	7.0	6.0	48.0	21.0	86.0
Part-Time FTE	0.8	0.6	2.4	0.4	0.8	5.0
Total	4.8	7.6	8.4	48.4	21.8	91.0
2011 - 2012						
Full-Time	4.0	6.0	5.0	50.0	22.0	87.0
Part-Time FTE	0.8	0.6	2.4	0.4	0.0	4.2
Total	4.8	6.6	7.4	50.4	22.0	91.2
2010 - 2011						
Full-Time	4.0	6.0	5.0	49.0	25.0	89.0
Part-Time FTE	0.8	0.6	2.4	0.4	0.0	4.2
Total	4.8	6.6	7.4	49.4	25.0	93.2
2009 - 2010						
Full-Time	4.0	6.0	5.0	54.0	27.0	96.0
Part-Time FTE	1.1	0.3	2.2	0.4	0.8	4.8
Total	5.1	6.3	7.2	54.4	27.8	100.8
2008 - 2009						
Full-Time	4.0	6.0	5.0	56.0	28.0	99.0
Part-Time FTE	1.1	0.7	2.2	0.4	0.8	5.2
Total	5.1	6.7	7.2	56.4	28.8	104.2

**FULL TIME POSITIONS
AUTHORIZED IN THE FISCAL YEAR BUDGET**

Department/Position						2012
	FY2009	FY2010	FY2011	FY2012	FY2013	Vs. 2013
Administration/Civic Center	4	4	4	4	4	0
Village Administrator	1	1	1	1	1	0
Human Resources Manager	1	1	1	1	1	0
Administrative Assistant	1	1	1	1	1	0
New Business/Facility Manager	1	1	1	1	1	0
Economic Development	6	6	6	6	7	1
Economic Development Director	0	0	1	1	1	0
Director, Inspection Services	1	1	1	1	1	0
Building Inspector	2	2	2	2	2	0
Property Inspector	2	2	1	1	2	1
Clerk II	1	1	1	1	1	0
Finance	5	5	5	5	6	1
Finance Director	1	1	1	1	1	0
Office Manager	1	1	1	1	1	0
Clerk II	3	3	3	3	4	1
Police	56	54	49	50	48	-2
Chief	1	1	1	1	1	0
Deputy Chief	2	2	1	1	1	0
Lieutenant	3	3	3	3	3	0
Sergeant	5	5	5	5	5	0
Patrol Officer	35	33	31	33	33	0
Community Service Officer	4	4	4	3	2	-1
Executive Secretary	1	1	0	0	0	0
Records Clerk	5	5	4	4	3	-1
Public Works	28	27	25	22	21	-1
Director	1	1	1	1	1	0
Assistant Director	1	1	1	1	1	0
Office Manager	1	1	1	1	1	0
Clerk III	1	1	1	1	1	0
Superintendent	2	2	2	2	2	0
Water Operator	1	1	1	1	1	0
Maintenance I	2	1	0	0	0	0
Maintenance II	11	11	10	7	6	-1
Facilities Technician	1	1	1	1	1	0
Maintenance III	7	7	7	7	7	0
Total Full Time Employees	99	96	89	87	86	-1



Revenue Detail

This section breaks down the Village’s sources of funds into greater detail. The Village uses a conservative approach in estimating revenue for the annual budget. Each individual source of revenue is analyzed, with the anticipation that actual revenue collections as a whole will be at or just above the total budgeted amount. The methods used are analysis of historical actual figures, statistical techniques, forecasts by experts on such trends as the economy, inflation, retail sales, and local factors (e.g., unemployment, development, retail growth, etc.), and other factors pertinent to each individual revenue source.

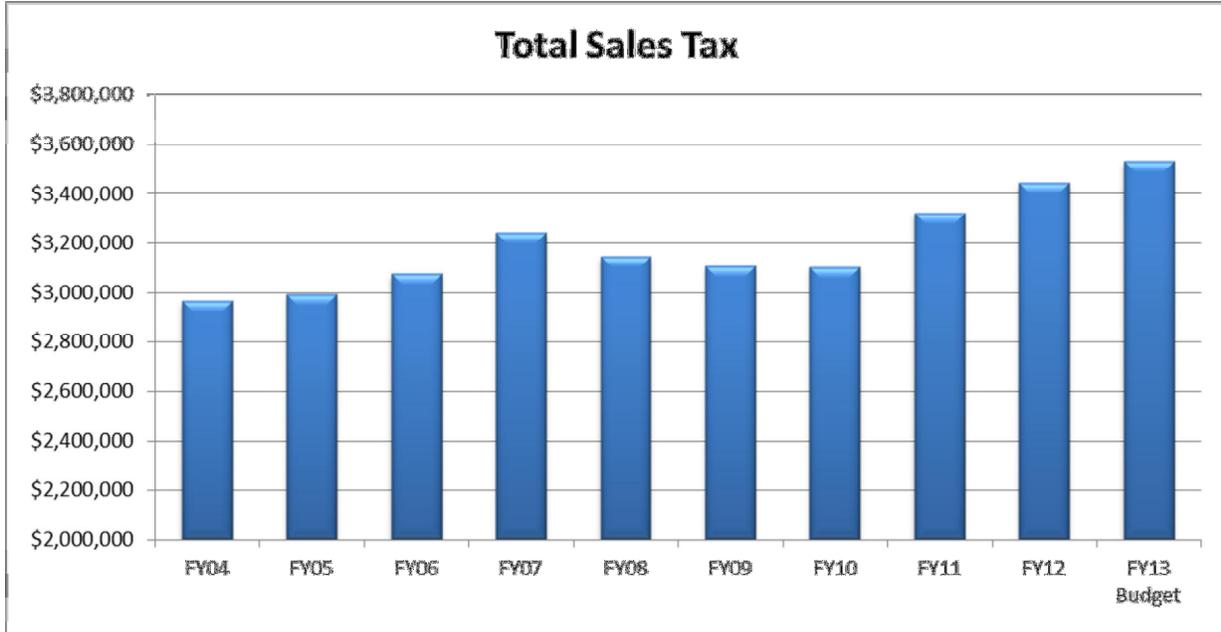
Over 75% of the Village’s revenues come from seven sources of revenue. These revenues and their relationship to the total revenue amount of \$24,933,076 are shown and described in detail below:

<u>Source</u>	<u>FY13 Budget</u>	<u>% of Total</u>
Charges for Service (Water)	4,564,917.00	18.31%
Use of Reserves	3,676,569.00	14.75%
Sales Tax	3,530,270.00	14.16%
Property Taxes	2,427,000.00	9.73%
Income Tax	2,231,460.00	8.95%
Utility Tax	1,639,300.00	6.57%
Home Rule Sales Tax	1,229,100.00	4.93%
	19,298,616.00	77.40%

Utility Revenue constitutes the second largest source of revenue for the FY13 budget, with an estimate of \$4,564,917. This includes not only water sales to Village residents, but sewer fees and water that is sold to Round Lake Heights. This is an unpredictable revenue stream, as it is greatly impacted by the weather in the summer months. The base water rate is anticipated to increase mid-way through FY13, as the Village continues incremental increases based on long range financial forecasts. The Village Board regularly reviews the water and sewer rate to ensure that the charges are sufficiently covering current cost of operations as well as necessary current and future infrastructure maintenance and improvements.

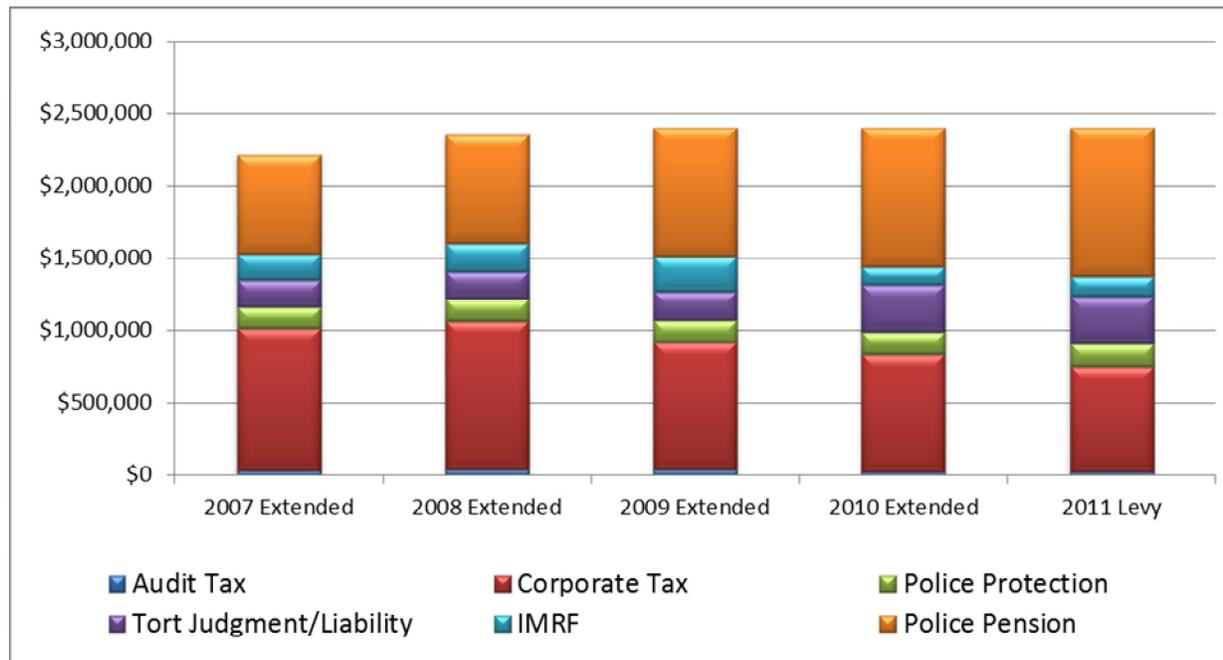
Use of Reserves make up 15% of the Village’s sources of revenue in the FY13 budget. This is due to the completion of TIF and bond funded capital projects. This total of over \$3.675 million is primarily funded in the TIF Capital Project Funds, the Water & Sewer Fund, and the Bond Funded Capital Projects Fund, with smaller amounts in the Motor Fuel Tax Fund, and the General Capital Improvements Fund.

Sales Tax is projected to generate approximately 14.16% of the overall Village revenue in FY13. The Village receives 1% as the municipal share of the 6.25% statewide rate on general merchandise and the entire 1% collected on qualifying food, drugs, and medical appliances for taxable sales made within the corporate limits of the Village. Sales tax is a difficult revenue stream to predict, easily impacted by the national and local economy. Historical actual (not budgeted) data regarding the Village's sales tax revenue is provided in the following chart. The reason for the significant increase starting in FY11 is because one of the Village's largest retailers has moved out of the TIF and into the general distribution of monthly sales tax distributions thus redirecting sales tax dollars to the General Fund.



Real Estate or Property Taxes make up 9.73% of the total revenue for FY13, nearly \$2.43 million. This revenue is a tax assessed on all properties within the Village boundaries. It is one of the most stable and predictable revenues available to the Village. The Village Board recognized the financial pressure its residents are facing and once again chose not to raise the 2011 tax levy which is distributed in 2012 for the FY13 budget year. Real Estate Tax is a good revenue source to provide funding for those services which would be impractical to support through fees, such as police service and other public safety operations.

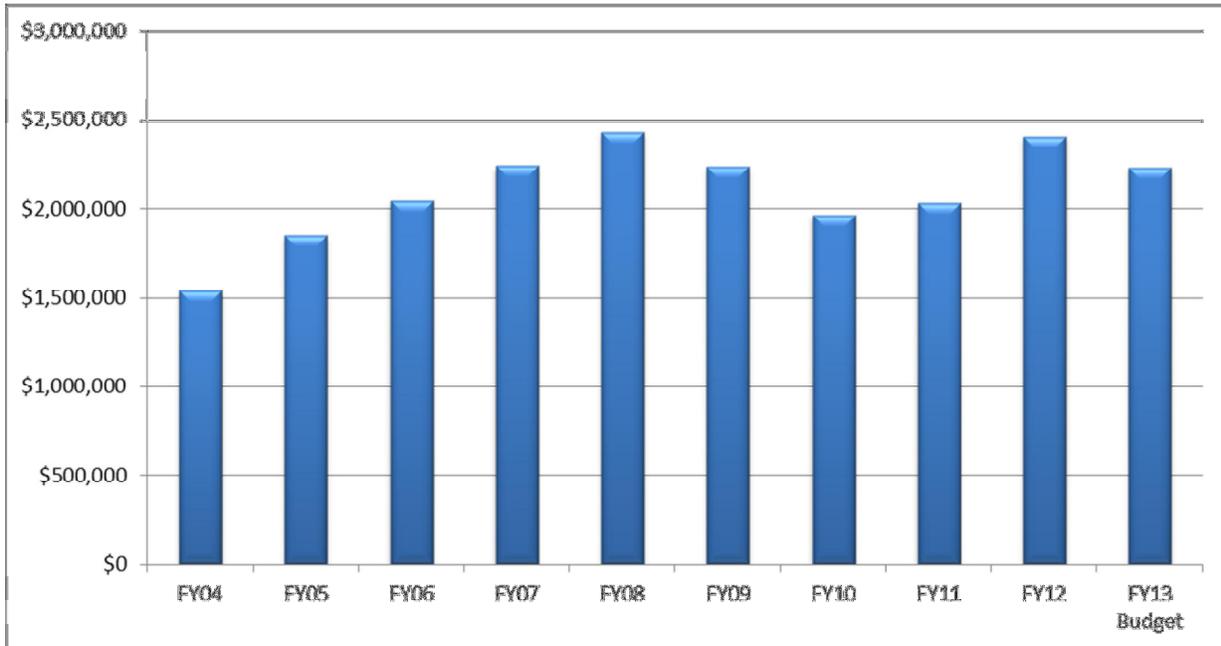
The following chart shows the five-year history of the breakdown of the tax levy imposed by the Village. As is evidenced on the chart, the dollar amount has remained relatively flat since 2007. However, the portion going toward pension contribution obligations and liability insurance is getting larger.



The Village levies property tax for 6 purposes; Corporate, Audit, Police Protection, Liability Insurance, and IMRF and Police Pensions.

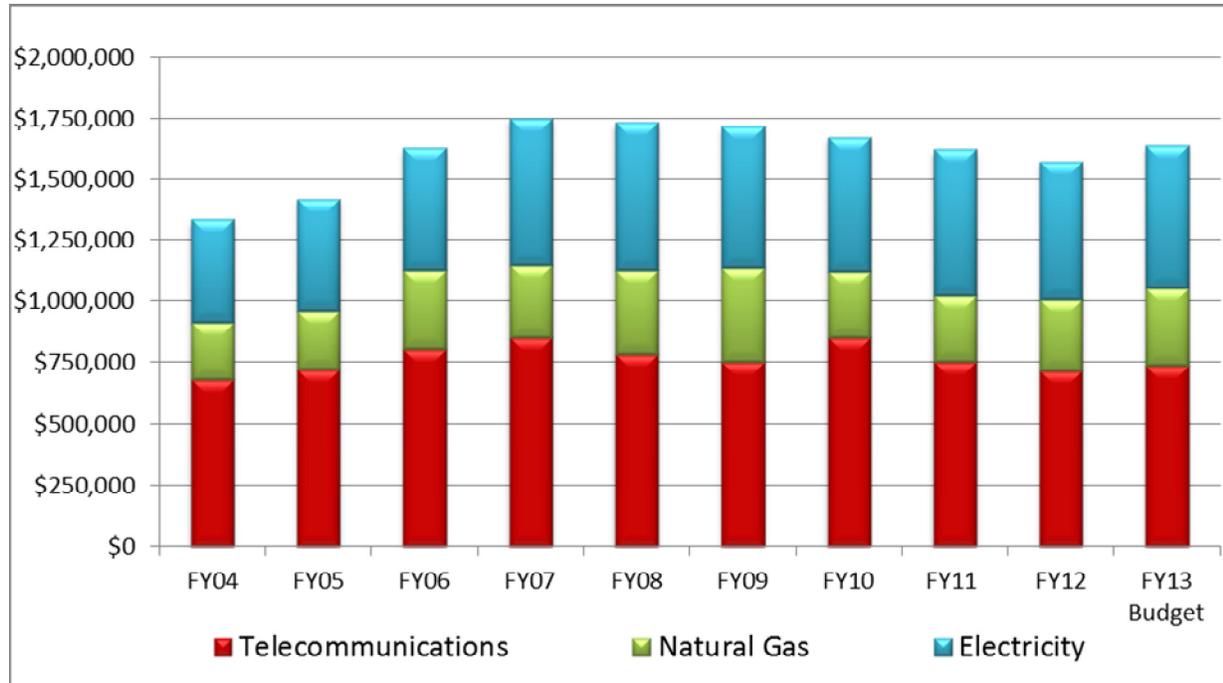
- Corporate Tax is levied for support of general Village operations.
- Audit Tax is levied to fund the Village’s annual financial audit.
- Police Protection is levied to provide funding for public safety efforts.
- Liability insurance is levied to fund the Village’s insurance premiums and claims expense.
- IMRF is levied to fund pensions for all Village personnel non-sworn personnel meeting the IMRF requirements.
- Police Pension is levied to fund the pensions of sworn personnel meeting the requirements to participate in the Police Pension Fund.

The **Illinois Income Tax** rate is 5% for individuals, trusts, estates and corporations. One-tenth of the net collections (gross collections minus refunds) is distributed to municipal and county governments in proportion to their population as compared to the total state population. The Village's population increased to 28,175 as a result of the 2010 Census. This source provides 8.95% or \$2.23 million of total revenue. This revenue stream goes into the General Fund for general operating expenditures.



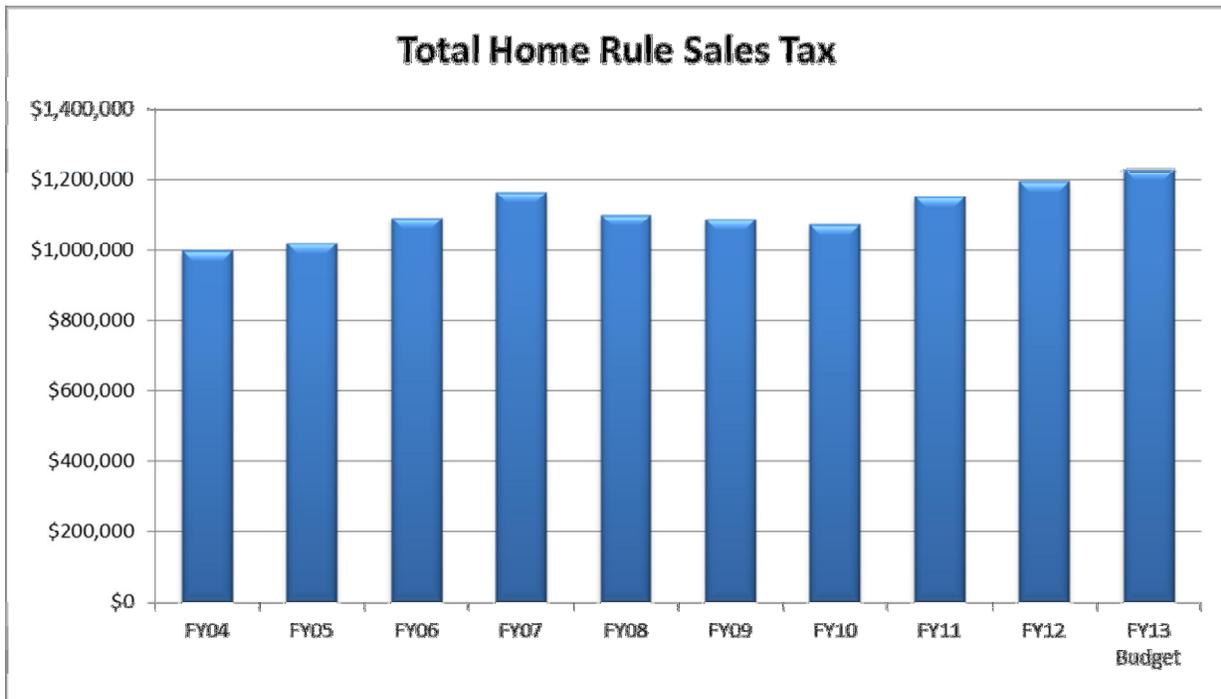
Utility Taxes are established by the Village and collected by the utility companies for telecommunications, gas and electricity. The collected amounts are then passed on to the Village on a monthly basis. These taxes are considered “use taxes” since the amount assessed is greater for those who use more of the utilities. The Village enacted the “Simplified Telecommunications Tax” which means that the tax on telecommunications is collected by the State and distributed to the Village on a monthly basis. These combined taxes provide 6.57% of the total amount of revenue in FY13.

The chart that follows shows the historical trend for Utility Taxes. After a very strong year in FY08, high fuel prices drove cuts in demand.



Home Rule Sales Tax is projected to provide just over \$1.2 million in revenue for FY13. The Village has imposed a 0.5% tax on local purchases of personal property. It is not an intergovernmental revenue like regular sales tax and is not susceptible to the State's annual budgeting considerations. However, it is assessed against the same sales transactions and, like sales tax, is a volatile revenue source that quickly reflects changes in the local economy.

The revenue generated by Home Rule Sales Tax is first used to fund debt service on the outstanding general obligation debt of the Village. The Village chooses to use this source rather than imposing general property taxes. After debt service needs are met, the revenue is allocated between the General Fund for operating expenditures and the General Capital Improvements Fund.



COMPARISON OF REVENUES

Account Description	FY08 Actual	FY09 Actual	FY10 Actual	FY11 Actual	FY12 Projected	FY13 Budget
GENERAL FUND						
Property Taxes						
CORPORATE FUND TAX	\$988,187	\$983,425	\$1,030,908	\$880,165	\$810,661	\$724,549
LIABILITY INSURANCE TAX	\$150,875	\$187,845	\$187,012	\$202,624	\$328,086	\$328,000
POLICE PROTECTION TAX	\$142,667	\$143,646	\$149,610	\$150,006	\$150,039	\$154,500
AUDITING TAX	\$18,684	\$33,149	\$35,064	\$35,239	\$25,756	\$26,500
IMRF TAX	\$163,255	\$179,005	\$196,510	\$237,863	\$125,032	\$137,500
RE TX - POLICE PENSION	\$601,521	\$685,036	\$738,700	\$890,599	\$963,253	\$1,030,951
Sub-Total	\$2,065,189	\$2,212,106	\$2,337,804	\$2,396,496	\$2,402,827	\$2,402,000
Other Local Taxes						
HOME RULE SALES TAX	\$141,431	\$128,504	\$209,882	\$296,192	\$335,397	\$259,514
UTILITY TAX - TELEPHONE	\$668,994	\$544,442	\$455,756	\$351,327	\$326,458	\$293,300
UTILITY TAX - GAS	\$231,990	\$228,462	\$136,130	\$122,446	\$151,985	\$161,000
UTILITY TAX - ELECTRIC	\$418,595	\$392,129	\$373,099	\$422,536	\$388,738	\$393,500
CHARITABLE GAMES TAX/LICENSE	\$0	\$0	\$409	\$723	\$0	\$700
AMUSEMENT TAX	\$301,427	\$316,777	\$330,863	\$316,079	\$330,085	\$338,650
Sub-Total	\$1,762,437	\$1,610,314	\$1,506,139	\$1,509,303	\$1,532,663	\$1,446,664
Intergovernmental Revenues						
ROAD & BRIDGE TAX	\$32,099	\$34,171	\$33,911	\$33,192	\$25,712	\$25,000
STATE - LOCAL SALES TAX	\$2,045,408	\$2,086,832	\$2,237,706	\$2,708,121	\$2,826,802	\$2,794,500
STATE - REPLACEMENT TAX	\$19,440	\$17,144	\$12,651	\$15,606	\$13,808	\$0
STATE - INCOME TAX	\$2,431,015	\$2,234,944	\$1,962,520	\$2,001,151	\$1,950,495	\$2,231,460
USE TAX	\$362,570	\$367,041	\$309,730	\$371,478	\$411,422	\$459,250
POLICE TRAINING REIMB	\$7,992	\$13,569	\$3,866	\$0	\$4,829	\$0
Sub-Total	\$4,898,524	\$4,753,701	\$4,560,384	\$5,129,548	\$5,233,068	\$5,510,210
Sales & Charges for Services						
OCCUPANCY PERMITS	\$23,450	\$17,010	\$21,225	\$17,855	\$18,955	\$16,500
BUILDING PERMITS	\$36,922	\$221,699	\$85,101	\$107,389	\$155,701	\$75,000
BUSINESS CERTIFICATE FEE	\$62,596	\$64,266	\$63,819	\$64,549	\$61,190	\$64,000
LIQUOR LICENSES	\$24,034	\$24,325	\$27,910	\$28,975	\$30,125	\$30,000
CABLE TV - FRANCHISE FEES	\$145,486	\$145,485	\$134,170	\$153,238	\$160,740	\$145,000
ANNEX/ZBA/PLAN FEES	\$5,200	\$5,700	\$5,000	\$6,400	\$1,300	\$5,000
RENTAL CERTIFICATION FEES	\$44,095	\$45,950	\$49,250	\$57,610	\$61,145	\$57,240
BILLBOARD LICENSES	\$0	\$1,200	\$1,350	\$1,350	\$1,350	\$1,500
POLICE PHOTOCOPY SERVICE	\$4,720	\$4,828	\$4,561	\$3,590	\$3,930	\$4,000
INDUSTRIAL REVENUE BONDS	\$0	\$13,579	\$0	\$0	\$0	\$0
NICOR - FRANCHISE GAS FEE	\$47,960	\$50,166	\$47,245	\$42,700	\$35,486	\$45,000
BEACH PASSES	\$440	\$265	\$220	\$390	\$310	\$250
APPLICATION FEE - PD TESTING	\$0	\$0	\$0	\$0	\$4,564	\$0
FOI PRINTING SVC	\$66	\$686	\$115	\$28	\$30	\$0
BACKGROUND CHECK FEE	\$100	\$0	\$0	\$0	\$0	\$0
POLICE TOWING CHARGE	\$62,945	\$63,450	\$76,325	\$75,600	\$55,550	\$75,000
POLICE OT SECURITY SVC	\$6,297	\$6,270	\$0	\$250	\$200	\$0
ABANDONED PROPERTY	\$748	\$0	\$0	\$0	\$10	\$0
CONTRACTOR AP FEE	\$7,500	\$7,900	\$5,550	\$8,000	\$7,035	\$8,000
ICE CREAM ANNUAL LICENSE	\$0	\$0	\$0	\$500	\$300	\$350
YARD WASTE STICKER SALES	\$1,253	\$0	\$0	\$0	\$0	\$0
RECYCLING REV - SWALCO	\$25,046	\$21,708	\$5,146	\$26,909	\$66,156	\$32,500
COMMUNITY EVENT REVENUE	\$25,982	\$25,068	\$21,840	\$21,109	\$28,479	\$30,000
Sub-Total	\$524,840	\$719,555	\$548,827	\$616,442	\$692,556	\$589,340

Account Description	FY08 Actual	FY09 Actual	FY10 Actual	FY11 Actual	FY12 Projected	FY13 Budget
GENERAL FUND						
Fines						
POLICE FINES	\$457,597	\$348,520	\$401,571	\$473,387	\$474,602	\$425,000
BUILDING FINES	\$12,181	\$4,763	\$947	\$260	\$890	\$1,000
LIEN REVENUE	\$20,654	\$31,809	\$42,531	\$32,105	\$31,742	\$40,000
FALSE ALARM REVENUE	\$10,650	\$17,200	\$13,700	\$6,800	\$4,200	\$6,500
LIQUOR COMMENFORCEMENT	\$7,750	\$3,750	\$250	\$0	\$2,500	\$1,000
Sub-Total	\$508,832	\$406,042	\$458,999	\$512,552	\$513,934	\$473,500
Contributions & Grants						
GRANT REVENUE	\$1,263	\$1,566	\$4,949	\$2,100	\$41,923	\$0
CONTRIBUTIONS	\$25,000	\$10,000	\$0	\$0		\$0
Sub-Total	\$26,263	\$11,566	\$4,949	\$2,100	\$41,923	\$0
Other Financial Sources						
INTEREST INCOME	\$187,373	\$80,577	\$18,824	\$14,974	\$10,178	\$5,300
RENTAL INCOME	\$21,000	\$21,000	\$29,750	\$35,000	\$35,400	\$36,200
MISCELLANEOUS INCOME	\$1,479	\$4,086	\$6,363	\$4,155	\$24,829	\$5,000
PROPERTY SALE	\$0	\$11,093	\$0	\$0	\$7,500	\$0
CLAIMS REVENUE-INSURANCE	\$23,223	\$8,888	\$9,286	\$15,261	\$7,420	\$5,000
Sub-Total	\$233,075	\$125,644	\$64,223	\$69,390	\$85,327	\$51,500
TOTAL	\$10,019,160	\$9,838,928	\$9,481,325	\$10,235,831	\$10,502,298	\$10,473,214

Account Description	FY08 Actual	FY09 Actual	FY10 Actual	FY11 Actual	FY12 Projected	FY13 Budget
POLICE SPECIAL REVENUES FUND						
INTEREST INCOME	\$2,559	\$887	\$108	\$104	\$28	\$50
FEDERAL TREASURY FUNDS	\$0	\$1,194	\$0	\$0	\$0	\$0
STATE SEIZURE REVENUE	\$1,563	\$6,130	\$5,807	\$1,698	\$7,003	\$2,500
DUI/740 CONTROL REVENUE	\$7,743	\$6,600	\$6,854	\$7,217	\$13,027	\$12,000
K-9 GRANT REVENUE	\$7,000	\$5,000	\$5,000	\$6,100	\$5,700	\$0
MOBILE EYE REVENUE	\$0	\$17,418	\$16,560	\$17,116	\$20,452	\$15,000
E-CITATION REVNUUE	\$0	\$0	\$0	\$0	\$2,144	\$3,000
USE OF RESERVES	\$0	\$0	\$0	\$0	\$0	\$19,513
EXPLORERS PROGRAM REVENUE	\$0	\$0	\$4,923	\$0	\$0	\$0
TOTAL	\$18,865	\$37,229	\$39,252	\$32,235	\$48,354	\$52,063

HOUSING & REDEVELOPMENT FUND						
INTEREST INCOME	\$724	\$6	\$0	\$2,214	\$4,017	\$4,400
RENTAL INCOME	\$0	\$6,050	\$8,650	\$9,481	\$3,600	\$10,800
SALE OF PROPERTY	\$0	\$0	\$0	\$0	\$0	\$0
GAIN/(LOSS) - PROPERTY SALE	-\$6,184	-\$29,726	\$0	-\$35,400	\$3,000	\$0
LOAN PROCEEDS	\$0	\$0	\$0	\$0	\$0	\$150,000
GRANT - STATE/LOCAL GOVT	\$0	\$0	\$30,000	\$0	\$0	\$0
TOTAL	-\$5,460	-\$23,670	\$38,650	-\$23,705	\$10,617	\$165,200

WATER & SEWER OPERATIONS FUND						
INTEREST INCOME	\$247,395	\$85,343	\$21,512	\$12,942	\$874	\$1,000
LIEN REVENUE - OTHER	\$0	\$0	\$0	\$0	\$0	\$0
WATER CHARGES	\$2,932,853	\$2,882,217	\$2,917,968	\$3,027,337	\$2,973,668	\$3,256,257
SEWER FEE	\$0	\$0	\$0	\$193,804	\$392,684	\$374,160
PENALTIES	\$169,640	\$197,500	\$218,942	\$222,834	\$236,829	\$225,000
CUSTOMER FEES	\$505,130	\$505,885	\$494,455	\$514,785	\$507,751	\$504,000
WATER SALES TO R.L. HEIGHTS	\$156,090	\$219,004	\$191,311	\$190,283	\$204,154	\$205,500
WATER SEWER INSPECT FEES	\$1,800	\$600	\$100	\$500	\$300	\$100
WATER METER SALES	\$2,260	\$1,430	\$220	\$440	\$110	\$0
MISCELLANEOUS INCOME	\$1,960	\$1,550,723	\$35,505	\$1,775,638	\$5,115	\$0
USE OF RESERVED BALANCES	\$0	\$0	\$0	\$0	\$0	\$92,150
TOTAL	\$4,017,128	\$5,442,702	\$3,880,013	\$5,938,563	\$4,321,485	\$4,658,167

WATER & SEWER CAPITAL FUND						
INTEREST INCOME	\$21,382	\$6,643	\$3,268	\$2,540	\$0	\$2,500
TAP IN FEE - Shorewood Area	\$4,710	\$18,500	\$6,000	\$6,000	\$1,000	\$0
TAP IN FEE REVENUE	\$281,683	\$165,132	\$88,625	\$41,757	\$304,675	\$75,000
GRANT REVENUE	\$0	\$0	\$85,000	\$218,313	\$25,000	\$175,000
CAP REPAIR/REPLACE TRANSFER	\$0	\$0	\$0	\$0	\$0	\$92,150
USE OF RESERVES	\$0	\$0	\$0	\$0	\$0	\$850,000
SEWER CHARGE TRANSFER	\$0	\$0	\$0	\$0	\$1,423,113	\$0
TOTAL	\$307,775	\$190,275	\$182,893	\$268,610	\$1,753,788	\$1,194,650

SEWER CAPITAL FUND						
TRANSFERS IN FUND 11	\$0	\$0	\$0	\$0	\$0	\$374,160
TOTAL	\$0	\$0	\$0	\$0	\$0	\$374,160

Account Description	FY08 Actual	FY09 Actual	FY10 Actual	FY11 Actual	FY12 Projected	FY13 Budget
METRA STATION FUND						
INTEREST INCOME	\$1,299	\$685	\$52	\$8	\$0	\$0
DAILY PARKING COLLECTIONS	\$30,683	\$36,168	\$33,100	\$32,442	\$34,902	\$35,000
TOTAL	\$31,982	\$36,853	\$33,152	\$32,450	\$34,902	\$35,000

MOTOR FUEL TAX FUND						
INTEREST INCOME	\$46,825	\$15,369	\$1,813	\$1,201	\$657	\$400
STATE - MFT ALLOTMENT	\$746,926	\$699,325	\$675,790	\$789,657	\$815,016	\$926,151
FEDERAL BAB CREDIT	\$0	\$0	\$0	\$52,449	\$51,049	\$49,166
REIMB FROM VILLAGE	\$0	\$21,392	\$0	\$21,232	\$0	\$0
USE OF RESERVED BALANCES	\$0	\$0	\$0	\$0	\$0	\$336,406
TOTAL	\$793,751	\$736,086	\$677,603	\$864,539	\$866,722	\$1,312,123

CIVIC CENTER OPERATIONS FUND						
INTEREST INCOME	\$662	\$0	\$0	\$0	\$0	\$0
CATERER - ANNUAL FEE	\$0	\$50	\$400	\$0	\$0	\$0
FOOD/BEVERAGE COMMISSION	\$9,726	\$8,089	\$6,264	\$1,631	\$6,229	\$5,850
CORP BEVERAGE COMMISSION	\$0	\$941	\$1,262	\$1,309	\$5,730	\$3,400
ROOM RENTAL/USER FEES	\$32,818	\$33,997	\$59,356	\$73,561	\$89,215	\$80,000
PROGRAM REVENUE	\$0	\$0	\$2,250	\$3,058	\$2,030	\$3,000
OP GRANT/CONTRIBUTION	\$8,000	\$14,635	\$12,481	\$9,210	\$1,075	\$10,000
MISCELLANEOUS INCOME	\$45	\$1,314	\$0	\$0	\$0	\$0
BUILDER PERMITS	\$0	\$0	\$0	\$0	\$0	\$0
TRANSFER FROM GENERAL FUND	\$0	\$0	\$104,610	\$0	\$0	\$0
TOTAL	\$51,251	\$59,026	\$186,623	\$88,769	\$104,279	\$102,250

TIF 1 DEBT SERVICE FUND						
INTEREST INCOME	\$127,184	\$65,017	\$42,206	\$42,130	\$20,178	\$500
STATE - LOCAL SALES TAX	\$1,035,752	\$970,560	\$877,950	\$568,260	\$566,843	\$685,770
STATE - SALES TAX	\$817,895	\$831,248	\$733,302	\$881,131	\$848,903	\$300,000
TIF - REAL ESTATE TAXES	\$1,547,854	\$1,891,046	\$2,057,148	\$2,012,839	\$119,445	\$0
TOTAL	\$3,528,685	\$3,757,871	\$3,710,606	\$3,504,360	\$1,555,369	\$986,270

TIF 1 CAPITAL PROJECTS FUND						
INTEREST INCOME	\$140,974	\$52,189	\$6,897	\$6,175	\$1,095	\$0
GRANT REVENUE	\$75,000	\$0	\$0	\$0	\$0	\$0
USE OF FUND BALANCE	\$0	\$0	\$0	\$0	\$0	\$385,055
CAPITAL PROJECTS TRANSFER	\$2,460,012	\$2,806,216	\$2,132,896	\$2,575,443	\$1,847,232	\$419,445
TOTAL	\$2,675,986	\$2,858,405	\$2,139,793	\$2,581,618	\$1,848,327	\$804,500

TIF 3 PROJECTS FUND						
INTEREST INCOME	\$6,478	\$2,035	\$260	\$386	\$41	\$0
TIF - REAL ESTATE TAXES	\$84,129	\$114,165	\$134,404	\$111,779	\$93,080	\$85,000
USE OF RESERVED BALANCES	\$0	\$0	\$0	\$0	\$0	\$260,000
TOTAL	\$90,607	\$116,200	\$134,664	\$112,165	\$93,121	\$345,000

TIF 4 PROJECTS FUND						
INTEREST INCOME	\$0	\$0	\$0	\$0	\$0	\$0
TIF - REAL ESTATE TAXES	\$0	\$0	\$0	\$0	\$0	\$0
USE OF RESERVED BALANCES	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0

Account Description	FY08 Actual	FY09 Actual	FY10 Actual	FY11 Actual	FY12 Projected	FY13 Budget
GOVERNMENTAL DEBT SERVICE FUND						
INTEREST INCOME	\$66,618	\$23,765	\$2,601	\$2,693	\$508	\$2,100
STATE - MFT ALLOTMENT	\$0	\$0	\$0	\$0	\$0	\$0
HOME RULE SALES TAX	\$756,000	\$778,680	\$784,999	\$785,000	\$785,000	\$875,000
UTILITY TAX - TELEPHONE	\$220,000	\$312,000	\$362,000	\$377,000	\$375,000	\$420,000
UTILITY TAX - GAS	\$80,000	\$94,999	\$120,000	\$135,000	\$135,000	\$150,000
UTILITY TAX - ELECTRIC	\$110,000	\$119,000	\$120,000	\$120,000	\$120,000	\$130,000
FEDERAL RZ-EDB CREDIT	\$0	\$0	\$0	\$24,495	\$63,442	\$62,659
BOND PROCEEDS	\$0	\$0	\$0	\$0	\$7,558	\$0
TRANSFER FROM MFT/SERIES 2009	\$0	\$0	\$0	\$350,856	\$350,475	\$351,475
TRANSFER FROM GEN/SERIES 2010	\$0	\$0	\$0	\$197,540	\$196,583	\$0
TOTAL	\$1,232,618	\$1,328,444	\$1,389,600	\$1,992,584	\$2,033,566	\$1,991,234
BOND FUNDED PROJECTS FUND						
INTEREST INCOME	\$140,702	\$29,618	\$3,326	\$5,707	\$1,961	\$1,500
PROPERTY SALE	\$0	\$387,667	\$0	\$0	\$0	\$0
GRANT REIMBURSEMENT	\$7,500	\$0	\$0	\$0	\$86,000	\$0
BOND/LOAN PROCEEDS	\$0	\$0	\$3,660,418	\$3,000,000	\$0	\$0
MISCELLANEOUS INCOME	\$0	\$0	\$0	\$5,000	\$0	\$0
USE OF RESERVED BALANCES	\$0	\$0	\$0	\$0	\$0	\$1,298,500
TOTAL	\$148,202	\$417,285	\$3,663,744	\$3,010,707	\$87,961	\$1,300,000
CAPITAL EQUIPMENT FUND						
INTEREST INCOME	\$28,757	\$7,360	\$471	\$685	\$253	\$650
STATE - LOCAL SALES TAX	\$41,851	\$42,717	\$39,000	\$46,306	\$50,000	\$50,000
TIF - REAL ESTATE TAXES	\$103,994	\$117,788	\$132,414	\$137,502	\$122,898	\$0
HOME RULE SALES TAX	\$200,501	\$176,247	\$104,931	\$75,000	\$75,000	\$94,586
UTILITY TAX - TELEPHONE	\$57,174	\$41,085	\$21,154	\$16,042	\$15,000	\$27,500
UTILITY TAX - GAS	\$49,211	\$32,637	\$19,824	\$5,999	\$4,000	\$4,000
UTILITY TAX - ELECTRIC	\$79,134	\$70,411	\$57,284	\$60,000	\$60,000	\$60,000
RENTAL INCOME	\$47,732	\$68,801	\$74,010	\$79,402	\$85,619	\$80,256
PROPERTY SALE	\$17,313	\$5,941	\$8,497	\$43,960	\$5,482	\$0
GRANT REVENUE	\$346,400	\$81,618	\$0	\$0	\$0	\$0
MISCELLANEOUS INCOME	\$96,422	\$248,514	\$196,030	\$170,487	\$1,095,578	\$0
IMPACT FEE - SINGLE LOT	\$1,250	\$1,250	\$0	\$0	\$0	\$0
USE OF RESERVED BALANCES	\$0	\$0	\$0	\$0	\$0	\$820,000
TOTAL	\$1,069,739	\$894,369	\$653,615	\$635,383	\$1,513,830	\$1,136,992

SCHEDULE OF FEES

Section of Code	Fee Description	FY13 Amount of Fee
Administrative		
Section 1-4-1	General Penalty	Fine not to exceed \$1,500 for any one offense
Section 1-9-2	Sewer Charge Collection Fee	Actual cost to the Village (currently \$3.51/1,000 gallons)
Section 1-9-4	Impact Fees for single lot developments	\$1,250 for Detached Single Family \$850 for Attached Single Family
Section 1-11-11	Nonsufficient-fund check; service charge	\$50.00
Section 1-13-8	Costs of photocopying	\$0.25 per page for all 8 1/2" x 11" pages Actual cost of reproduction of oversize documents if greater than \$0.25; otherwise, \$0.25 for oversize documents
Section 1-13-8	Certification	\$1.00 per page for individual pages \$5.00 for certified copies of pamphlets
Business Regulations		
Section 3-1-2	No business license	\$40
Section 3-1-9	General Business Certificate Fee	0 – 2500 sq ft: \$100 >2500 sq ft: \$200
Section 3-1-9	Service Establishments	0 – 2500 sq ft: \$150 >2500 sq ft: \$250
Section 3-1-9	Taxicabs Fee	0 – 2500 sq ft: \$100 + \$50/taxicab >2500 sq ft: \$200 + \$50/taxicab
Section 3-1-9	Coin-operated amusement machines fee	\$25/jukebox or game
Section 3-1-9	Auctioneers	\$100
Section 3-1-9	Truckers Fee	\$100/truck
Section 3-1-9	Filling station operators fee	\$25/nozzle
Section 3-1-9	Food Establishments	0 – 2500 sq ft: \$150 >2500 sq ft: \$250
Section 3-1-9	Retail and Wholesale Establishments	0 – 2500 sq ft: \$100 >2500 sq ft: \$200
Section 3-1-9	Fuel Oil Dealer Fees	\$200/dealer
Section 3-1-9	Junk Dealers and Peddlers Fees	\$100/dealer or peddler
Section 3-1-9	Pawnbrokers Fee	\$100/broker
Section 3-1-9	Industrial Establishments	0 – 2500 sq ft: \$200 >2500 sq ft: \$300
Section 3-1-13	Reinspection Fee	\$50
Section 3-1-16	Penalty	Not less than \$100 for each offense
Section 3-2-4	Liquor License Application Fee	\$100
Section 3-2-8	Liquor Licenses	Class A: \$900 Class B: \$600 Class C: \$115 Class D: \$600 Daily Permit: \$10 Class E: \$1,125 Class F: \$900
Section 3-2-22	Penalty	Not less than \$25 for each offense

Business Regulations		
Section 3-3-1	Home rule municipal retailers' occupation and service occupation tax	0.5 percent of tangible personal property
Section 3-3-3	Municipal Electric Utility Tax	(1) For the first 2,000 kilowatt-hours used or consumed in a month: 0.580 cents per kilowatt-hour; (2) For the next 48,000 kilowatt-hours used or consumed in a month: 0.363 cents per kilowatt-hour; (3) For the next 50,000 kilowatt-hours used or consumed in a month: 0.300 cents per kilowatt-hour; (4) For the next 400,000 kilowatt-hours used or consumed in a month: 0.263 cents per kilowatt-hour; (5) For the next 500,000 kilowatt-hours used or consumed in a month: 0.260 cents per kilowatt-hour; (6) For the next 2,000,000 kilowatt-hours used or consumed in a month: 0.255 cents per kilowatt-hour; (7) For the next 2,000,000 kilowatt-hours used or consumed in a month: 0.238 cents per kilowatt-hour; (8) For the next 5,000,000 kilowatt-hours used or consumed in a month: 0.228 cents per kilowatt-hour; (9) For the next 10,000,000 kilowatt-hours used or consumed in a month: 0.218 cents per kilowatt-hour; and (10) For all electricity used or consumed in excess of 20,000,000 kilowatt-hours in a month: 0.200 cents per kilowatt-hour
Section 3-3-4	Municipal Use Tax	1% of selling price
Section 3-3-5	Municipal Leasing Occupation Tax	0.5% of gross receipts
Section 3-3-6	Foreign Fire Insurance Companies' Tax	2% of gross receipts
Section 3-3-7	Amusement Tax	7.5% of gross receipts from admission fees
Section 3-3-8	Simplified Municipal Telecommunications Tax	6%
Section 3-3-9	Municipal Gas Use Tax	\$.04 per therm
Section 3-4-9	Penalty	Not less than \$100 for first offense Not less than \$500 for each subsequent offense
Section 3-5-5	Penalty for violation of Chapter 3-5, Sale and Possession of Tobacco	Not less than \$40 for each offense
Section 3-6-9	Sexually-oriented Business License Application Fee	\$300
Section 3-6-9	Sexually-oriented Business License Renewal Fee	\$200
Section 3-6-9	Sexually-oriented Business License Fee	\$700
Section 3-6-9	Sexually-oriented Business 1 st Time Annual Application, Investigation, and License Fee	\$150
Section 3-6-9	Sexually-oriented Business Renewal Annual Application, Investigation, and License Fee	\$100
Section 3-6-16	Penalty	\$750
Section 3-7-6	Raffle License Fee	Class A: \$10 Class B: \$20 Class C: \$50 Class D: \$100

Police Regulations		
Section 4-4-2	Police Alarm Service Initial Fee	\$150
Section 4-4-4	False Alarm Fee	4 th to and including the 6 th : \$50/false alarm 7 th to and including the 12 th : \$100/false alarm 13 th and over: \$150/false alarm
Section 4-5-14	Penalty for violation of Chapter 4-5, Animals	Not less than \$40 for each offense
Section 4-6-6C	Female Dog in Heat	\$40
Section 4-6-9	Penalty for violation of Chapter 4-6, Dogs, Cats and Miniature Pigs	Not less than \$40 for each offense
Motor Vehicles and Traffic		
Section 5-2-17	Clinging to Vehicles	Not less than \$40 for each offense
Section 5-2-20	Impounded Vehicle	Penalty: \$100 - \$150 Bond: \$100 - \$150
Section 5-3-1	Truck Parking	Not less than \$40 for each offense
Section 5-3-1	Illegal Parking	Not less than \$40 for each offense
Section 5-3-7	Metra Station Parking	\$1.50/day on weekdays \$60/bimonthly period
Section 5-3-9	Driver's License Suspension Filing Fee	\$20
Section 5-5-2	Unnecessary Noise (Vehicle)	Not less than \$40 for each offense
Section 5-5-9	Weight and Load Limit Penalty	Not less than \$100
Section 5-6-3	No License, Vehicle	\$40
Section 5-6-11	Vehicle License Not Mounted	\$40
Section 5-6-15	Penalty for violation of Chapter 5-6, Vehicle Licenses	Not less than \$40 for each offense
Section 5-9-13	Bicycle Penalty	Not less than \$40 for each offense
Section 5-10-8	Vehicle Storage Penalty	Not less than \$40 for each offense
Section 5-10(A)-5	Inoperable Motor Vehicle Penalty	Not less than \$40 for each offense
Section 5-12-4	Truck Restriction Penalty	Not less than \$250 for each offense
Section 5-14-3	Valid Certificate of Safety Penalty	Not less than \$250 for each offense
	Parking in handicapped parking spaces or zones	\$250
Health and Sanitation		
Section 6-2-4	Water Pollution Control Penalty	Not less than \$100 for the first offense Not less than \$300 for subsequent offenses
Section 6-3-1	Private Well Penalty	Not less than \$5 for each offense
Section 6-4-5	Weed Penalty	Not less than \$40 for each offense
Section 6-4-6	Removal of excessive grass and weeds	Not less than \$40 for each offense
Section 6-5-2	Garbage cans	Not less than \$40 for each offense
Section 6-5-2	Garbage cans to rear	Not less than \$40 for each offense
Section 6-5-3	Garbage rates	
Section 6-5-6	Garbage and Refuse License	\$50
Section 6-5-9	Garbage and Refuse Penalty	Not less than \$40 for each offense
Section 6-6-9	Litter Control Regulations Penalty	Not less than \$40 for each offense
Section 6-7-5	Reconnection Fee	\$100
Section 6-8-7	Smoke Free Illinois Penalty	\$100/\$250/\$500
Section 6-9-6	Penalty for violation of Chapter 6-9, Phosphorus - Containing Fertilizer	Not less than \$40 for each offense

Building Regulations		
Section 8-2-12	Marquee signs	Not less than \$40 for each offense
Section 8-4-8	Notice and penalty	Not less than \$40 for each offense
Section 8-5-4	Penalty for violation of Chapter 8-5, Fences, Hedges, and Dog Runs	Not less than \$40 for each offense
Section 8-7-7	Penalty for violation of Chapter 8-7, Building Permits and inspections	Not less than \$40 for each offense
Section 8-9-7	Penalty for violation of Chapter 8-9, Storm Water Detention	Not less than \$40 for each offense
Public Ways and Property		
Section 10-1-1	Culverts in ditches and trenches	Not less than \$40 for each offense
Section 10-3-2-1-A	Use of bathing beach (proper suit)	Not less than \$40 for each offense
Section 10-3-2-1	Use of bathing beach (dressing)	Not less than \$40 for each offense
Section 10-3-2-1 E	Use of bathing beach (clean up)	Not less than \$40 for each offense
Section 10-3-2-1 N	Launching boats	Not less than \$40 for each offense
Section 10-3-2-1 O	Lake front parking	Not less than \$40 for each offense
Section 10-3-4	Penalty for violation of Chapter 10-3, Boats and Watercraft	Not less than \$40 for each offense
Section 10-5-9-1	Single family residential	\$3.02 per 1,000 gallons
	Multi-family residential, per unit	Increases to \$3.17 per 1,000 gallons (September 1, 2010)
	Commercial and business (per svc unit)	
	Industrial (per bldg for single use)	
Section 10-5-9-1	Temporary water svc for new construction or rehabilitation	\$50 per month or part thereof
Section 10-5-9-1	Additional charge	\$5.00 per month
Section 10-6-25	Penalty for violation of Chapter 10-6, Public Sidewalks	Not less than \$40 for each offense

GENERAL FUND

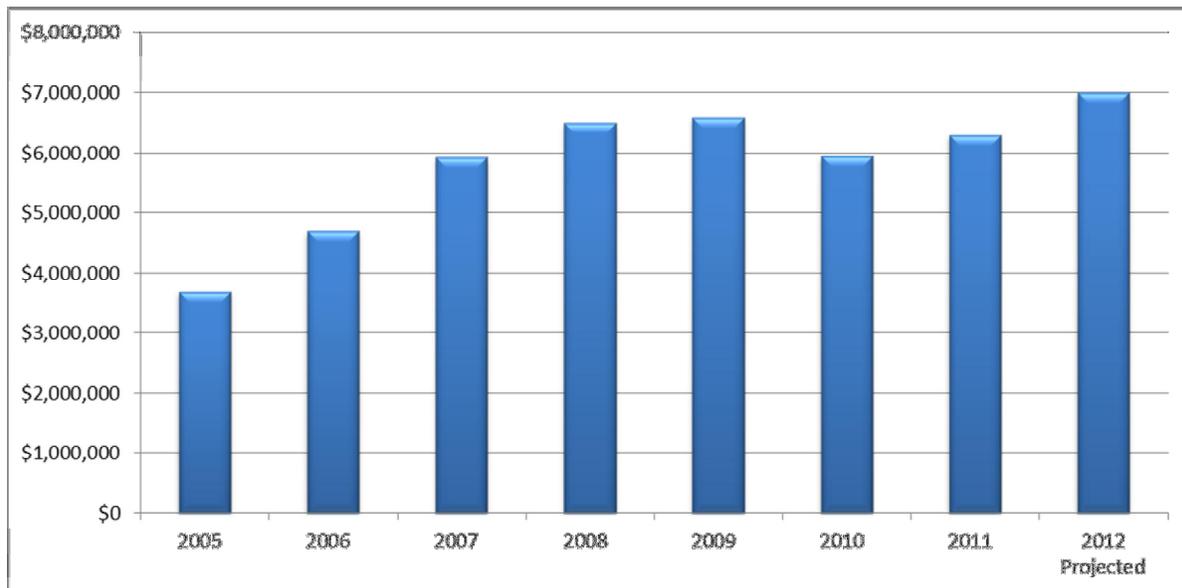
The General Fund FY13 budget is balanced, with revenues matching expenses at \$10,473,214. This is a 2.47% increase over the FY12 budget of \$10,220,725.

Department Breakdown

Summary of Operating Expenditures by Department													
	Employment Expenses	Operating				Capital Expenses	Contractual Services	Financing	Liability & Work Comp		Total FY13 Budget	Total FY12 Budget	%
		Supplies & Expenses	Professional Services	Salaries & Benefits	Utilities				Insurance	Total			
General Fund													
Legislative	7,125	35,282	317,800	37,654	0	0	0	0	0	397,861	397,933	-0.02%	
Boards & Commissions	1,700	2,640	25,950	3,938	0	0	0	0	0	34,228	34,686	-1.32%	
Administration	3,075	3,845	26,840	240,130	1,245	0	0	0	0	275,135	264,162	4.15%	
Village Clerk	1,687	5,125	0	2,368	75	0	0	0	0	9,255	9,163	1.00%	
Police Department	48,255	217,937	61,310	5,619,251	25,776	5,228	617,457	0	0	6,595,214	6,364,055	3.63%	
Economic Development	5,830	23,735	49,110	449,975	4,320	350	9,645	0	0	542,965	486,782	11.54%	
Public Works	5,430	139,096	20,710	814,030	41,500	13,200	428,403	0	0	1,462,369	1,457,638	0.32%	
Finance	950	11,015	54,350	110,665	900	6,061	0	0	0	183,941	178,705	2.93%	
Mayor's Office	2,380	1,350	0	24,855	96	0	0	0	0	28,681	26,990	6.27%	
Financing & Insurance	0	220,000	16,250	15,000	0	0	0	393,265	254,050	898,565	975,611	-7.90%	
Community Events	0	45,000	0	0	0	0	0	0	0	45,000	25,000	80.00%	
	76,432	705,025	572,320	7,317,866	73,912	24,839	1,055,505	393,265	254,050	10,473,214	10,220,725	2.47%	

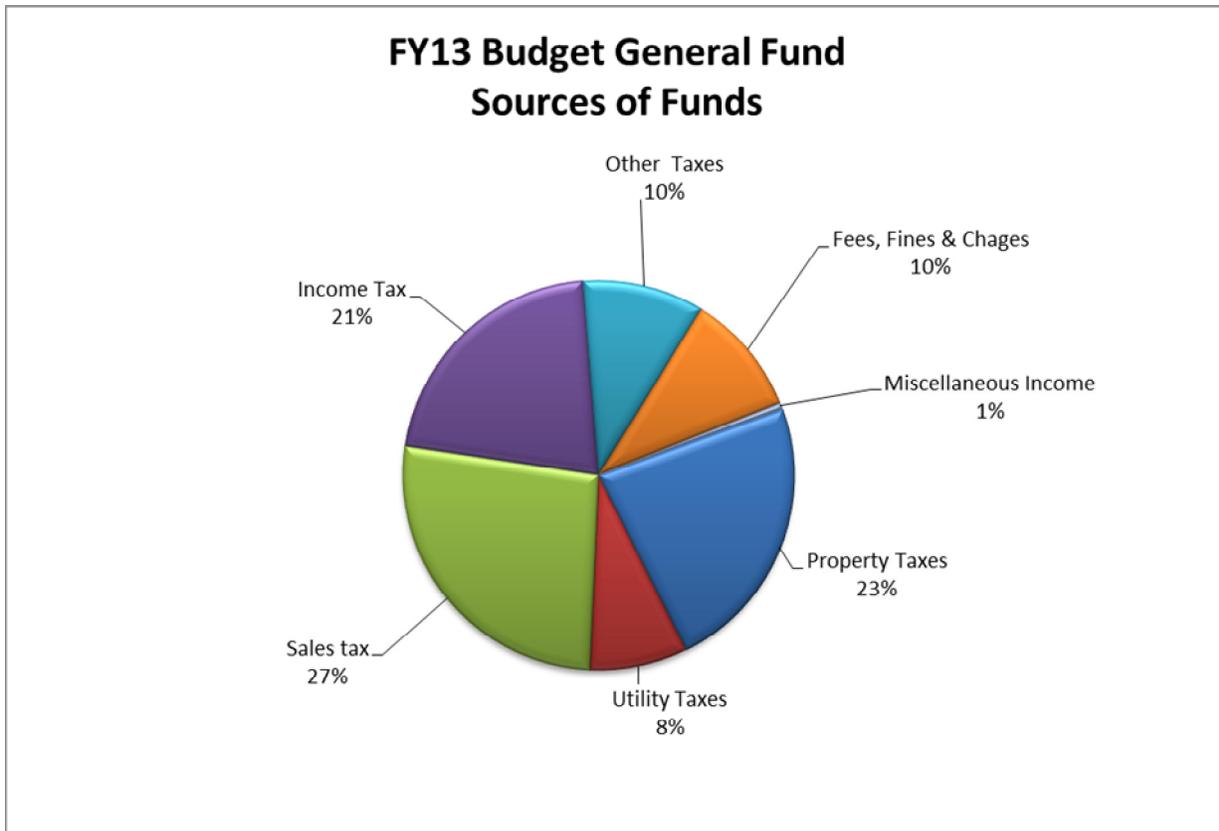
Fund Balance

Due to the conservative fiscal management of the Mayor and Village Board, the Village has experienced tremendous growth in the General Fund balance over the last 10 years. The recession forced the Village to utilize fund balance in FY10, however operating adjustments were made and the Village does not anticipate using fund balance in FY13 for operations. The Village anticipates an increase in the General Fund balance for FY12 due to a large number of vacant positions, and increases in population based revenues as a result of the 2010 Census.



General Fund Sources

The General Fund breakdown of revenues is shown in the chart below.

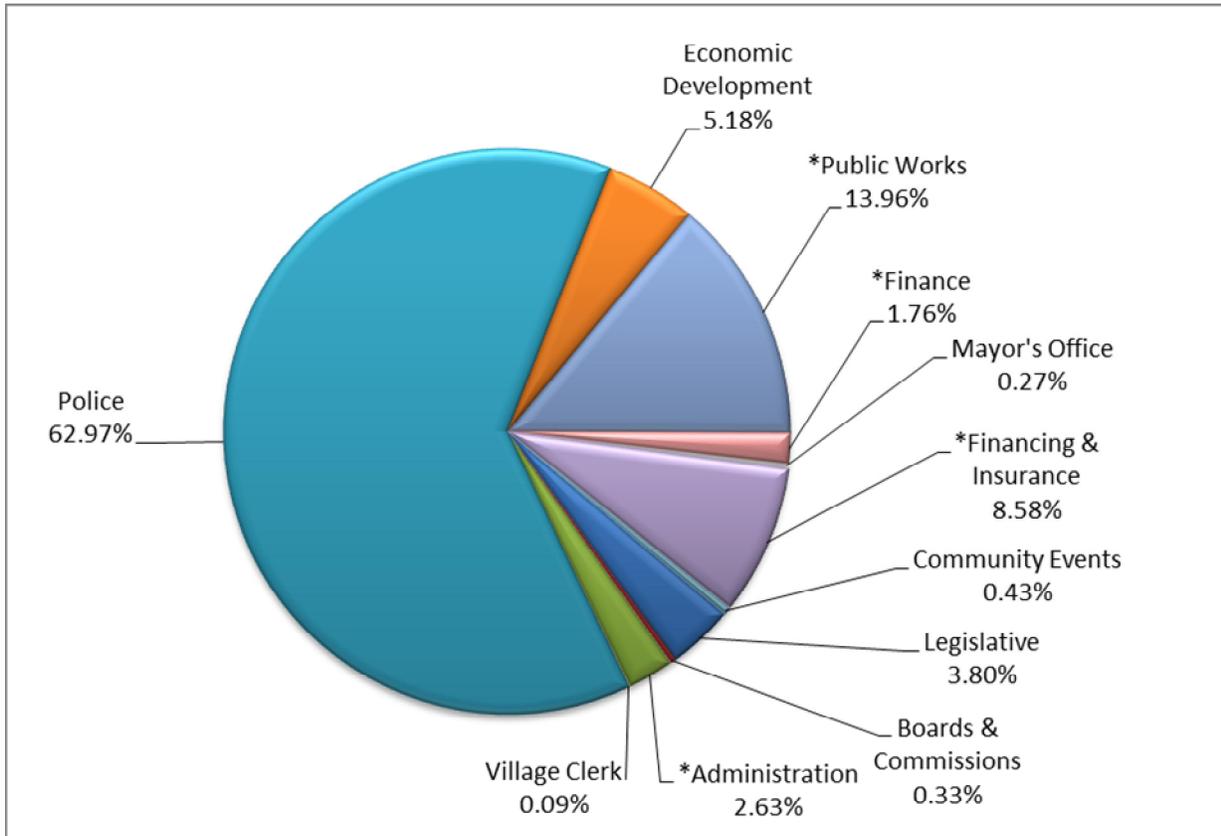


Sales Tax has grown as a source of revenue to the General Fund with the relocation of a major retailer from within TIF District #1 to a location outside the TIF. This revenue stream makes up 27% of the General Fund budget. Property tax makes up nearly 24% of the FY13 budget while Income Tax makes up 21%. Fees, Fines & Charges and Other Taxes each make up 10% of the General Fund budget. Utility Taxes including make up 8% of the FY13 budget. Many of these revenue streams are very susceptible to the economic climate and factors such as poverty, unemployment, and the number of foreclosures. Unfortunately, the Village suffers from each of these economic factors and as such, made a concerted effort to trim expenses and streamline delivery of service to match the depressed revenue streams rather than cutting back services to residents. This effort continues in FY13 throughout all departments in the Village.

General Fund Uses

The chart below shows General Fund Expenses by Department. The Village's Police Department is by far the largest department, with 48 full time employees.

General Fund Expenses by Department



*Expenses are shared with the Water and Sewer Operating Fund

Legislative – 01-01-XXX

The Legislative Branch is made up of the Board of Trustees, which is responsible for making all policy decisions regarding the Village. The legislative functions are organized to focus on each operational area of the Village through the Standing Committees of the Board. The four Standing Committees are: Finance Committee, Economic Development Committee, Public Safety Committee, and Public Works Committee. Policy issues are discussed in depth at each Standing Committee before being placed on the agenda of the regular meetings of the Mayor and Board of Trustees.

	FY09	FY10	FY11	FY12	FY13
Legislative	Actual	Actual	Actual	Actual	Budget
Salaries	28,800	28,800	28,800	28,800	28,800
Employment Expenses	58,962	42,519	39,625	33,527	38,286
Operating Supplies/Expense	18,379	15,656	7,710	6,078	6,975
Contractual Services	356,313	419,592	328,069	297,349	323,800
Total Legislative	462,454	506,567	404,204	365,754	397,861

Boards & Commissions – 01-02-XXX

The Boards and Commissions of the Village include the Planning and Zoning Commission and the Police Commission.

The **Planning and Zoning Commission** is responsible for reviewing proposals for new development in the Village. It takes public comment on proposals and makes recommendations to the Mayor and the Board of Trustees. It also monitors the enforcement of the Village’s zoning ordinances and hears appeals for exceptions or variances to the zoning codes.

The **Police Commission** has the responsibility of maintaining a list of eligible candidates for the position of Police Officer. It does this through administering a periodic exam process, which includes a physical ability test, written exam, and oral interview. Administering a promotional process for the position of Sergeant and Lieutenant is also part of its duties. The Commission also hears disciplinary cases brought before it through the Office of the Chief of Police and has the authority to suspend or discharge a sworn member of the Department because of a disciplinary finding. It is composed of three people, appointed by the Mayor and Board of Trustees.

	FY09	FY10	FY11	FY12	FY13
Boards & Commissions	Actual	Actual	Actual	Actual	Budget
Salaries	4,320	2,930	3,170	2,860	3,720
Employment Expenses	1,290	2,103	1,282	1,934	2,293
Operating Supplies/Expense	2,422	1,948	1,338	1,639	2,265
Contractual Services	70,282	35,992	33,621	30,027	25,950
Total Boards & Commissions	78,314	42,973	39,412	36,460	34,228

Village Clerk’s Office – 01-04-XXX

The Village Clerk’s Office fulfills the requirements and deadlines prescribed by the Village, State, and Federal law to manage and execute the official records of the Village to ensure the integrity for the citizens and the courts. The Clerk’s Office also administers the Open Meetings and Freedom of Information Acts.

Village Clerk	FY09 Actual	FY10 Actual	FY11 Actual	FY12 Actual	FY13 Budget
Salaries		2,000	2,000	2,000	2,000
Employment Expenses	558	2,298	1,789	2,153	2,230
Operating Supplies/Expense	3,600	635	549	439	325
Contractual Services	6,010	5,670	6,109	3,208	4,700
Total Village Clerk	10,168	10,603	10,447	7,800	9,255

Mayor’s Office – 01-09-XXX

The Mayor is the Chief Legislative Officer of the Village. The Mayor performs all of the duties prescribed by law, including municipal ordinances, and is required to see that the laws and ordinances are faithfully executed. The Illinois Liquor Control Act makes the Mayor the local liquor control commissioner.

Mayor	FY09 Actual	FY10 Actual	FY11 Actual	FY12 Actual	FY13 Budget
Salaries	15,206	20,109	20,000	20,000	20,000
Employment Expenses	7,078	6,610	6,763	7,812	8,235
Operating Supplies/Expense	1,121	665	600	500	446
Contractual Services		39	-	-	-
Total Mayor	23,405	27,423	27,364	28,312	28,681

Financing & Insurance – 01-10-XXX

The Financing and Insurance section of the FY13 budget isolates the revenues and expenditures dedicated to such financial transactions as insurance, worker’s compensation, capital projects funding and debt expenses.

Financing & Insurance	FY09 Actual	FY10 Actual	FY11 Actual	FY12 Actual	FY13 Budget
Salaries					
Employment Expenses	287,925	327,167	153,976	210,349	484,050
Operating Supplies/Expense	21,115	183	-	-	-
Financing Costs & Obligations	431,122	440,910	441,396	380,231	414,515
Total Financing & Insurance	740,162	768,260	595,372	590,580	898,565

Community Events – 01-23-XXX

Finally, the Community Events expenditures are isolated in a separate division of the General Fund budget. These expenditures are primarily for the annual Beach Fest and 75th anniversary celebration, and are largely offset by Beach Fest and 75th anniversary revenue which is included in the General Fund revenues.

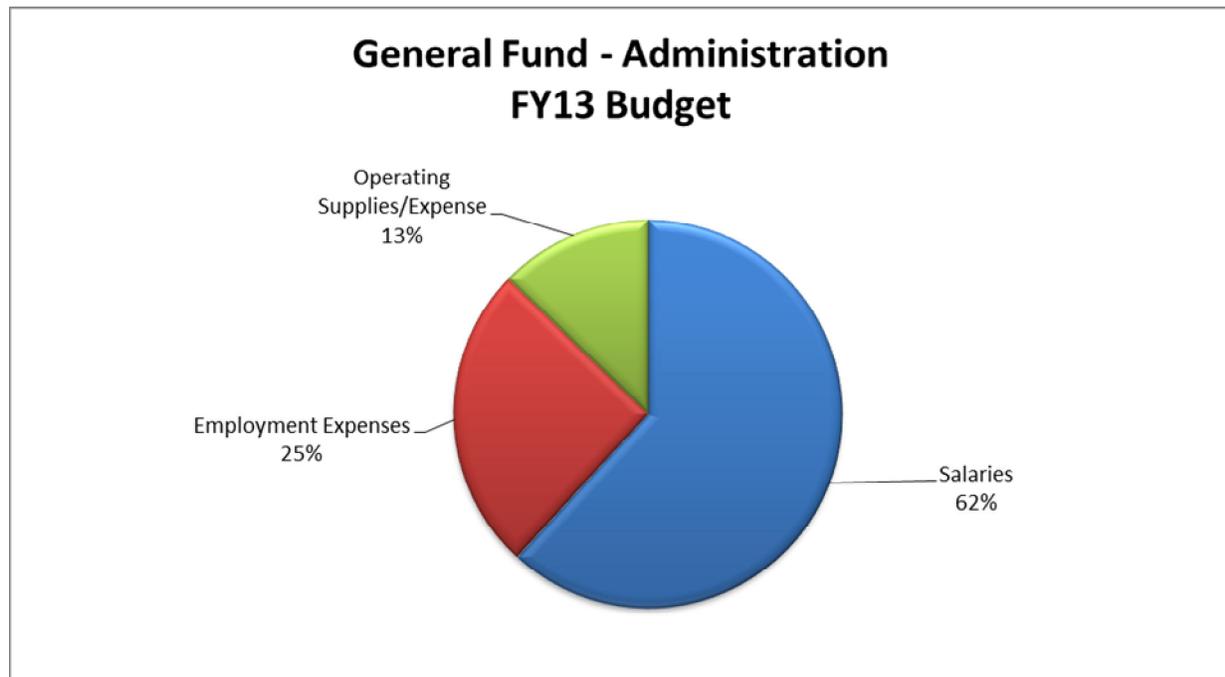
Community Events	FY09 Actual	FY10 Actual	FY11 Actual	FY12 Actual	FY13 Budget
Salaries	-	-	-	-	-
Employment Expenses	-	-	-	-	-
Operating Supplies/Expense	38,190	26,701	31,367	48,137	45,000
Contractual Services	-	-	-	-	-
Total Community Events	38,190	26,701	31,367	48,137	45,000

Administration – 01-03-XXX

As provided by Village ordinance, the Village Administrator advises the Mayor and Board of Trustees on policy decisions and directs the day-to-day operations of the Village. The Administrator provides relevant and timely information and advice necessary for the Mayor and Board to evaluate and make policy decisions. He also directs the operating departments in order to meet service levels and quality as established by the Mayor and Board. Finally, the Administrator represents the Village in working with Federal, State and regional agencies and community groups as well as private enterprises and not-for-profit organizations. Included in the Administration budget for FY13 are the Human Resources Manager, Administrative Assistant, Senior Citizen Liaison, and a portion of the Civic and Cultural Center’s Facility Manager, who also provides business development assistance to the Village.

FY13 Full Time Equivalents – 4.8

Administration	FY09 Actual	FY10 Actual	FY11 Actual	FY12 Actual	FY13 Budget
Salaries	164,282	165,458	166,470	162,166	170,000
Employment Expenses	62,321	61,672	62,437	67,322	70,130
Operating Supplies/Expense	16,504	16,238	29,253	28,079	35,005
Contractual Services	21,679	9,589	-	-	-
Total Administration	264,786	252,957	258,160	257,567	275,135



Goals & Objectives

1. Perform a review of the Village’s payroll process for potential re-engineering and technology efficiencies.
2. Coordinate the integration of Lien information into Accounts Receivable module.
3. Create a plan and identify potential funding sources for improving pedestrian movement around the Civic Center.

Performance Statistics

Description	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Estimate
# of Payroll Checks Processed	3,190	3,200	2,950	2,788	2,800
# of Liens Filed	177	147	215	143	150

Police Department – 01-05-XXX

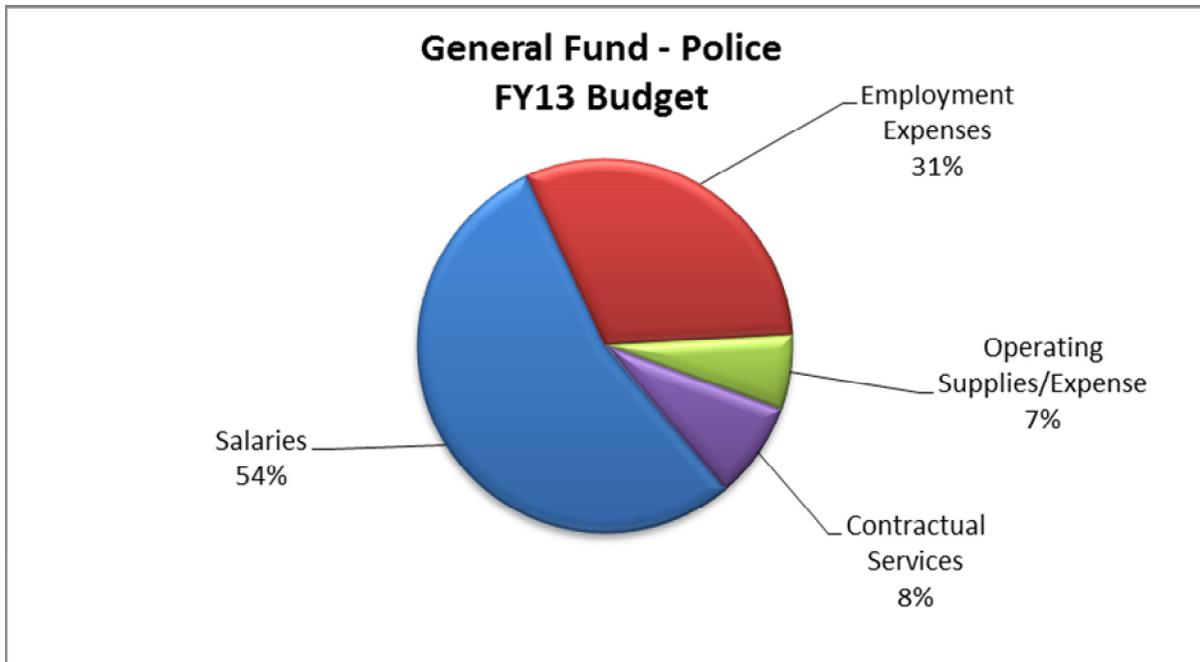
The Police Department is the largest of the operating departments in the Village government. The mission of the Round Lake Beach Police Department is to protect the rights of all persons to be free from crime and to provide public safety services for all citizens that will both serve them and promote a safe environment through its Core Values: Professionalism, Respect, Integrity, Dedication, and Excellence (PRIDE).

The many purposes within the Department are:

- To manage the resources of the Department while enhancing the quality of community life by identifying resources, creating partnerships to identify needs, and resolving problems.
- To provide 24 hour patrol services within the jurisdiction of the Village; to provide special enforcement of laws and ordinances that focus on specific issues; to maintain order; to provide traffic enforcement and regulatory services.
- To support the operation, goals, and management of the Department by providing the necessary support services to ensure effective and well-equipped personnel.
- To manage the repository for all investigations, calls for service, citations, official records.
- To educate the various communities of interest in the reduction of crime and enhance communications with business and community.
- To provide initial and on-going training and education for all employees in the areas of contemporary management, technical, and legal issues.
- To improve the delivery of services; increase confidence in the Department, and reduce liability.

FY13 Full Time Equivalent – 48.4

Police	FY09 Actual	FY10 Actual	FY11 Actual	FY12 Actual	FY13 Budget
Salaries	3,519,953	3,595,452	3,344,576	3,349,120	3,577,550
Employment Expenses	1,546,669	1,570,426	1,808,900	1,977,223	2,041,701
Operating Supplies/Expense	255,697	236,435	351,884	328,465	423,261
Contractual Services	555,752	515,161	479,660	515,976	552,702
Total Police	5,878,071	5,917,474	5,985,020	6,170,784	6,595,214



Goals & Objectives

1. Implement an electronic activity tracking system in all divisions.
2. Identify and Recommend potential operating efficiencies within the Support Services, Patrol, Investigations and Special Operations Unit Divisions.
 - a. Perform a process analysis on at least 3 functions within the Support Services Division.
3. Identify, Document and Implement minimum training standards for Department staff.

Performance Statistics

POLICE DEPARTMENT	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Estimate
Calls for Service Answered	15,225	15,054	15,600	14,269	14,500
Traffic Stops	4,566	6,670	12,394	9,536	8,050
Traffic Citations Written	4,630	7,802	8,008	6,596	6,200
Ordinance Violations Written	4,094	3,778	3,396	3,113	3,000
Adult Arrests Made	1,081	1,547	706	607	625
Juvenile Arrests Made	327	303	61	68	75
Training Hours	4,289	2,824	2,925	2,792	2,800
Community Education Hours	377	501	166	295.5	300
Crime-Free Multi-Housing Landlord Training Hours	48	40	59	60	75

Economic Development – 01-06-XXX

The Economic Development Department activities help to promote two (2) primary missions of the Village: Public Health and Safety; and Future Development of the Community.

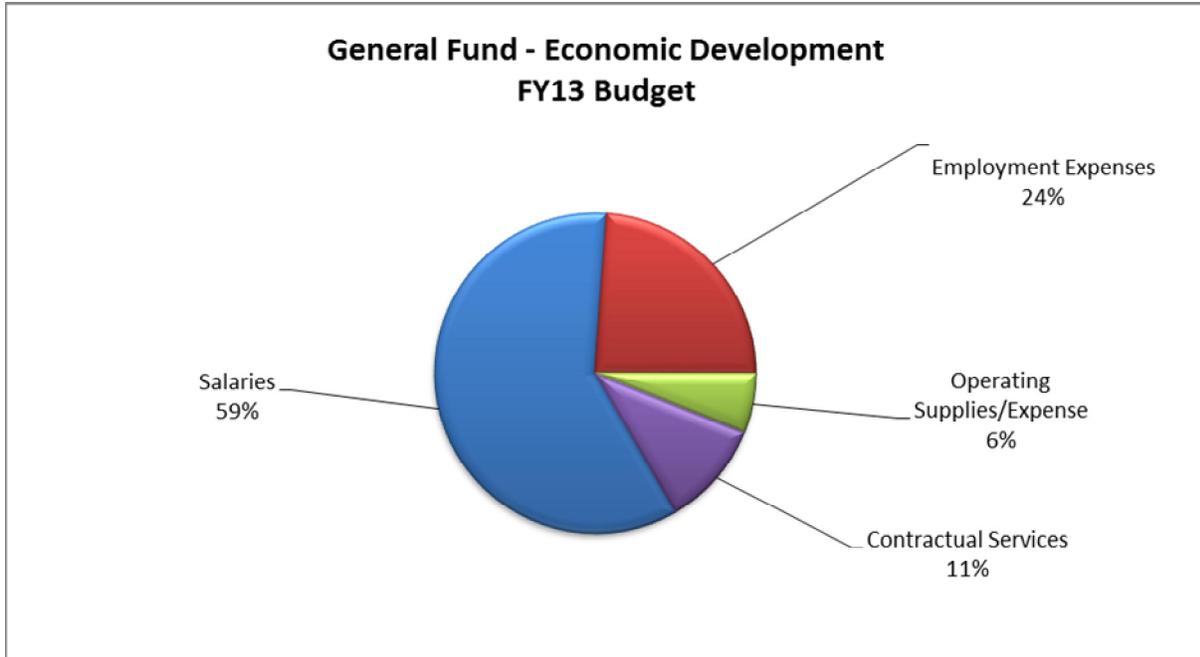
The public health and safety mission deals with human occupancy and use of the built environment. Oftentimes in buildings this will involve evaluation of: structural sufficiency; mechanical systems (plumbing, electrical, heating, ventilation and air conditioning) and fire safety measures. On properties, this may involve the placement of new buildings and structures as well as the appropriate location of uses that are compatible with their surroundings. Adopted Building Codes and Zoning Codes are used as the basis for these evaluations.

Public Health and Safety are also supported by promoting and maintaining the quality of the Village’s building stock. Through various programs, the Village is able to physically review residential rental units, homes that are sold, and occupied business structures on a yearly basis. A major part of the effort is working together with property owners to identify and solve minor issues before they may grow into larger issues. The consistency of these programs also assists in maintaining the long term value and economic viability of properties.

Future development of the community is a continuing work effort that can foster widespread benefits and impacts. This mission deals with how land will be used in both the near future and the long term. An overriding goal of the Village is to achieve a balance in the amount of residential uses and business uses so that there is a variety of quality housing opportunities available to address needs at all stages of the life cycle; and so that there are viable businesses available to offer needed goods, services and job opportunities to residents. Balance of use in the community is also important to financing the wide range of public services that are provided by the Village and that are provided by the other taxing bodies servicing residents (School Districts, Park District, Fire Protection District, Library District, Townships, Lake County and the Lake County Forest Preserve District). The Village’s Comprehensive Land Use Plan and adopted Zoning Codes are the primary guides in this effort.

FY13 Full Time Equivalents – 7.6

	FY09	FY10	FY11	FY12	FY13
Economic Development	Actual	Actual	Actual	Actual	Budget
Salaries	226,590	245,005	297,516	302,684	323,100
Employment Expenses	88,947	82,602	93,057	116,812	129,580
Operating Supplies/Expense	31,234	16,972	27,959	23,353	32,640
Contractual Services	150,055	84,314	70,054	47,072	57,645
Total Economic Development	496,826	428,893	488,586	489,921	542,965



Goals & Objectives

1. Perform a process analysis of the permitting process and recommend potential operating efficiencies.
2. Centralize all permitting data into MSI.
3. Identify and recommend opportunities for technology integration to streamline the Village’s inspection and code enforcement functions.

Performance Statistics

ECONOMIC DEVELOPMENT	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Estimate
Building Inspections	3,843	6,936	3,433	3,131	3,500
Business Inspections	643	965	467	450	470
Business Certificates	339	325	312	314	310
Rental Inspections	980	1,794	758	1,009	750
Occupancy Permits	373	805	687	317	375
Property Maintenance	3,317	3,780	3,607	4,024	3,600
Systematic Inspection Program	994	929	1588	1394	908
Weed Inspections	2,219	1,812	1,901	2,027	1,500
Resident Inquiries	1,461	309	774	281	500
Emergency Call-outs	157	87	92	49	40

Public Works – 01-07-XXX

The Public Works Department is entrusted to provide, manage, and maintain the infrastructure and facilities owned by the Village of Round Lake Beach. The Public Works Department is divided into four divisions: Administration, Water & Sanitary, Streets & Drainage, and Facility & Property.

The *Administrative Division* is responsible for planning, directing, and coordinating the Department's short and long-term goals. Administrative personnel are also responsible for customer service requests generated from resident concerns. The Administrative Division coordinates Capital Improvement Projects, Capital and Road Improvement Projects, and residential, commercial, and industrial developments with the Village's Engineer.

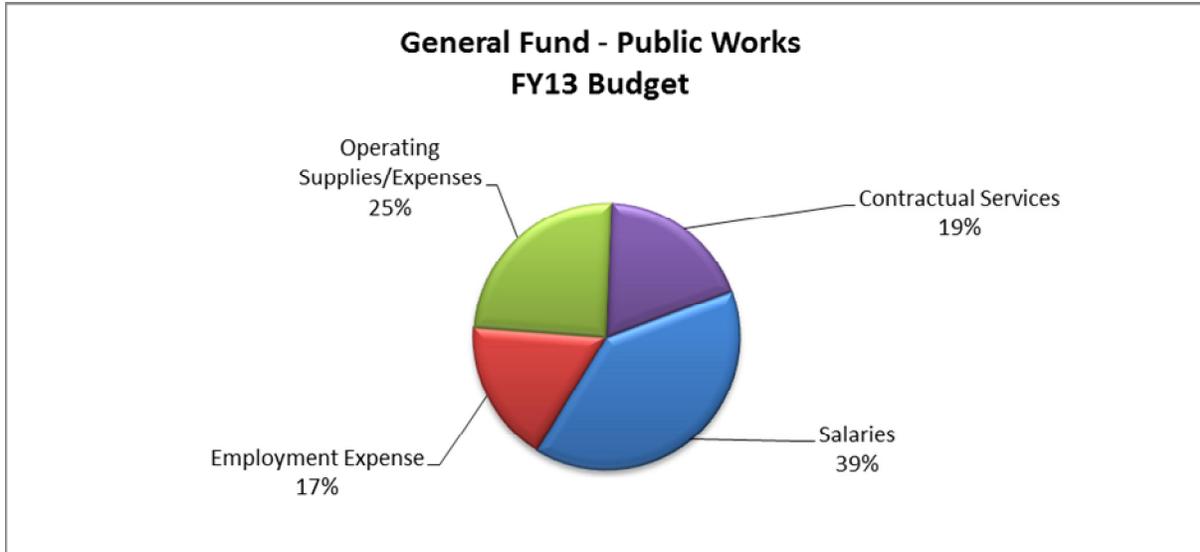
The *Water and Sanitary Division* services and maintains the water service for the Village. Since 1992, the Village's potable water supply has been provided by the Central Lake County Joint Action Water Agency (C.L.C.J.A.W.A.) and the source is Lake Michigan. The Water and Sanitary Division maintains the sanitary collection system. The Village's sewage is transported to the Northwest Fox Lake Water Reclamation District where it is treated and released.

The *Streets & Drainage Division* is responsible for maintaining a clean, reliable transportation street network that allows for the safe and continuous movement of vehicular and pedestrian traffic at all times.

The *Facility & Property Division* is responsible for maintaining the integrity, value, and appearance of all Village-owned buildings and the care and maintenance of approximately 10,000 parkway and easement trees, the lake front, approximately two miles of creeks and channels, certain turf and landscaped areas, and roadway rights-of-ways.

FY13 Full Time Equivalents – 21

	FY09	FY10	FY11	FY12	FY13
Public Works	Actual	Actual	Actual	Actual	Budget
Salaries	700,787	690,571	625,165	565,693	575,000
Employment Expense	262,299	236,778	241,074	243,786	254,014
Operating Supplies/Expenses	338,970	346,695	342,105	305,698	358,194
Contractual Services	197,927	315,124	320,865	253,796	275,161
Total Public Works	1,499,983	1,589,168	1,529,209	1,368,973	1,462,369



Goals & Objectives

1. Identify and recommend operating efficiencies.
 - a. Perform a process analysis on locating, snow plowing and tree planting and removal activities.
2. Reduce fleet related costs.
 - a. Explore opportunities for bulk fuel purchasing to reduce fuel costs.
 - b. Perform a cost-benefit analysis on leasing or renting vehicles and equipment not in use year round.
3. Document routine maintenance activities and intervals on all Village infrastructure assets.

Performance Statistics

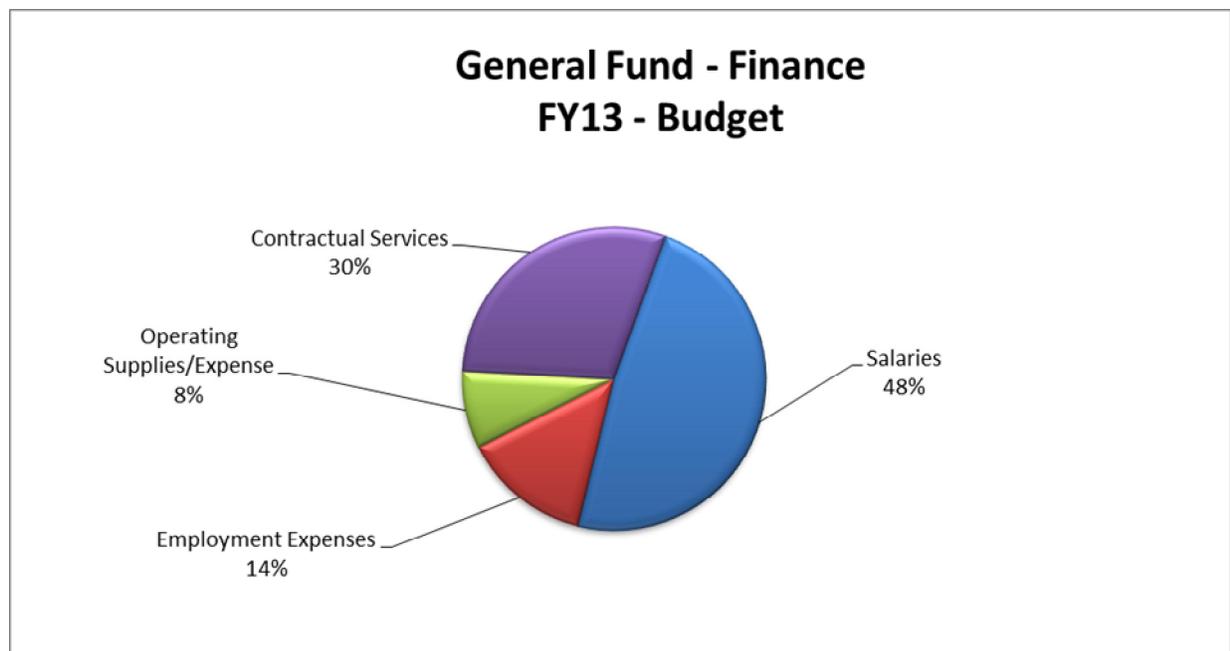
PUBLIC WORKS	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Estimate
Inspect/Flush Hydrants	512	967	1,095	985	1,015
Hydrant Replacement		14	11	9	11
Sanitary Sewer Preventative Jet Rodding (lineal feet)	141,062	165,364	123,783	28,653	114,716
Customer Sanitary Back-Ups		10	15	23	16
Valve Exercising	772	374	207	845	550
Street Sign Upgrades	184	349	336	154	256
Drainage Improvements (lineal feet)	3,040	7,460	3,077	33	3,403
Tree Pruning	389	278	963	272	476
Outsourced HVAC Calls	25	5	5	6	10

Finance – 01-08-XXX

The Finance Department assures the safety and professional management of Village financial resources, by implementing legal and professional standards for local government financial reporting. Its responsibilities include implementation of council policies, rules and regulations affecting financial activity; assisting in budget preparation; working with Village financial advisors regarding capital and debt management; working with Village departments to administer fiscal resources; preparing and keeping all Village financial records; preparing monthly and annual fiscal reports, including the audit and treasurer’s reports; overseeing the Village’s purchasing process; and tracking Village cash flows.

FY13 Full Time Equivalents – 8.4

Finance	FY09 Actual	FY10 Actual	FY11 Actual	FY12 Actual	FY13 Budget
Salaries	75,871	79,352	75,181	74,721	88,775
Employment Expenses	20,788	21,088	22,774	19,824	25,340
Operating Supplies/Expense	17,490	16,622	14,719	17,944	15,206
Contractual Services	66,991	89,068	73,529	65,930	54,620
Total Finance	181,140	206,130	186,203	178,419	183,941



Goals & Objectives

1. Develop a Long-term capital plan for Village assets.
 - a. Inventory all Village assets.
 - b. Determine funding requirements for maintenance and replacement of assets.
2. Develop a long-term financial forecast.
3. Integrate Village databases to provide a one source data solution.
4. Develop a long-term technology plan.
5. Evaluate and implement the utilization of technology to automate the parking ticket issuance and collection process.

Performance Statistics

FINANCE	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Estimate
Number of Water Bills	49,724	58,022	50,091	49,701	50,000
Number of Second Notice Water Bills	10,018	10,140	10,100	8,148	10,000
Number of invoices Processed	N/A	N/A	N/A	N/A	364
Number of Accounts Payable Checks Issued	4,215	3,386	2,673	2,619	3,000
Number of Counter Transactions	35,530	35,606	34,276	33,335	35,000
Number of Phone Calls	24,811	27,298	30,100	24,249	25,000

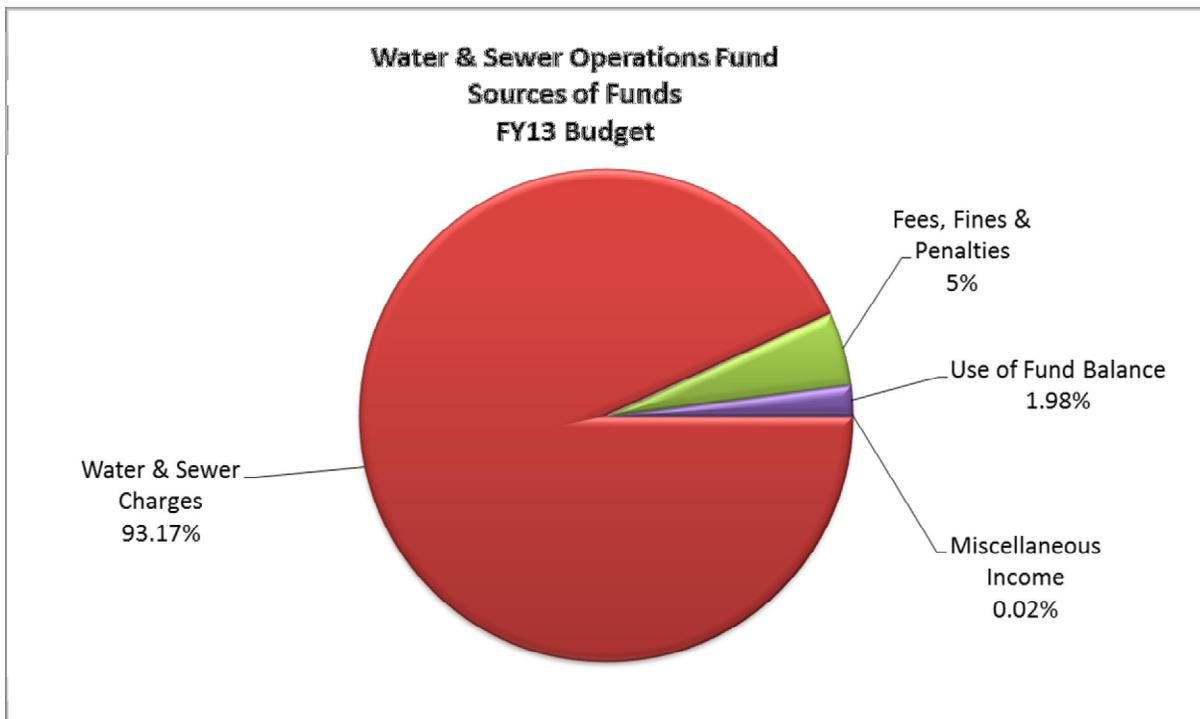
WATER & SEWER FUND

The Water & Sewer Fund has three components which are accounted for separately by the Village: the Operations Fund, the Water Capital Fund and the Sewer Capital Fund. These funds are combined on audit statements as a single enterprise fund. The FY13 Operations budget is balanced, with revenues matching expenses at \$4,658,167. This is a 32% decrease over the FY12 Operations budget of \$6,871,490. The FY13 budget includes transfers of \$466,310 to the Capital Improvements Funds to fund necessary, planned capital improvement projects.

The Water Capital Improvements Fund is also balanced at \$1,194,650, including the transfer from the Operations Fund as revenue. This is a decrease of 59.08% over the FY12 budget of \$2,919,573.

The Sewer Capital Improvements Fund is also balanced at \$374,160. This fund was established in FY2013 to account for sewer related capital projects and is funded by a transfer from the water and sewer operating fund.

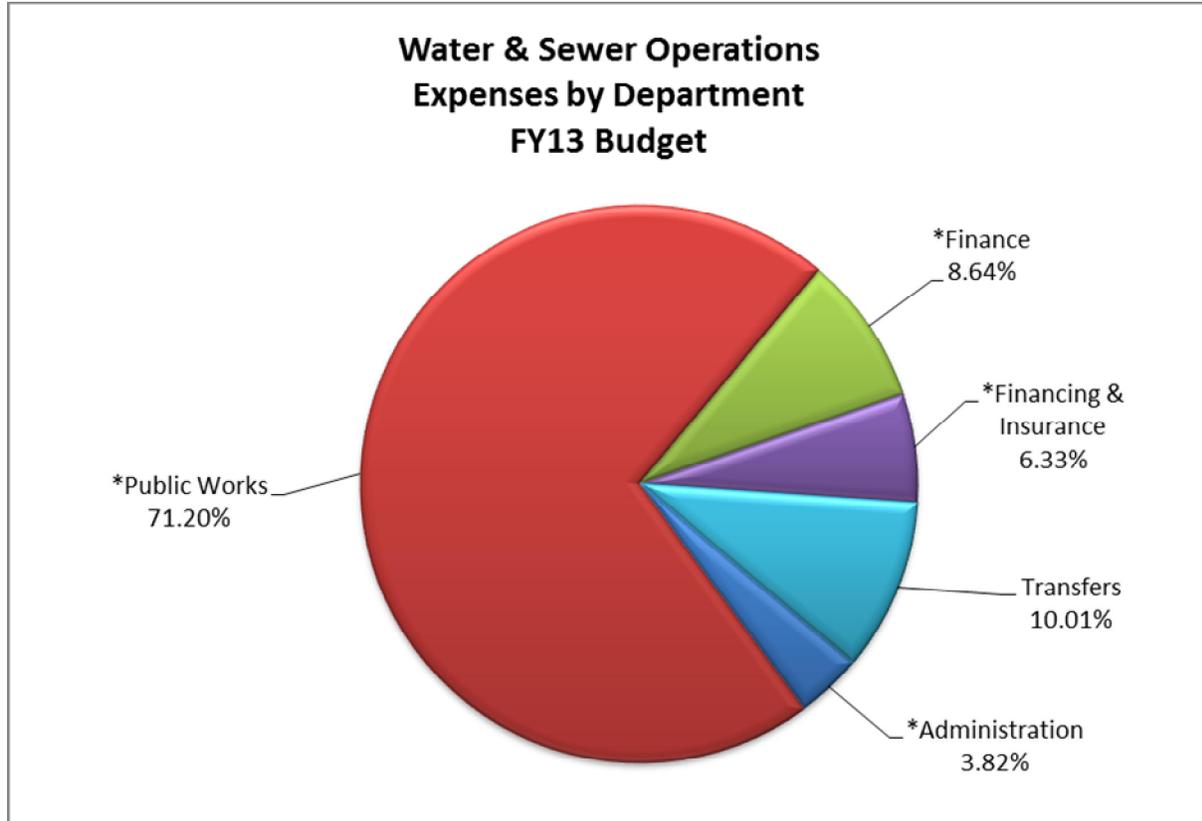
The primary sources of funds for the Operations Fund are water and sewer charges. The breakdown is included on the following chart.



Several departments support the Water & Sewer Operations of the Village, including the Public Works, Finance, and Administration Departments. The expenses of the Operations Fund have been broken out by department in the chart on the following page. The Village purchases water from Central Lake County Joint Action Water Authority (JAWA), the cost of which is included in the Financing & Insurance section. Also included in the Financing &

Insurance costs are this fund's share of liability and worker's compensation insurance and bank fees.

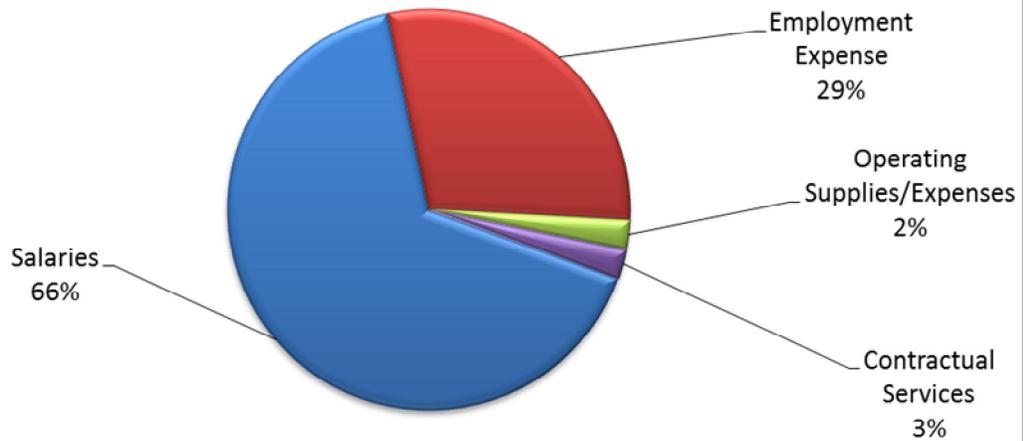
Summary of Operating Expenditures by Department													
	Operating					Capital Expenses	Contractual Services	Financing	Liability & Work Comp		Total FY13 Budget	Total FY12 Budget	% Change
	Employment Expenses	Supplies & Expenses	Professional Services	Salaries & Benefits	Utilities				Insurance	Insurance			
Water & Sewer Fund													
Administration	2,120	3,680	5,640	165,210	1,260	0	0	0	0	177,910	172,239	3.29%	
Public Works	5,150	129,664	25,710	827,675	117,208	21,725	232,059	0	0	1,359,191	1,371,588	-0.90%	
Finance	1,050	32,215	21,810	331,350	1,560	5,691	8,780	0	0	402,456	433,417	-7.14%	
Financing & Insurance	0	30,000	16,250	2,500	0	0	1,957,500	22,000	224,050	2,252,300	2,159,594	4.29%	
	8,320	195,559	69,410	1,326,735	120,028	27,416	2,198,339	22,000	224,050	4,191,857	4,136,838	1.33%	



The remainder of this section shows the detailed expenses of the Water & Sewer Operations Fund. Capital expenditures are included in the next section on Capital Improvements.

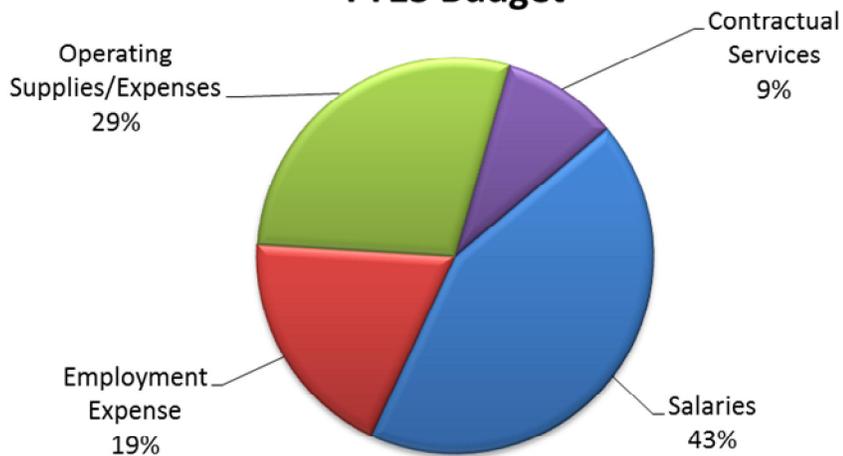
	FY09 Actual	FY10 Actual	FY11 Actual	FY12 Actual	FY13 Budget
Administration					
Salaries	110,324	114,970	113,021	115,450	117,650
Employment Expense	44,542	42,710	47,456	50,523	51,890
Operating Supplies/Expenses	2,419	2,157	2,417	2,915	4,170
Contractual Services	5,469	4,509	4,252	5,039	4,200
Total Administration	162,754	164,346	167,147	173,927	177,910

Water & Sewer Fund - Administration FY13 Budget

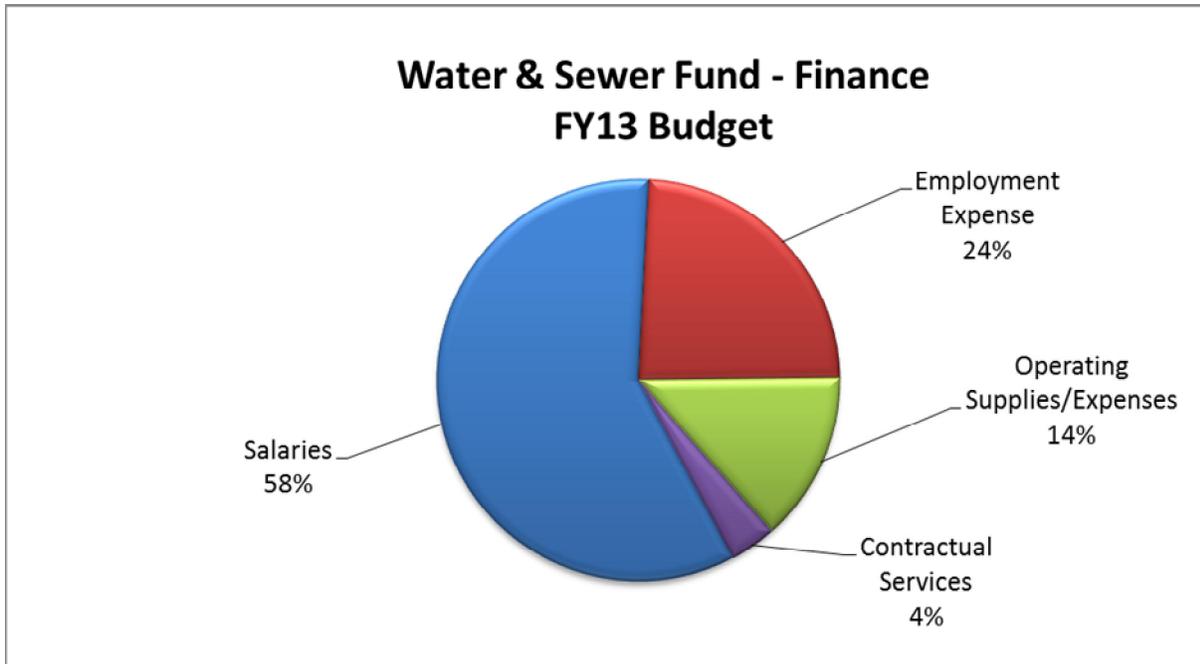


	FY09 Actual	FY10 Actual	FY11 Actual	FY12 Actual	FY13 Budget
Public Works					
Salaries	644,056	635,690	565,657	516,077	585,550
Employment Expense	257,411	248,519	247,778	226,480	257,781
Operating Supplies/Expenses	293,503	348,959	375,251	390,761	387,182
Contractual Services	125,467	193,868	136,932	135,998	128,678
Total Public Works	1,320,437	1,427,036	1,325,617	1,269,316	1,359,191

Water & Sewer Fund - Public Works FY13 Budget



Finance	FY09 Actual	FY10 Actual	FY11 Actual	FY12 Actual	FY13 Budget
Salaries	236,855	247,549	241,607	229,905	235,900
Employment Expense	71,307	71,328	80,174	82,923	96,500
Operating Supplies/Expenses	51,687	46,176	57,776	52,950	54,946
Contractual Services	48,272	55,849	32,169	43,101	15,110
Total Finance	408,121	420,902	411,726	408,879	402,456



As is the case in the General Fund, the Water and Sewer Fund also has a “department” for Financing and Insurance which isolates the expenses for such personnel and financial transactions as insurance, worker’s compensation, capital projects funding and debt expenses.

Finance & Insurance	FY09 Actual	FY10 Actual	FY11 Actual	FY12 Actual	FY13 Budget
Salaries	-	-	-	-	-
Employment Expense	114,142	301,122	235,196	253,586	256,550
Operating Supplies/Expenses	25	133,486	902	37	
Contractual Services	1,611,422	1,703,661	1,809,737	1,849,963	1,993,750
Financing Costs & Obligations	507,629	522,732	552,137	(1,357)	2,000
Total Finance & Insurance	2,233,218	2,661,001	2,597,971	2,102,229	2,252,300

OTHER FUNDS

The detailed revenue and expense budgets for each of the **OTHER GOVERNMENTAL FUNDS** are included below. Fund balance analysis of these funds is included on page 15 in the Combined Statement of Proposed Revenue/Expenditure & Changes in Fund Balance and therefore not addressed in this section.

The **Housing and Redevelopment Fund** tracks the expenditures on affordable housing properties that the Village purchases with the intent of reselling to buyers in qualifying income levels. This fund is included with the General Fund on the fund balance analysis on page 15.

Housing & Redevelopment	FY10 Actual	FY11 Actual	FY12 Actual	FY13 Budget
Property Purchase	142,107	-	4,428	145,000
Rehab Expense	31,023	1,790	706	1,000
Legal	1,467	1,055	-	1,000
Interest	8,063	10,806	10,836	11,040
Other	2,078	18,551	15,451	7,160
Total Housing & Redevelopment	184,738	32,202	31,421	165,200

The **TIF#1 Debt Service Fund** accumulates financial resources for the payment of interest and principal on the TIF Revenue Bonds 2003.

TIF #1 Debt Service Fund	FY10 Actual	FY11 Actual	FY12 Actual	FY13 Budget
Principal	885,000	945,000	495,000	515,000
Interest	156,938	115,785	71,843	48,825
Bond Issue Costs	-	-	-	-
Fiscal Agent Fees	3,485	3,485	2,185	3,000
Total TIF #1 Debt Service Fund	1,045,423	1,064,270	569,028	566,825

The **TIF#1 Capital Projects Fund** accounts for the revenues and expenses relating to the capital projects within the boundaries of the Tax Increment Redevelopment Project Area Number 1.

TIF #1 Capital Projects Fund	FY10 Actual	FY11 Actual	FY12 Actual	FY13 Budget
Interest Expense	1,577	1,577	-	-
Principal Expense	46,121	46,121	-	-
Operating Expense	1,397	1,397	-	-
Contractual Services	12,654	12,654	4,167	2,500
Capital Outlay	2,942,520	2,942,520	8,000,023	802,000
Total TIF #1 Capital Projects Fund	3,004,269	3,004,269	8,004,190	804,500

The **TIF#3 Capital Projects Fund** accounts for the revenues and expenses relating to the capital projects within the boundaries of the Tax Increment Redevelopment Project Area Number 3.

TIF #3 Capital Projects Fund	FY10 Actual	FY11 Actual	FY12 Actual	FY13 Budget
Capital Outlay	4,450	67,846	325,000	345,000
Total TIF #3 Capital Projects Funds	4,450	67,846	325,000	345,000

The **Bond Funded Capital Projects Fund** accounts for the revenues and expenses relating to the capital projects financed by the issuance of bonds.

Bond Funded Capital Projects Fund	FY10 Actual	FY11 Actual	FY12 Actual	FY13 Budget
Capital Outlay	1,315,580	1,971,212	2,407,099	1,300,000
Total Bond Funded Capital Projects Fund	1,315,580	1,971,212	2,407,099	1,300,000

The **Cultural and Civic Center Fund** captures the revenues and expenditures incurred by the Cultural and Civic Center located at 2007 Civic Center Way. This 31,000 square foot building has a banquet room with a stage overlooking Hook Lake. It has meeting or event rooms for 20 – 550 people. It also has an outdoor stage with natural amphitheater seating for 3,000 people. The Civic Center hosts private rentals for birthday parties, quincineras, craft groups, and showers; organization, business, and corporate events, workshops, and meetings; community events; weddings; and many other types of events.

Civic Center Operations	FY10 Actual	FY11 Actual	FY12 Actual	FY13 Budget
Salaries	23,631	27,537	37,519	33,000
Employment Expenses	9,587	12,829	12,357	13,880
Operating Supplies/Expense	71,046	47,176	58,767	41,850
Contractual Services	12,336	10,868	17,281	13,520
Total Civic Center Operations	116,600	98,410	125,924	102,250

The fund balance analysis for this fund is included on page 15.

The **General Capital Improvements Fund**, related to one-time expenditures for large equipment, vehicles, or other large items to support general operations.

General Capital Improvements	FY10 Actual	FY11 Actual	FY12 Actual	FY13 Budget
Planning, consulting & engineering	103,999	-	-	-
Interest and fiscal services	87,962	-	-	-
Capital outlay	346,866	668,165	806,714	1,136,992
Total General Capital Improvements	538,827	668,165	806,714	1,136,992

The **Police Special Revenue Fund** isolates expenditures that are restricted for a special law enforcement purpose based on the source of the funds (e.g., federal grant, DUI fines, etc.). The fund balance analysis for this fund is on page 12.

Police Special Revenue Fund	FY10 Actual	FY11 Actual	FY12 Actual	FY13 Budget
Federal - Treasury Funds Expense				
State Seizure Expense	3,555	3,272	24,801	14,563
Federal - Justice Funds Expense		7,294	2,101	-
DUI/740 Control Expense	370	16,162	629	22,500
K-9 Grant Expense	5,982	5,935	5,305	-
Mobile Eye Expense	12,023	10,422	14,773	15,000
Explorers Program Expense				-
Total Police Special Revenue Fund	21,930	43,084	47,609	52,063

The **Metra Operations Fund** summarizes the expenditures required for operation of the Metra Station on Hook Drive.

Metra Operations	FY10 Actual	FY11 Actual	FY12 Actual	FY13 Budget
Operating Expenses	18,090	15,022	23,891	16,544
Contractual Services	22,953	12,966	20,462	20,706
Capital Outlay	55,606			-
Total Metra Operations	96,649	27,989	44,353	37,250

The **Motor Fuel Tax Fund** supports the street repair and construction program of the Village. It receives its revenue from state allotments of motor fuel taxes. Specific state law governs the expenditures of this fund. Funds may only be expended for state qualified road repair, construction, reconstruction projects or street maintenance materials.

Motor Fuel Tax Fund	FY10 Actual	FY11 Actual	FY12 Actual	FY13 Budget
Operating Expenses	270,000	-	-	-
Contractual Services	59,321	-	-	-
Capital Outlay	524,073	1,247,718	225,003	960,649
Total Motor Fuel Tax Fund	853,394	1,247,718	225,003	960,649

General Obligation Debt Service is tracked in its own separate fund. The only expenditures in this fund are the principal and interest payments associated with outstanding bond debt issues, along with any bond issuance costs.

General Obligation Debt Service	FY10 Actual	FY11 Actual	FY12 Actual	FY13 Budget
Principal	785,000	1,015,000	1,220,000	1,230,000
Interest and fiscal services	633,599	755,775	807,496	761,236
Bond issue cost	57	-	-	-
Total General Obligation Debt Service	1,418,656	1,770,775	2,027,496	1,991,236

CAPITAL IMPROVEMENT PROGRAM

The Five-Year Plan

Each year, Village staff meets with the Village's Engineer to update the 5-year Capital Improvement Program. This schedule provides proposed public projects and purchases over a five-year period which meet the capital improvement goals and objectives defined by the Mayor and Board of Trustees.

The Capital Improvement Program includes capital projects and non-routine projects costing \$5,000 or more, as well as acquisition of assets that cost \$5,000 or more. This includes acquisition, construction, or replacement of various equipment or facilities, including public buildings, infrastructure, utilities, parks, vehicles and large equipment. For the Village's purposes, it also includes annual and routine maintenance of a significant amount that would be difficult to fund in operating budgets (such as water main repairs that are identified through annual televising and/or inspection). This Capital Improvement Program schedule is not intended to provide precise budgeting. Capital costs are projected as estimates. Upon each semi-annual update of the plan, deletions, additions, delays, or other revisions may occur, reflecting changing community needs. Only after individual approval of the Village Board of the contract or agreement governing a purchase or project is the item considered funded.

While some of the capital projects included in this schedule will require ongoing operational costs upon completion, the Village is confident that there will be ongoing operational savings as the amount of time spent on the aging infrastructure is reduced. For example, the road resurfacing on the North Side will ensure that these roads do not reach a stage where total restoration is required, at least for fifteen or twenty years. The water main replacement projects will most likely reduce unaccounted for water leakage. The schedule also includes maintenance-type activities such as televising of mains to identify areas of concern. Those items identified would then be added into the capital project schedule and prioritized appropriately to ensure that the Village is addressing the item at the soonest practical opportunity, while staying within the limited financial means of the Village.

The five-year schedule (summarized below and on the next page) is used for planning and budgeting purposes only. It is not formally approved by the Board of Trustees. The projects and purchases scheduled for FY13 have been discussed in detail and approved by the Board as part of the overall FY13 budget.

5 - Year Capital Improvement Plan					
	FY13	FY14	FY15	FY16	FY17
Water Capital Projects Fund					
Capital Projects					
Elevated Tank Generator	\$175,000				
Watermain Improvements	\$850,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Ongoing Maintenance					
SCADA Maintenance	\$0	\$20,000	\$5,000	\$5,000	\$5,000
Water Meter Replacement	\$0	\$40,000	\$40,000	\$40,000	\$40,000
GIS Updates	\$0	\$25,000	\$25,000	\$25,000	\$25,000
Total Water Capital Projects Fund	\$1,025,000	\$1,085,000	\$1,070,000	\$1,070,000	\$1,070,000
Sewer Capital Projects Fund					
Capital Projects					
Sewermain Improvements	\$0	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Ongoing Maintenance					
CMOM Annual Cleaning/Televising	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Lift Station Maintenance	\$104,800	\$50,000	\$50,000	\$50,000	\$50,000
GIS Updates	\$35,000	\$25,000	\$25,000	\$25,000	\$25,000
Total Sewer Capital Projects Fund	\$239,800	\$1,175,000	\$1,175,000	\$1,175,000	\$1,175,000
TOTAL - Water & Sewer Capital Projects	\$1,264,800	\$2,260,000	\$2,245,000	\$2,245,000	\$2,245,000
Metra Fund					
Parking Lot Resurfacing			\$30,000		
TOTAL - Metra Fund	\$0	\$0	\$30,000	\$0	\$0
Motor Fuel Tax Fund					
Capital Projects					
CMAQ Sidewalk Phase II	\$432,000				
LAPP Roads Project	\$419,048				
Ongoing Maintenance					
Road Resurfacing Debt Service	\$351,475	\$350,500	\$350,500	\$350,500	\$350,500
Crack Sealing Program	\$100,050	\$100,000	\$100,000	\$100,000	\$100,000
Curb & Sidewalk Repair Program	\$56,000	\$50,000	\$50,000	\$50,000	\$50,000
Materials Purchase	\$235,000	\$350,000	\$350,000	\$350,000	\$350,000
TOTAL - Motor Fuel Tax Fund	\$1,593,573	\$850,500	\$850,500	\$850,500	\$850,500
TIF Capital Projects Fund					
Public Improvements	\$804,500	\$0	\$0	\$0	\$0
TOTAL - TIF Capital Projects Fund	\$804,500	\$0	\$0	\$0	\$0
TIF#3 Capital Projects Fund					
Public Improvements	\$345,000				
TOTAL - TIF #3 Capital Projects Fund	\$345,000	\$0	\$0	\$0	\$0
Bond Funded Capital Projects Fund					
Basin 1&2 Road Improvements	\$1,300,000				
TOTAL - Bond Funded Capital Projects	\$1,300,000	\$0	\$0	\$0	\$0

5 - Year Capital Improvement Plan					
	FY13	FY14	FY15	FY16	FY17
General Fund Capital Fund					
IT Equipment					
Computer Upgrade/Replacement	\$46,545	\$45,000	\$45,000	\$45,000	\$45,000
Other	\$57,000	\$5,000	\$5,000	\$5,000	\$5,000
Facility Maintenance/Repair/Replacement					
Parking Lots	\$60,000	\$10,000	\$10,000	\$10,000	\$10,000
Other					
Infrastructure Improvements					
Roadway Improvements	\$765,000				
Equipment Maintenance/Repair/Replacement					
Public Works	\$47,450	\$15,000	\$20,000	\$15,000	\$15,000
Vehicle Replacement					
Administration		\$5,000	\$5,000	\$5,000	\$5,000
Economic Development	\$13,600	\$13,600	\$13,600	\$13,600	\$13,600
Police Department	\$53,091	\$55,000	\$55,000	\$55,000	\$55,000
Public Works	\$94,306	\$95,000	\$95,000	\$95,000	\$95,000
TOTAL - General Fund Capital Fund	\$1,136,992	\$243,600	\$248,600	\$243,600	\$243,600

The Village is very aware of the importance of maintaining its infrastructure. Water infrastructure is expensive as are the monetary and social costs incurred when infrastructure fails. If a system is well maintained, it can operate safely over a long time period. The Village carries out an ongoing process of oversight, evaluation, maintenance, and replacement of their assets as needed to maximize the useful life of infrastructure.

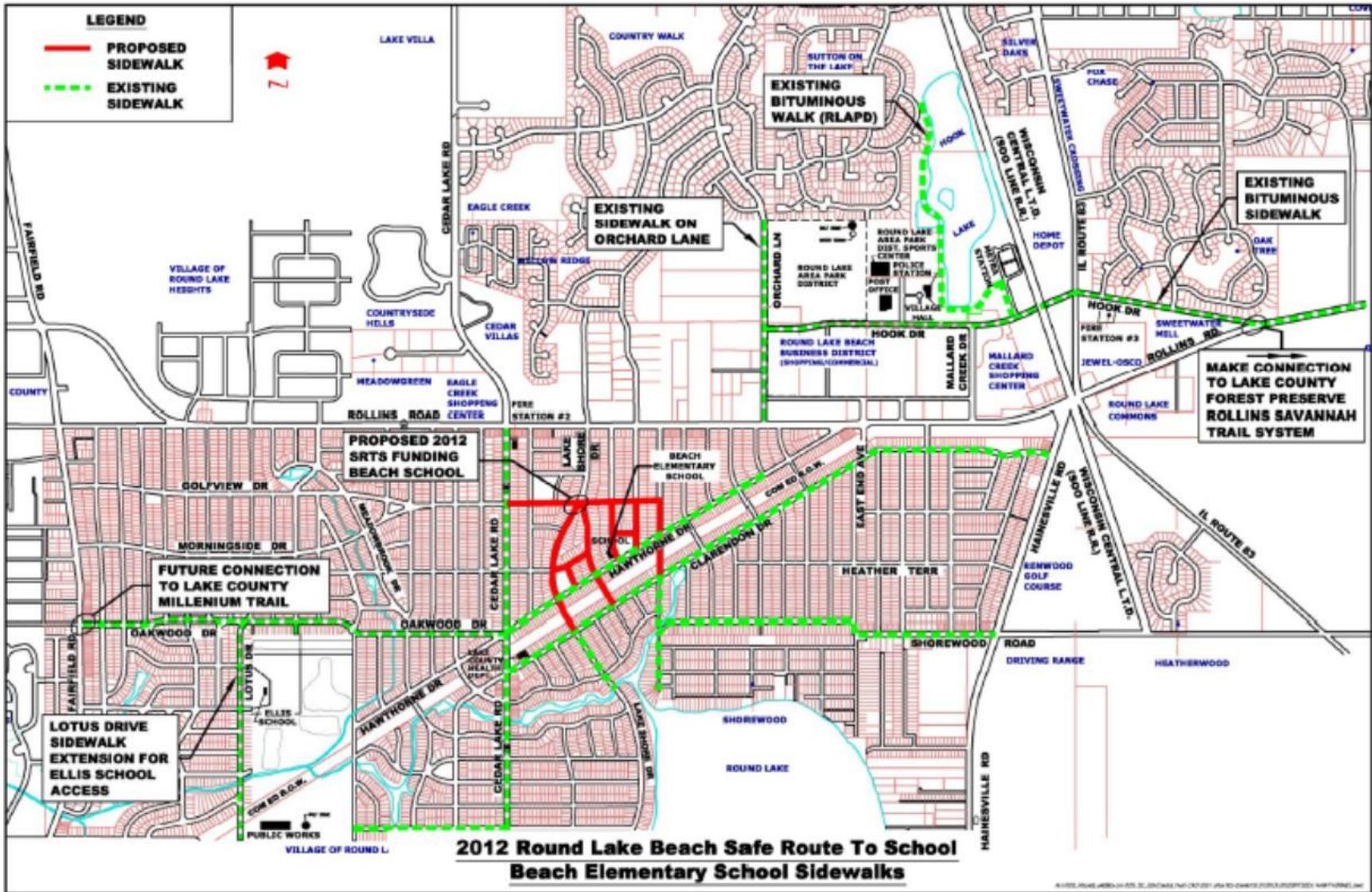
Road infrastructure requires maintenance to ensure that the asset continues to function as designed or intended, and to meet the required quality standards throughout its anticipated lifetime. It can also extend the life of the asset beyond the original “design life.”

FY13 Projects and Purchases

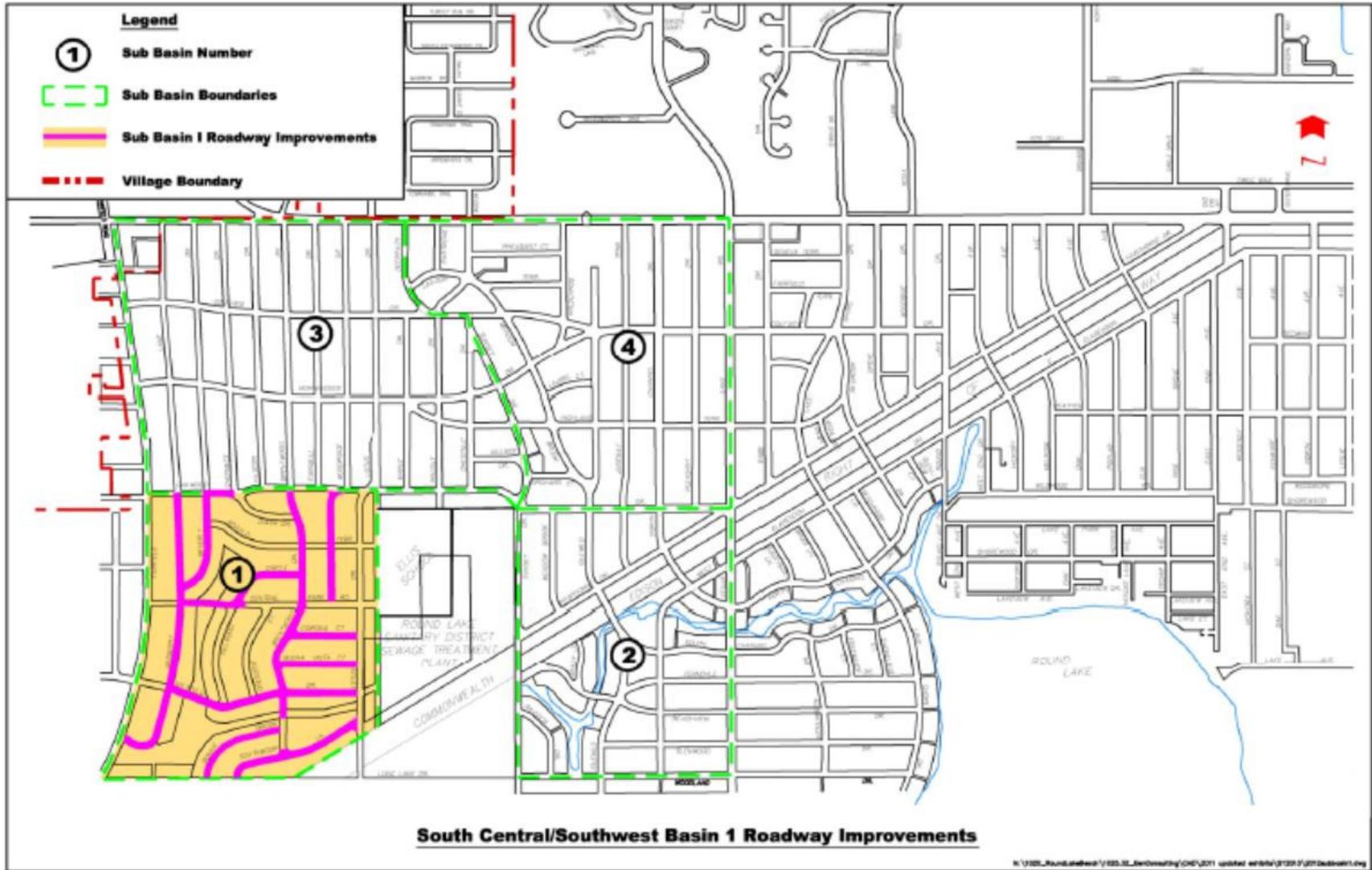
FY13 continues with planned and in progress capital improvements. The Village is undertaking a major initiative to formulate a capital plan with a 20-year long term vision. This plan is to be developed during FY13 and used for planning future capital projects.

The FY13 budget continues an aggressive capital campaign in the south/southwest portion of the Village. The improvements include watermain and roadway work. Grant funded sidewalk programs are anticipated to be completed in FY13.

The maps included on the following pages depict the capital improvements anticipated for FY12 and FY13.



ROADWAY IMPROVEMENTS



APPENDIX

THE BUDGETING PROCESS

The Village has been very aware that the state of the economy will impact its budget for the next several years. Therefore, it has been and will continue monitoring actual activity against the budget very closely throughout the budget year. The budgeting process began in October with a FY13 Budget Kickoff meeting for all staff involved in the development of the budget. At this meeting, the budget schedule was discussed, the steps in the budget process were described, and initial parameters were established. In November, the Tax Levy was proposed and discussed. A Public Hearing was held on December 12, 2011, and the Tax Levy for tax year 2011 was passed at the regular Board meeting later that evening. All staffing requests were submitted to the Village Administrator for review and consideration. Departments first submitted their department-generated revenue projections and capital equipment needs (e.g., vehicles, information technology, and other assets over \$5,000 in value). Next, departments submitted their operating budget requests. Capital project schedules were reviewed and project plans were discussed with the Village's engineer such that the multi-year capital project plan could be revised and updated. The Finance Department compiled all the budget data into a consolidated budget document and discussed it with the Village Administrator beginning at the end of December 2011. Numerous departmental meetings were held to refine the budget requests.

A draft budget was then prepared for the Administrator and Mayor's review and comment. All comments were incorporated and a Recommended FY13 Budget was distributed to the trustees for review. Informal budget workshops were held with the Trustees, at which the budget was discussed in line-item by line-item detail. A Public Hearing was held regarding the budget on March 26, 2012. The Board then approved and adopted the Final Budget at its regular meeting on March 26, 2012. This budget process is summarized in graphical format below.

August 2011	September 2011	October 2011	November 2011
<ul style="list-style-type: none"> - Initial Planning - Review of Policies - 1st Quarter Review 	<ul style="list-style-type: none"> - Review of Fees, Fines & Charges 	<ul style="list-style-type: none"> - Budget Kickoff Meeting - Long Term Capital and Financial Planning document updates 	<ul style="list-style-type: none"> - Tax Levy discussions and recommendation - 2nd Quarter Review - Major R&E projections submitted to Administrator - Organizational goals and budget parameters set - Departments submit capital asset needs
December 2011	January 2012	February 2012	March 2012
<ul style="list-style-type: none"> - Public Hearing on Tax Levy - Tax Levy passed by Board - Departments submit operating budget requests - Capital project planning revised - Departments submit performance & workload measures - Departments submit goals & objectives 	<ul style="list-style-type: none"> - Budget is compiled - Departmental meetings to refine budget requests and projections 	<ul style="list-style-type: none"> - Budget workshops with Trustees - Final revisions to budget 	<ul style="list-style-type: none"> - Proposed budget is presented at Public Hearing - Budget document is prepared - Budget is adopted

During the course of the fiscal year, the Mayor and Board of Trustees monitor the budget performance and priorities. In the event that program priorities change, the Mayor and Board may amend the budget through appropriate action. The budget reflects the cash basis of accounting. Under this basis, revenues are budgeted for in the fiscal year in which they are received or available for use.

STATEMENT OF FINANCIAL POLICIES

Operating Budget Policies

The guiding principle of budgetary policy is to achieve structural balance between revenues and expenditures to ensure that desired service levels are provided on a sustained basis.

The Village funds current operating expenditures with current operating revenues. A balanced budget is adopted for each fund with the exception of capital budgets. Excess operating revenues beyond the amount required to cover operating expenses are set aside for one-time capital improvement expenditures. Therefore, during any given fiscal year a capital budget may have expenditures that exceed the current operating revenues by an amount funded from a prior year. All budget expenditures are incorporated into an annual budget, and appropriations lapse at year-end.

Passage of the annual budget by the mayor and the board of trustees shall be in lieu of passage of the appropriation ordinance, as required by state statute.

The Village maintains a budgetary control system, which enables the municipality to adhere to the adopted budget. This includes decentralized purchasing, but a centralized approval of all purchase orders over \$1,000 and a centralized payable system to be adhered to by all programs and activities receiving annual appropriations.

The Village prepares monthly financial reports comparing actual revenues and expenditures to budget amounts.

GENERAL FUND – FUND BALANCE

A General Fund year-end balance is maintained within 25% of annual General Fund revenues.

CASH RESERVE POLICIES

An appropriate level of cash reserves is established in each of the primary funds (General, Tax Incremental Financing, and Water/Sewer Utility) based on historical and projected stability and predictability of the underlying revenues and expenditures. Reserves are established to:

- 1) Provide for settlement of pending labor contract negotiations;
- 2) Provide for temporary funding of unforeseen needs of an emergency or non-recurring nature;
- 3) Permit budgetary adjustments in the event of unanticipated revenue shortfalls;
- 4) Meet unexpected small increases in service delivery costs;
- 5) To fund one-time capital improvement expenditures.

REVENUE POLICIES

The Village maintains a broad-based, well-diversified portfolio of revenues to prevent over-reliance on any one revenue source. Tax and revenue burdens are to be appropriately distributed through the imposition of excise taxes, such as sales taxes, and user fees.

TAX INCREMENT FINANCING POLICIES

The Village has established four TIF Districts. TIF #1 was established in 1986 to help create a strong commercial tax base in the central business district, as well as to implement a phased public works improvements project in a section of the Village where the infrastructure was substantially deteriorated. TIF #2 was created in 1997 to adjoin TIF#1 in regards to replacement of infrastructure. TIF#2 was created with an intergovernmental agreement that all incremental taxes received due to increases in valuation were declared surplus and are redistributed back to the original taxing districts. TIF#3 was created in 1999 for the redevelopment of the Meadowgreen Subdivision. TIF#4 was created in 2011 to implement a phased infrastructure improvement plan for water & sewer systems and roadways.

DEBT SERVICE POLICIES

Since the Village of Round Lake Beach is a home rule unit, there is presently no statutory limit on the amount of general debt outstanding. However, if the Village was subject to such limitations, outstanding indebtedness could not exceed 8.625% of equalized assessed valuation. The Village continues to maintain lower debt levels as part of a conservative practice to keep moderate debt burden with rapid principal reductions.

The Village limits long-term debt to only those capital improvements that cannot be financed from current revenues. The Village of Round Lake Beach has not used long-term debt to fund operating programs. The maturity date for any debt obligation will not exceed the reasonably expected useful life of the project it is financing.

The Village's bond rating was reaffirmed at Aa2 by Moody's for the Village's Series 2011 General Obligation Refunding Bonds.

The Village of Round Lake Beach will continue to monitor interest rates and refinance debt when conditions are favorable.

INVESTMENT POLICIES

The Village of Round Lake Beach follows established cash management and investment guidelines as established in the Village's adopted ordinance for investment policy.

Debt Service

Debt Service Obligations by Issue												
Series Amount Fund Funding Source	2003 Refunding \$7,170,000				2009 BABS North Side Resurface \$3,695,000				2011 Refunding (2001) \$3,815,000			
	40-TIF Fund TIF Revenue				21/70-Debt Service MFT				70-Debt Service HRST, Utility Tax 50%			
	Balance	Principal	Interest	Total P&I	Balance	Principal	Interest	Total P&I	Balance	Principal	Interest	Total P&I
FY2013	535,000.00	515,000.00	36,851.25	551,851.25	2,810,000.00	210,000.00	140,475.00	350,475.00	3,425,000.00	335,000.00	118,925.00	453,925.00
FY2014	-	535,000.00	12,438.75	547,438.75	2,595,000.00	215,000.00	134,175.00	349,175.00	3,085,000.00	340,000.00	112,225.00	452,225.00
FY2015					2,375,000.00	220,000.00	126,112.50	346,112.50	2,735,000.00	350,000.00	105,425.00	455,425.00
FY2016					2,150,000.00	225,000.00	117,312.50	342,312.50	2,380,000.00	355,000.00	96,675.00	451,675.00
FY2017					1,915,000.00	235,000.00	107,187.50	342,187.50	2,015,000.00	365,000.00	87,800.00	452,800.00
FY2018					1,675,000.00	240,000.00	96,025.00	336,025.00	1,640,000.00	375,000.00	76,850.00	451,850.00
FY2019					1,425,000.00	250,000.00	84,625.00	334,625.00	1,255,000.00	385,000.00	65,600.00	450,600.00
FY2020					1,165,000.00	260,000.00	72,750.00	332,750.00	855,000.00	400,000.00	50,200.00	450,200.00
FY2021					890,000.00	275,000.00	59,750.00	334,750.00	435,000.00	420,000.00	34,200.00	454,200.00
FY2022					605,000.00	285,000.00	46,000.00	331,000.00	-	435,000.00	17,400.00	452,400.00
FY2023					310,000.00	295,000.00	31,393.76	326,393.76				
FY2024					-	310,000.00	16,275.00	326,275.00				
FY2025												
FY2026												
FY2027												
FY2028												
FY2029												
FY2030												
FY2031												

Debt Service Obligations by Issue												
Series	2004 West Side Imp.				2004A CC & PD Facility				2006			
Amount	\$4,875,000				\$3,590,000				\$3,635,000			
Fund	70-Debt Service				70-Debt Service				70-Debt Service			
Funding Source	HRST, Utility Tax 50%				HRST, Utility Tax 50%				HRST, Utility Tax 50%			
	Balance	Principal	Interest	Total P&I	Balance	Principal	Interest	Total P&I	Balance	Principal	Interest	Total P&I
FY2013	3,185,000.00	230,000.00	127,042.50	357,042.50	2,375,000.00	170,000.00	103,893.76	273,893.76	2,880,000.00	165,000.00	128,157.50	293,157.50
FY2014	2,945,000.00	240,000.00	120,027.50	360,027.50	2,200,000.00	175,000.00	97,518.76	272,518.76	2,710,000.00	170,000.00	121,310.00	291,310.00
FY2015	2,700,000.00	245,000.00	112,347.50	357,347.50	2,015,000.00	185,000.00	90,518.76	275,518.76	2,535,000.00	175,000.00	114,255.00	289,255.00
FY2016	2,445,000.00	255,000.00	104,140.00	359,140.00	1,825,000.00	190,000.00	83,118.76	273,118.76	2,350,000.00	185,000.00	106,992.50	291,992.50
FY2017	2,180,000.00	265,000.00	95,342.50	360,342.50	1,630,000.00	195,000.00	75,281.26	270,281.26	2,160,000.00	190,000.00	99,315.00	289,315.00
FY2018	1,905,000.00	275,000.00	85,935.00	360,935.00	1,425,000.00	205,000.00	67,237.50	272,237.50	1,960,000.00	200,000.00	91,430.00	291,430.00
FY2019	1,620,000.00	285,000.00	75,897.50	360,897.50	1,210,000.00	215,000.00	58,781.26	273,781.26	1,750,000.00	210,000.00	83,130.00	293,130.00
FY2020	1,320,000.00	300,000.00	65,210.00	365,210.00	990,000.00	220,000.00	49,912.50	269,912.50	1,530,000.00	220,000.00	74,310.00	294,310.00
FY2021	1,010,000.00	310,000.00	53,660.00	363,660.00	760,000.00	230,000.00	40,837.50	270,837.50	1,305,000.00	225,000.00	65,070.00	290,070.00
FY2022	685,000.00	325,000.00	41,260.00	366,260.00	520,000.00	240,000.00	31,350.00	271,350.00	1,065,000.00	240,000.00	55,620.00	295,620.00
FY2023	350,000.00	335,000.00	28,260.00	363,260.00	265,000.00	255,000.00	21,450.00	276,450.00	815,000.00	250,000.00	45,540.00	295,540.00
FY2024	-	350,000.00	14,525.00	364,525.00	-	265,000.00	10,931.26	275,931.26	555,000.00	260,000.00	34,915.00	294,915.00
FY2025									285,000.00	270,000.00	23,865.00	293,865.00
FY2026									-	285,000.00	12,255.00	297,255.00
FY2027												
FY2028												
FY2029												
FY2030												
FY2031												

Debt Service Obligations by Issue					Total Debt Service Obligations			
Series	Gross of Fed Credit							
Amount	2010 RZ Bonds S/SW Roadways							
Fund	\$3,000,000							
Funding Source	70-Debt Service							
	HRST, Utility Tax 50%							
	Balance	Principal	Interest	Total P&I	Balance 4/30	Principal	Interest	Total P&I
FY2013	2,760,000.00	120,000.00	139,242.50	259,242.50	22,239,828.41	2,411,603.77	842,171.74	3,253,775.51
FY2014	2,635,000.00	125,000.00	136,962.50	261,962.50	19,770,153.92	2,469,674.49	779,171.02	3,248,845.51
FY2015	2,510,000.00	125,000.00	134,087.50	259,087.50	17,797,331.47	1,972,822.45	724,111.81	2,696,934.26
FY2016	2,380,000.00	130,000.00	130,650.00	260,650.00	15,781,281.87	2,016,049.60	677,027.16	2,693,076.76
FY2017	2,250,000.00	130,000.00	126,425.00	256,425.00	13,721,923.92	2,059,357.95	626,181.31	2,685,539.26
FY2018	2,115,000.00	135,000.00	121,810.00	256,810.00	11,609,174.41	2,112,749.51	570,725.99	2,683,475.50
FY2019	1,980,000.00	135,000.00	116,140.00	251,140.00	9,442,934.02	2,166,240.39	512,135.37	2,678,375.76
FY2020	1,840,000.00	140,000.00	110,267.50	250,267.50	8,566,725.28	1,685,252.74	447,047.26	2,132,300.00
FY2021	1,695,000.00	145,000.00	103,827.50	248,827.50	6,812,818.53	1,753,906.75	378,088.25	2,131,995.00
FY2022	1,545,000.00	150,000.00	96,650.00	246,650.00	4,985,165.84	1,827,652.69	305,277.31	2,132,930.00
FY2023	1,395,000.00	150,000.00	89,225.00	239,225.00	3,543,672.98	1,441,492.86	229,025.90	1,670,518.76
FY2024	1,240,000.00	155,000.00	81,125.00	236,125.00	2,043,243.34	1,500,429.64	166,991.62	1,667,421.26
FY2025	1,080,000.00	160,000.00	72,755.00	232,755.00	1,448,777.90	594,465.44	101,804.56	696,270.00
FY2026	915,000.00	165,000.00	63,795.00	228,795.00	915,000.00	533,777.90	77,097.10	610,875.00
FY2027	745,000.00	170,000.00	54,555.00	224,555.00	745,000.00	170,000.00	54,555.00	224,555.00
FY2028	570,000.00	175,000.00	44,525.00	219,525.00	570,000.00	175,000.00	44,525.00	219,525.00
FY2029	385,000.00	185,000.00	34,200.00	219,200.00	385,000.00	185,000.00	34,200.00	219,200.00
FY2030	195,000.00	190,000.00	23,100.00	213,100.00	195,000.00	190,000.00	23,100.00	213,100.00
FY2031	-	195,000.00	11,700.00	206,700.00	-	195,000.00	11,700.00	206,700.00

VILLAGE PROFILE

General Description: The Village is a home rule municipality under Illinois law, by virtue of the 2000 U.S. Census. The Village is located approximately 53 miles northwest of Chicago and encompasses approximately 5.10 square miles of which 5.0 square miles are land and 0.1 square mile is water. The Village is bordered generally by the Village of Lake Villa to the north, the Village of Grayslake to the east, the Village of Round Lake Park to the south, the Village of Round Lake to the southwest, the Village of Round Lake Heights to the west, and unincorporated land to the northeast, southeast, and west. The Village is located approximately six (6) miles west of the Tri-State Tollway (Interstate 94). Commuter rail service is provided by METRA (the North Central Line) with a rail station located in Round Lake Beach.

Gas service for the Village is provided by Nicor and North Shore Gas. Exelon provides electric service. The Village purchases Lake Michigan water from the Central Lake County Joint Action Water Agency (CLCJAWA). The Village has an agreement with Lake County Public Works to process wastewater through its Sanitary Sewage Treatment Services. Sewage is collected through Village mains, transported through transmission lines and treated at the Fox Lake sewage plant.

Recreational opportunities are provided by the Round Lake Area Park District. Library service is provided by the Round Lake Area Library District, the Lake Villa Public Library District, and the Grayslake Area Public Library District. Fire protection is provided by the following districts: Greater Round Lake Fire Protection District, Grayslake Fire Protection District, and Lake Villa Township Fire Protection District.

The Village is served by Elementary School District Numbers 38, 41, 46, and 50; High School District Numbers 124 and 127; and Unit School District Number 116. The Village is served by Community College District Number 532 (College of Lake County). Condell Immediate Care Center is located within the Village; Advocate Condell Medical Center in Libertyville is located approximately ten (10) miles from the Village.

History: In 1930, land developer L. B. Harris noticed that only a small portion of Round Lake's shoreline had been built up since the coming of the railroad in 1930. The lake's reputation as a resort area convinced him that the west side of the lake could be profitably developed, even during the Great Depression. Blue-collar Chicagoans found the development attractive and residents voted to incorporate in January 1937. Round Lake Beach's population ballooned as returning World War II servicemen deserted Chicago for a suburban setting. In the 1970's, the commercial area along Rollins Road emerged. By the mid-1990's, area growth was so strong that Metra, which directs Chicago metropolitan rail commuter activity, added commuter passenger service to the Wisconsin Central freight line which passes along the eastern edge of Round Lake Beach. (*Source: Encyclopedia of Chicago*)

Type of Government: The Village President (Mayor) is the chief executive officer of the Village and is elected for a four-year term. The six trustees of the Village Board are

elected at large to serve four-year, overlapping terms and may be elected for an infinite number of terms. The Village Board is the legislative body of the government and determines all matters of Village policy, approves all Village ordinances and resolutions, and adopts the annual Village budget. The Village Clerk is elected at large for a four-year term and is the recording officer of the Village. The Village Administrator and Village staff are responsible to the Mayor and Village Board for the administration of all activities, functions, and programs of the Village in accordance with State law and the policies and guidelines adopted by the Village Board.

Facilities: Village Hall, 1937 N. Municipal Way
Police Department, 1947 N. Municipal Way
Public Works, 911 Lotus
Metra Train Station, 680 E. Mallard Creek Dr.
Cultural and Civic Center, 2007 Civic Center Way

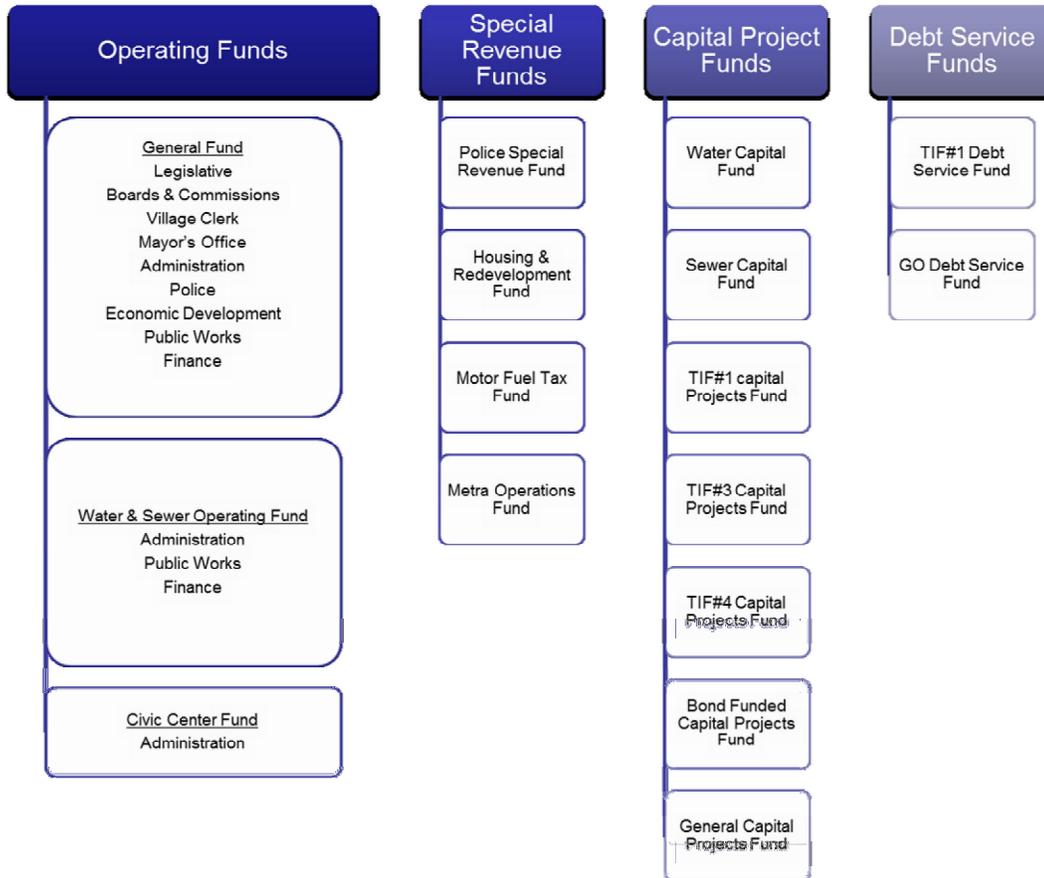
Population Trend: 2010: 28,175 (U.S. Census Bureau Census 2010)
2007: 27,959 (U.S. Census Bureau 2007 Population Estimate)
2000: 25,859 (U.S. Census Bureau Census 2000)
1990: 16,434 (U.S. Census Bureau Census 1990)
1960: 5,011 (U.S. Census Bureau Census 1960)

Data Profile*: Average Household Size: 3.47
Median Age: 29.2
Total Housing Units: 8,587
Median Household Income: \$62,709
Per Capita Income: \$20,513

* Source U.S. Census Bureau: State and County QuickFacts. Data derived from Population Estimates, American Community Survey, Census of Population and Housing, County Business Patterns, Economic Census, Survey of Business Owners, Building Permits, Consolidated Federal Funds Report, Census of Governments

FUND DESCRIPTIONS

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting helps municipalities to ensure and demonstrate compliance with finance-related legal requirements. The following chart shows how the Village’s funds are categorized by operational function. Such groupings are beneficial in the budget process so that like expenditures can be totaled.



For accounting and financial reporting purposes, funds are divided into governmental funds, proprietary funds, and fiduciary funds. All of the funds shown above are considered governmental funds, with the exception of the Water & Sewer Operations Fund and the Water & Sewer Capital Projects Funds, which together make up the Village’s one proprietary fund. The Village also has one fiduciary fund, the Police Pension Fund, but this is not appropriated by the Village and the Village cannot use its funds to finance its operations. Therefore, there is no budget information included for that fund.

GLOSSARY

This budget document contains financial, accounting, and budgetary terms that may not be familiar to all readers. A glossary is provided to assist readers in understanding the information in this document.

Accrual Basis of Accounting – Revenues are recognized in the accounting period in which they are earned while expenses are recognized when the related liability occurs.

Assessed Valuation – A value that is assessed on real or personal property for use as a basis for levying property taxes. Property values are assessed by the County Assessor.

Assets – Property owned by the Village that has a monetary value.

Authorized Position – Employee positions, which are authorized in the adopted budget, to be filled during the year.

Bond – A written promise to pay an amount of money on a specific date at a specific interest rate. The interest rates and schedule of principal repayment are detailed in a bond ordinance. Bonds are most frequently issued to fund capital projects (e.g., buildings, streets, etc.).

Budget – The annual process which documents the financial sources and uses of funds which will be used to carry out Village services and annual policy directives of the Mayor and Board of Trustees. Illinois State statute requires that the Village approve an annual budget that sets the legal spending limits for the Village.

Balanced Budget – A budget in which estimated revenues equal estimated expenditures.

Capital Improvement Project – A major construction, acquisition, or renovation activity which adds value to or increases the useful life of a government's physical assets.

Capital Projects Fund – This type of fund is used to track and account for the revenues and expenditures associated with capital improvement projects.

Contractual Services – Services rendered to Village departments by private individuals, companies or other government agencies.

Debt Service Fund – Monies that are set aside to pay the principal and interest payments on debt obligations are isolated in this type of fund.

Deficit – The excess of liabilities over assets or expenditures over revenues.

Department – A major administrative division of the Village with management responsibility for an operation or group of related operations within a functional area.

Depreciation – The process of estimating and recording lost usefulness, expired useful life, or diminishment of service from a fixed asset that cannot or will not be restored and that will be replaced.

Discretionary Expense - Cost such as that of printing, advertising, preventive maintenance, etc. that can be eliminated or postponed without disrupting operations in the short run.

Disbursement – Payment for goods or services.

Enterprise Fund – A governmental accounting fund in which services provided are funded and operated similarly to those of a private business. The fees or rates charged for the services are established to ensure that revenues are adequate to cover expenditures. This is the same as a Proprietary Fund.

Estimated Revenue – The amount of projected revenue to be collected during the fiscal year.

Expenditure – An outflow of funds paid or to be paid for an asset, good or service.

Fiduciary Fund – This type of fund is used when a governmental unit acts in a fiduciary capacity, such as a trustee or agent.

Financial Policies – General and specific guidelines by the Village Board that govern the financial practices and administration of the Village.

Fiscal Year – The time period designated by the Village signifying the beginning and ending dates for recording financial transaction. The Village of Round Lake Beach has specified May 1 to April 30 as its fiscal year.

Full-Time Equivalent (FTE) Position – A part-time position converted to the decimal equivalent of a full-time position based on 2,080 hours per year.

Fund – An accounting entity that records financial transactions for a specific set of government activities or functions.

Fund Accounting – A method of government accounting where resources are allocated to and accounted for in separate funds based on the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund Balance – The difference between fund assets and fund liabilities. Changes in fund balance are the result of differences in revenues to expenditures.

General Fund – This fund accounts for most of the financial resources of the Village, including basic operating services such as police protection, economic development, public works, finance, and general administration.

General Obligation (GO) Bonds or Debt – Bonds that finance a variety of public projects such as streets, buildings, and improvements. These bonds are backed by the full faith and credit of the issuing entity.

Generally Accepted Accounting Principals (GAAP) – Uniform minimum standards for financial reporting and accounting.

Governmental Fund – Fund type that is used to account for all or most of a government's general activities.

Grant – A contribution by a government or other organization to support a particular function.

Home-rule Municipality – Established by Article VII, section 6 of the 1970 Illinois Constitution, it grants the authority to exercise any power and perform any function pertaining to its government and affairs.

Illinois Municipal Retirement Fund (IMRF) – The retirement fund, established by the Illinois General Assembly, provides employees of local governments and school districts in Illinois with a system for the payment of retirement annuities, disability, and death benefits. Contributions based upon a percentage of wages are required of both the employer and employee.

Infrastructure – The basic physical systems of a government’s populations, including roads, utilities, water, sewer, public buildings, communication systems, etc. These are considered essential for growth and development.

Levy – The process of imposing taxes, special assessments, or service charges for support of Village activities.

Modified Accrual Accounting – A basis of accounting in which expenditures are accrued but revenues are accounted for on a cash basis. This conservative approach is the standard for most governmental funds.

Non-discretionary expenditure – Expenses that cannot be eliminated without impacting operations and/or services provided.

Operating Fund – Resources derived from recurring revenue sources used to finance ongoing operating expenditures (e.g., personnel, supplies, utilities, materials, etc.).

Operating Supplies/Expenses – Expenditures for goods and services that are required for department operations (e.g, telephone services, supplies, materials, etc.).

Projected Revenue or Projected Expense – Because the current fiscal year is not complete when the budget document is prepared, it is necessary to estimate or project the anticipate revenues and/or expenditures that will be received or expended by the end of the fiscal year.

Property Tax – Levied upon property according to the property’s assessed value multiplied by the tax rate.

Proprietary Fund – Also known as Enterprise Funds, these funds are self-supported by user charges. The operations of these funds are accounted for similarly to comparable private businesses, in that a profit or loss is shown.

Revenue – An increase in assets of financial resources that did not increase or cancel a liability, represent repayment, or represent increase to contributed capital.

Reserve – That portion of a fund’s balance that is reserved for a specific purpose.

Special Revenue Fund – This type of fund isolates the revenues received for a specific purpose. Usually, there is a statutory or legal required use for these funds.

Tax Increment Financing (TIF) – A tool to help local governments restore their most economically challenged areas, without having to tap into general funds or increase taxes, by utilizing the incremental tax revenue (difference between the property tax revenue generated before and after the TIF area was designated).

TIF Revenue Bonds – Debt that is secured only by the incremental revenue generated by the TIF District and not backed by the full faith and credit of the Village.

Utility Tax – Tax levied by the Village on customers of various utilities, such as electricity, telephone, and gas.