



Village of Lindenhurst

**FY 2017-2018
Operating & Capital Budget
Summary**

Budget Summary

INTRODUCTION

Please find enclosed the Operating and Capital Budgets for FY 2017-2018 for the Village of Lindenhurst. The Village operates on a fiscal year basis beginning May 1st and ending April 30th of each year. The annual budget is prepared through a collaborative effort by staff under the direction of the Village Administrator and is presented to the Village Board for review and adoption prior to the beginning of each fiscal year (May 1st).

BUDGET FORMAT

The Village's budget utilizes fund accounting, creating separate funds based upon the various activities of the Village's operations. The Village's budget includes the following major funds:

1. General fund
2. Water & Sewer Operating (enterprise) fund
3. Garbage (enterprise) fund
4. Motor Fuel Tax fund
5. Retirement fund
6. Insurance fund
7. Community Capital fund
8. Water/Sewer Capital Projects fund
9. Public Works Fleet Replacement fund
10. Squad Car Replacement fund
11. Various Non-Operating funds

The Village budget includes hundreds of line items, some of which are fairly small. These are used to facilitate year to year and multi-year analysis. Please remember that much of the Village's actual revenues and spending are impacted by non-village factors or are demand driven and often hard to predict. Budget numbers are best estimates based on history and/or ground up analysis of line items.

Budgeted expenditure line items are formatted into three categories: salaries and benefits, contractual and other costs. This facilitates further analysis of in-house versus contractual expenditures as the Village considers privatization options. Many individual line items are based on past needs and year-end numbers and may be different (higher or lower) based on demand for services from weather, emergencies or unpredictable factors.

The enclosed draft budget is intended for discussion purposes only. Refinements and adjustments will be made based on the Board's direction at the March 28th budget workshop.

FY 2016-2017 ESTIMATED YEAR END PERFORMANCE

FY 2016-2017 saw a continuation of the Village's cost containment and business approaches with spending estimated to be lower than budget estimates by \$145,514.

Major highlights of the FY 16-17 estimated year-end performance include:

General Fund

- General Fund revenues are projected to be lower than budget projections by \$23,953 due to lower simplified municipal tax and fines and forfeitures.
- Cost cutting measures reduced spending in the General Fund by \$145,514 from the FY 16/17 budget, but were higher than the FY 15/16 actual spending by \$193,502, primarily due to higher police spending.
- General Fund is projected to operate at a surplus of \$382,762. Budget numbers projected a \$331,823 surplus.

Water & Sewer Fund

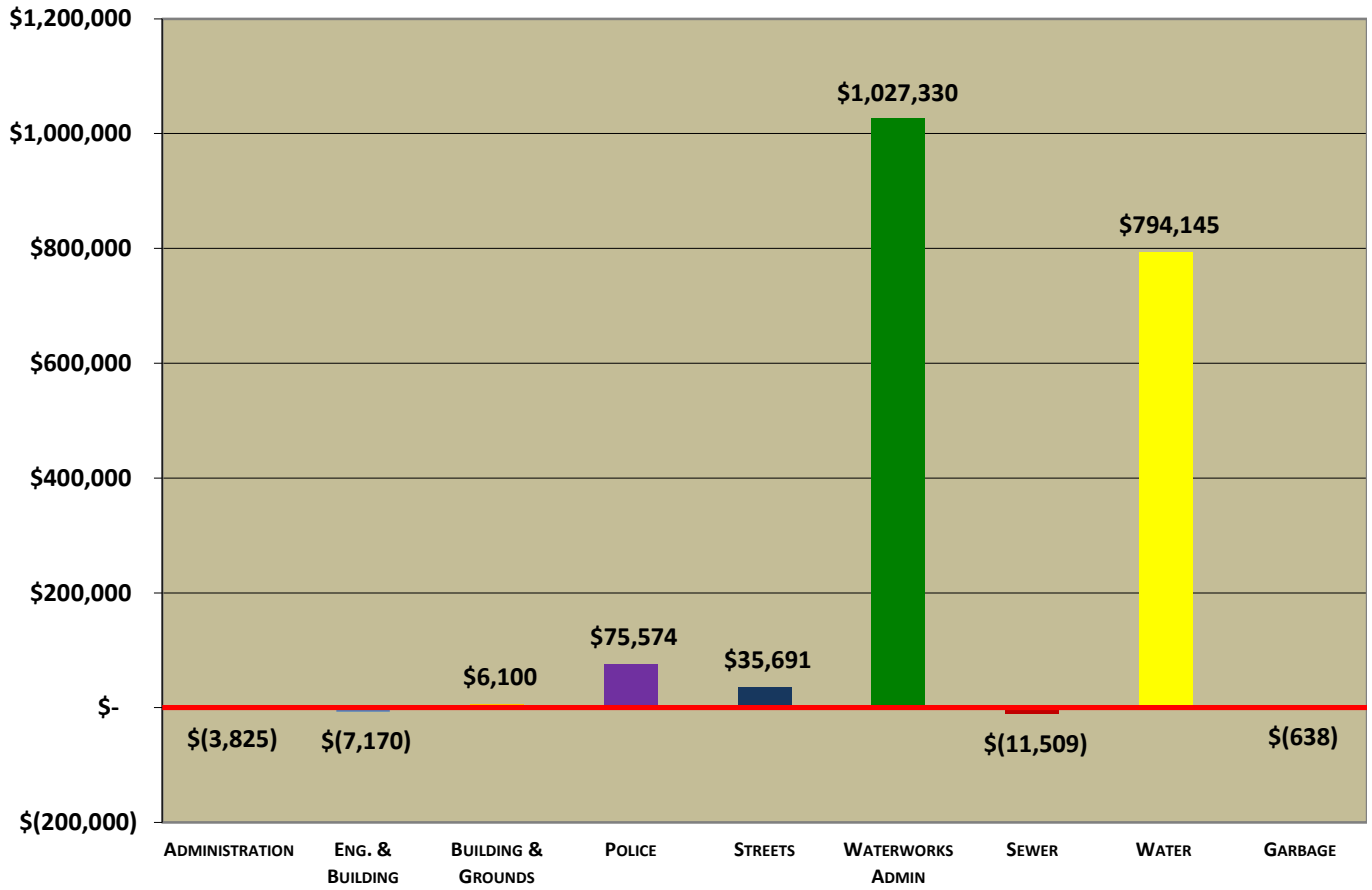
- Water & Sewer Fund revenues projected to be up \$148,172 due to higher than projected collections.
- Fund expenses are projected to be \$7,027 higher than budget and \$40,086 higher than FY 15/16 actual spending.
- Fund is projected to operate at a surplus of \$676,397. This is improved from the budget projected surplus of \$341,529.

FY 2017-2018 Budget Overview

Please see the attached Budget Highlights sheet for information on the major points of the draft budget. In particular, the draft budget includes the following major points:

- General Fund is projected to operate at a surplus of \$106,142
- Water & Sewer Fund is projected to operate at a surplus of \$45,951
- Total operating spending is up \$1,915,698 from 16/17. This is due to the Village's transition to Lake Michigan water, which includes \$782,105 for CLCJAWA water purchase costs and \$1,020,327 in new debt payments related to the internal water system improvements completed in 2015 and 2016.
- Removing those two new items, FY 17/18 operating spending is up 1.48% or \$113,266 across all operating areas.
 - Administration (\$3,825)
 - Engineering and Building (\$7,170)
 - Building and Grounds \$6,100
 - Police \$75,574
 - Streets \$35,691
 - Waterworks Administration \$7,003
 - Sewer (\$11,509)
 - Water \$12,040
 - Garbage (\$638)
- Budgeted operating expenses in the General Fund are up \$106,370 from FY 16/17.

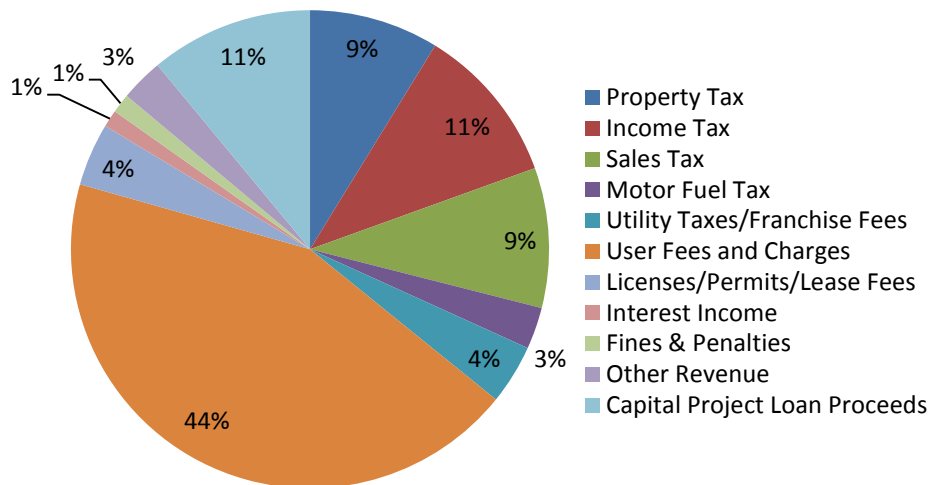
FY 2017/2018 Spending Changes By Operating Area



FY 2017-2018 Total Revenues All Funds By Type:

| | |
|---------------------------------------|---------------------|
| Property Tax: | \$1,194,923 |
| Income Tax: | \$1,460,662 |
| Sales Tax: | \$1,290,000 |
| Motor Fuel Tax: | \$384,227 |
| Utility Taxes/Franchise Fees: | \$550,000 |
| User Fees and Charges: | \$5,935,925 |
| Licenses/Permits/Fees: | \$578,000 |
| Interest Income: | \$158,400 |
| Fines & Penalties: | \$177,750 |
| Other Revenue: | \$394,725 |
| <u>Capital Project Loan Proceeds:</u> | <u>\$1,500,000</u> |
| Total Revenue All Funds: | \$13,624,612 |

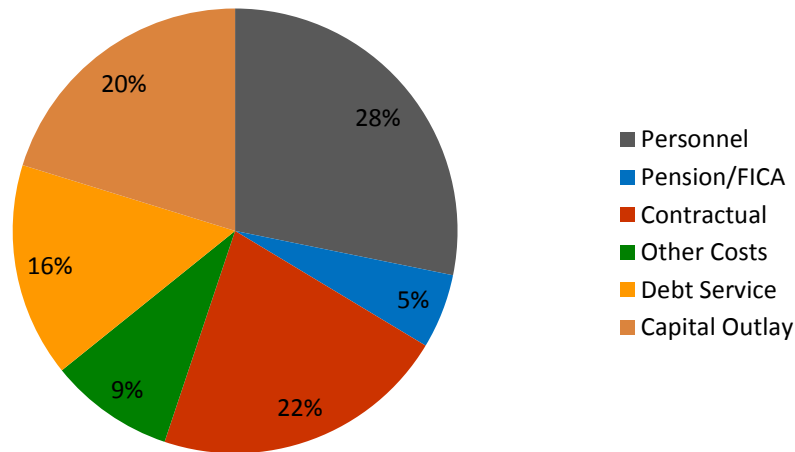
FY 17-18 Revenues By Type



FY 2017-2018 Total Expenses All Funds By Type:

| | |
|----------------------------------|---------------------|
| Personnel: | \$3,852,081 |
| Pension/FICA: | \$741,451 |
| Contractual: | \$2,938,589 |
| Other Costs: | \$1,240,297 |
| Capital Outlay: | \$2,762,326 |
| <u>Debt Service:</u> | <u>\$2,126,379</u> |
| Total Expenses All Funds: | \$13,661,123 |

FY 17-18 Expenses By Type



PERSONNEL RELATED COSTS

Since FY 2008 -2009, the Village has made significant changes to operating approaches resulting in staff reductions in all functions. Since 2008, the Village has reduced total full and permanent part-time staffing by 30%.

| | FY 08/09 | FY 09/10 | FY 10/11 | FY 11/12 | FY 12/13 | FY 13/14 | FY 14/15 | FY 15/16 | FY 16/17 | FY 17/18 |
|------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-----------|-------------|-------------|
| Administration | 6.5 | 7.5 | 6.5 | 5.5 | 5.5 | 5.5 | 5.5 | 5.5 | 6 | 6 |
| Police | 26 | 26 | 26 | 25 | 26 | 23 | 24 | 23 | 22 | 22 |
| Public Works | 19.5 | 17 | 15 | 15 | 14 | 14 | 11 | 12 | 10 | 10 |
| Engineering & Building | 3.5 | 1 | 1 | 1 | 1 | 1 | 0 | .5 | .5 | .5 |
| Total | 55.5 | 51.5 | 48.5 | 46.5 | 46.5 | 43.5 | 40.5 | 41 | 38.5 | 38.5 |

Compared to FY 16/17, the Village’s overall personnel related costs (salaries, health insurance, training, etc.) are up \$120,329 across all funds, a 3.22% increase. Salaries for FY 17/18 are up \$56,245, a 2% increase.

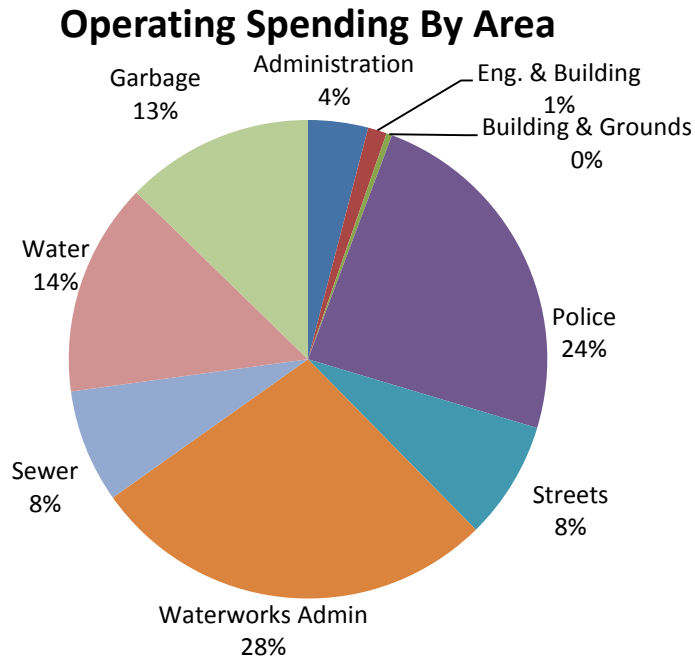
Personnel and Salary Costs by Year (Budget)

| | 11/12 | 12/13 | 13/14 | 14/15 | 15/16 | 16/17 | 17/18 |
|------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| PERSONNEL | \$3,817,047 | \$3,840,345 | \$3,954,076 | \$3,714,576 | \$3,914,676 | \$3,731,752 | \$3,852,081 |
| % CHANGE | (4%) | 0.6% | 2.5% | (6%) | 5.4% | (4.7%) | 3.2% |

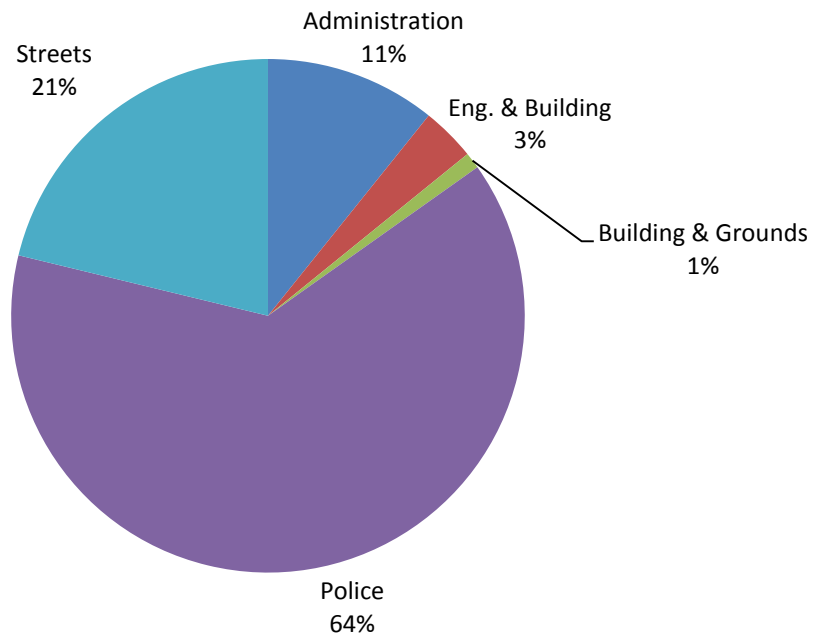
| | 11/12 | 12/13 | 13/14 | 14/15 | 15/16 | 16/17 | 17/18 |
|-----------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| SALARIES | \$2,887,867 | \$2,941,915 | \$2,983,166 | \$2,815,438 | \$3,020,590 | \$2,779,165 | \$2,835,410 |
| % CHANGE | (1.5%) | 1.8% | 1.7% | (5.6%) | 7.3% | (8.0%) | 2.02% |

OPERATING SPENDING BY AREA

The chart below depicts the percentage of spending by each operating area. As you can see, 74% of all Village operating spending goes toward police protection and water & sewer service.



General Fund Operating Spending By Area



General Fund

General Fund revenues are not completely in the Village’s control. Major revenue sources, including income tax, sales tax, use tax, and building permit fee revenue, are dependent on economic climate. Property tax revenues are capped by the tax cap law. On the cost side, this fund includes market driven increasing police personnel costs and unpredictable snow and ice control expenses. For these reasons, the Village must constantly analyze revenue levels and costs in the General Fund.

FY 2017/2018 General Fund revenues are projected to be down \$119,311 from the 16/17 budget and \$95,358 lower than the 16/17 estimated year end. This is due to projected reductions in Simplified Municipal Tax, Fines and Forfeitures and Property Tax. Please refer to the specific revenue sheets included in the budget for more detailed information.

General Fund Totals by Year

| | 11/12 ACTUAL | 12/13 ACTUAL | 13/14 ACTUAL | 14/15 ACTUAL | 15/16 ACTUAL | 16/17 EYE | 17/18 PROPOSED |
|------------|-----------------|-----------------|-----------------|-----------------|-----------------|--------------|-------------------|
| REVENUES | \$3,802,784 | \$3,911,022 | \$3,657,459 | \$3,611,525 | \$3,997,982 | \$3,809,442 | \$3,714,084 |
| EXPENSES | \$3,511,808 | \$3,413,086 | \$3,533,572 | \$3,480,628 | \$3,281,258 | \$3,434,674 | \$3,607,942 |
| NET INCOME | \$290,975 | \$497,935 | \$123,887 | \$130,896 | \$716,724 | \$374,768 | \$106,142 |

General Fund Expense History

| | 11/12 ACTUAL | 12/13 ACTUAL | 13/14 ACTUAL | 14/15 ACTUAL | 15/16 ACTUAL | 16/17 EYE | 17/18 PROPOSED |
|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|--------------|-------------------|
| ADMINISTRATION | \$485,133 | \$504,004 | \$456,051 | \$495,618 | \$376,312 | \$375,350 | \$388,449 |
| POLICE | \$2,101,202 | \$2,213,149 | \$2,215,840 | \$2,156,549 | \$2,061,617 | \$2,188,143 | \$2,294,873 |
| STREETS | \$614,049 | \$673,200 | \$703,465 | \$656,786 | \$697,110 | \$691,609 | \$765,406 |
| ENG & BUILD | \$151,34 | \$123,190 | \$115,540 | \$127,526 | \$109,679 | \$157,872 | \$122,414 |
| BUILDING & GRN | \$31,805 | \$49,670 | \$37,809 | \$44,149 | \$36,540 | \$21,700 | \$36,800 |

Water & Sewer Operating Fund

Primary revenues in the Water and Sewer Operating fund are user fees and charges as set by the Village Board. FY 2017/18 revenues assume the transition to a flat per unit rate structure for both water and sewer charges and assume the rate adjustment per the Village’s 10-year water & sewer fund financial scenario. Revenues are projected to increase in FY 17/18 to pay for the increased debt payments associated with the Lake Michigan water internal water system improvements and the cost to purchase Lake Michigan water from the Central Lake County Joint Action Water Agency. Total fund revenues are projected at \$4,807,216 and expenses at \$4,761,265.

Expenses in the Water and Sewer fund are up \$1,809,966 from the 2016/17 budget. This is a result of new costs incurred related to the transition to Lake Michigan water, including CLCJAWA water purchase costs (\$782,105) and debt payments from the internal water system improvements completed in 2015 and 2016 (\$1,020,327). Excluding those two increases, total fund expenses increase just \$7,534. In FY 2017/2018, this fund is projected to operate at a surplus of \$45,951.

Budget Summary

| | |
|----------------|-------------|
| Total Revenues | \$4,807,216 |
| Total Expenses | \$4,761,265 |
| Net Income | \$45,951 |

Operating Performance by Function Compared to 2016/17

| | |
|-----------------------------|-------------|
| ▪ Waterworks Administration | \$1,027,330 |
| ▪ Sewer | (\$11,509) |
| ▪ Water | \$794,145 |

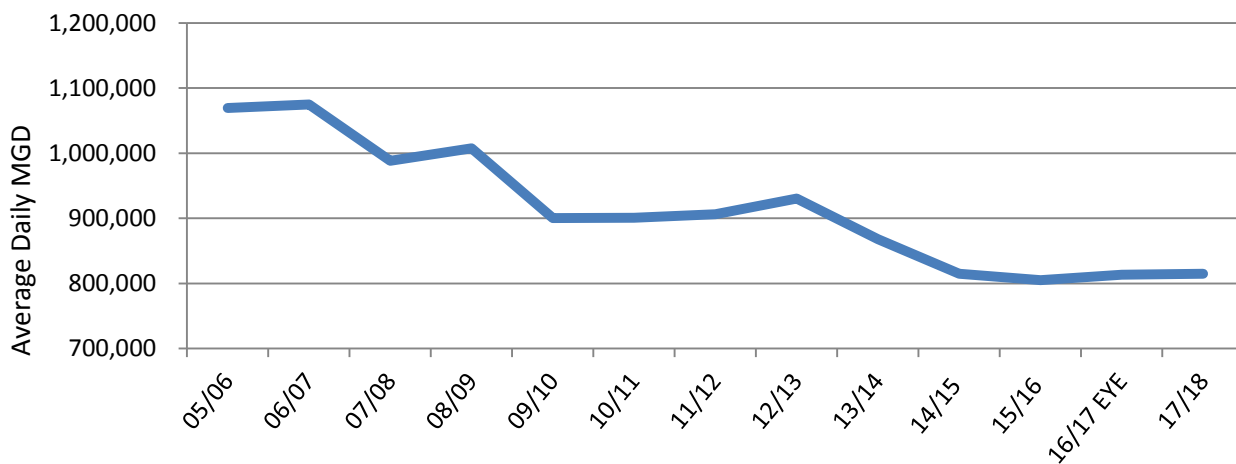
Water & Sewer Operating Fund Totals by Year

| | 11/12 ACTUAL | 12/13 ACTUAL | 13/14 ACTUAL | 14/15 ACTUAL | 15/16 ACTUAL | 16/17 EYE | 17/18 PROPOSED |
|------------|-----------------|-----------------|-----------------|-----------------|-----------------|--------------|-------------------|
| REVENUES | \$3,086,226 | \$3,230,246 | \$3,270,658 | \$3,367,668 | \$3,486,551 | \$3,634,723 | \$4,807,216 |
| EXPENSES | \$2,805,480 | \$2,572,389 | \$2,695,578 | \$2,741,372 | \$2,918,240 | \$2,958,326 | \$4,716,265 |
| NET INCOME | \$280,746 | \$657,857 | \$575,080 | \$626,296 | \$568,311 | \$676,397 | \$45,951 |

As you can see from the above chart, the financial performance of this fund has significantly improved since FY 10/11. Prior to that time, the fund experienced actual deficits totaling \$1,461,849.

Water sales volume, or billed pumpage, declined during the period of 05/06 through 09/10. Over the last several years, water usage has been relatively flat with an increase in 12/13 due to a very hot and dry season. FY 14/15 saw another decline in water sales volume due to weather conditions. Water usage can fluctuate based upon weather conditions and conservation efforts. We have taken a fairly conservative approach to future water sales projections for FY 17/18 using a five-year average as the basis for our projections.

Water Sales Volume By Year



Water Sales Projection 2017/2018 (million gallons)

| Month | FY 12/13 | FY 13/14 | FY 14/15 | FY 15/16 | FY 16/17 | 5-Yr Average | Forecast FY 17/18 |
|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------------|
| May | 24.0 | 23.7 | 23.1 | 23.9 | 22.7 | 23.5 | 23.0 |
| June | 28.1 | 26.2 | 24.3 | 24.0 | 23.8 | 25.3 | 24.5 |
| July | 36.0 | 27.8 | 26.4 | 25.0 | 27.8 | 28.8 | 26.3 |
| August | 40.2 | 29.4 | 28.1 | 26.6 | 30.9 | 31.0 | 28.5 |
| September | 34.8 | 30.4 | 28.0 | 28.0 | 26.1 | 30.3 | 28.0 |
| October | 29.0 | 30.5 | 24.3 | 26.1 | 22.8 | 27.9 | 23.0 |
| November | 27.0 | 27.6 | 22.8 | 24.1 | 24.3 | 25.8 | 24.0 |
| December | 25.0 | 24.7 | 24.8 | 23.1 | 22.9 | 24.1 | 22.0 |
| January | 24.2 | 24.2 | 24.6 | 23.5 | 22.5 | 23.8 | 23.0 |
| February | 24.9 | 24.8 | 25.5 | 23.5 | | 24.9 | 23.5 |
| March | 23.7 | 24.1 | 24.3 | 23.1 | | 24.0 | 24.3 |
| April | 22.3 | 23.1 | 23.1 | 23.2 | | 22.9 | 23.5 |
| Total | 339.2 | 316.5 | 299.3 | 294.1 | 223.8 | 312.3 | 293.6 |

Garbage Fund

Revenues come from collection of the monthly fee for refuse and recycling. Expenses include the Groot contract and administrative expenses associated with issuing the utility bills. This account is projected to operate at a surplus of \$10,201. The proposed budget assumes the renegotiated contractor costs and a 4% increase in refuse and recycling rates.

Budget Summary

| | |
|----------------|-------------|
| Total Revenues | \$1,230,709 |
| Total Expenses | \$1,220,508 |
| Net Income | \$10,201 |

Special Operating Funds

The Village has several special operating funds that receive funding from various sources and have specific expenses. The special operating funds include the Motor Fuel Tax (MFT) fund, Retirement Fund and the Insurance Fund.

Motor Fuel Tax Fund (MFT)

This fund receives revenue from the state distributed motor fuel tax. Municipalities receive a per person amount based upon population. The uses of these funds are restricted by state statute to roadway and right-of-way maintenance.

The past practice has been to use this money for residential road resurfacing and the purchase of salt. Road resurfacing has been done every other year to allow for the accumulation of funds so that a larger resurfacing program can be completed. FY 2018/2019 will be a resurfacing year.

In 2010, the Village developed a 20-year rotation and financial projection for the resurfacing of residential streets. This was done to establish a plan for the regular resurfacing of streets. Unfortunately, MFT revenues alone are not sufficient to complete the 20-year rotation. Projected available revenues equal 51% of actual need. As a result, streets are projected to be resurfaced every 39 years versus the desired 20-year program.

Budget Summary

| | |
|----------------|-----------|
| Total Revenues | \$387,227 |
| Total Expenses | \$121,600 |
| Net Income | \$265,627 |

Retirement Fund

The Retirement fund receives revenue from the property taxes levied for retirement and social security. In addition, the Water and Sewer and Garbage enterprise funds pay for their portions of retirement and social security expenses directly from those funds. All non-sworn Police personnel are members of the Illinois Municipal Retirement Fund (IMRF). Police pension costs are listed separately.

Budget Summary

| | |
|----------------|------------|
| Total Revenues | \$167,691 |
| Total Expenses | \$192,480 |
| Net Income | (\$24,789) |

Insurance Fund

The Insurance fund receives revenue from the property taxes levied for property, liability and casualty insurance. In addition, the Water and Sewer and Garbage enterprise funds pay their share of insurance costs directly from those funds.

Budget Summary

| | |
|----------------|----------|
| Total Revenues | \$98,838 |
| Total Expenses | \$93,901 |
| Net Income | \$4,937 |

Capital Funds

The FY 17/18 Draft Budget maintains two separate capital funds, the Community Capital fund and Water/Sewer Capital Fund. The Village also maintains two fixed asset replacement funds: the Public Works Fleet Replacement Fund and the Squad Car Replacement Fund.

Community Capital Fund

The Community Capital fund receives revenue from the vehicle license fee assessed to every utility bill. In the past, this fund has been used for the purchase and replacement of operating equipment. However, with the creation of the fixed asset funds, this fund can now be used for community improvement projects/new equipment needs as determined by the Village Board.

Budget Summary

| | |
|----------------|-------------|
| Total Revenues | \$1,140,991 |
| Total Expenses | \$1,865,761 |
| Net Income | (\$724,770) |

In 2017/2018, the previously committed Community Capital Projects include the following:

| | |
|------------------------------------------------|-----------|
| • Replacement of Village Entry Signs | \$85,000 |
| • Village Hall/Police Station Information Sign | \$50,000 |
| • Pavement Patching | \$75,000 |
| • Tree Planting/EAB Year 4 of 15 Year Program | \$45,000 |
| • IDOT Route 132 Village Contribution | \$409,075 |
| • Acquisition of Hazelwood Vacant Lot | \$52,000 |
| • Lake Shore Drive Reconstruction Design Eng. | \$225,000 |
| • Police Station Booking Area Improvements | \$150,000 |
| • Police Station HVAC Replacements | \$40,000 |
| • Crossmatch Live Scan Digital Fingerprinting | \$10,300 |
| • Capital Costs – Glenview Dispatch Transition | \$28,640 |
| • Debt Service | \$216,398 |
| • Computer Replacements | \$10,000 |

Water/Sewer Capital Projects Fund

The Water/Sewer Capital Projects fund receives revenue from one-time water and sewer tap-on fees generated from new building construction. These revenues are set apart from operational spending and reserved for one-time system improvements and replacements.

Budget Summary

| | |
|----------------|-------------|
| Total Revenues | \$1,530,000 |
| Total Expenses | \$1,571,418 |

Net Income (\$41,418)

In 2017/2018, the recommended Water/Sewer Capital Projects includes the following:

- | | |
|--------------------------------------------------------|-----------|
| • Grand Avenue Pump Station (Est. Remaining Costs) | \$496,000 |
| • Automatic Flow Paced T-Valves WWTF | \$47,000 |
| • Lake Water Receiving Facility (Est. Remaining Costs) | \$683,418 |
| • SE Utilities Debt Service | \$325,000 |

Public Works Fleet Replacement Fund

This fund establishes a 20-year program for the regular replacement of Public Works fleet vehicles. In 17/18, the schedule calls for the purchase of a four wheel drive pick-up truck with plow, a 5-ton dump truck and plow, and a utility vehicle that was scheduled for 15/16, deferred to 16/17 and again deferred to 17/18 (the vehicle continues to function well with little maintenance issues so replacement has been deferred).

Squad Car Replacement Fund

This fund establishes a 20-year program for the regular replacement of Police squad cars. In 17/18, the schedule calls for the replacement of two police squad cars.

Non-Operating Funds

The Village operates three non-operating funds: the DUI Fund, Prison Review Fund and the Forfeiture Fund.

DUI Fund

The DUI fund receives revenues from court imposed fines as a result of DUI arrests made within the Village by Lindenhurst Police personnel. The funds are restricted for use in the purchase of equipment and supplies related to the enforcement and handling of DUI arrests.

Proposed expenditures in FY 2017/2018 include:

- Miscellaneous Uniforms & Equipment \$5,000

Prison Review Fund

The Prison Review fund receives revenue from court imposed traffic citations and can only be used for specific purposes.

Proposed expenditures in FY 2016/2017 include:

- Vehicle Maintenance & Replacement \$9,000
- Miscellaneous Contingency \$1,000

Forfeiture Fund

The Forfeiture fund receives revenue from proceeds that result from the forfeiture of vehicles and other property. Funds can only be used for specific purposes.

There are no proposed expenditures in FY 2017/2018

Fund Structure and Format

INTRODUCTION

The Village's budget utilizes fund accounting and establishes separate funds based upon the various Village activities and functions. Some funds are segregated into separate accounts for better tracking of expenses by specific activity.

FUND DESCRIPTIONS

General Fund

The General Fund receives revenues from a portion of the Village's property tax, sales tax, income tax, building permit fees, simplified municipal tax, and other miscellaneous fees and taxes. The General Fund provides several major municipal services and is segregated into several different accounts based upon function. These accounts include:

- **Administration** – provides for general administration and management support to the various operating functions of the Village. Also provides finance management, forecasting, accounting, customer service, human resources, risk management, IT support and postal substation.
- **Engineering & Building** – provides coordination of engineering services for Village infrastructure improvements and oversight of construction inspection for new building construction within the Village.
- **Building & Grounds** – this account provides for the maintenance, repair and upkeep of Village grounds and facilities, including facility cleaning, landscaping, system repairs and maintenance of the Veterans Memorial.
- **Police** – this account funds the provision of police protection and law enforcement services.
- **Streets** – provides for the maintenance and upkeep of Village maintained roadways, street signs, right-of-way areas, storm sewers and street and traffic lighting.

The cash balance reserve policy for this fund is 75% of the current year's operating expenses.

Water & Sewer Enterprise Fund

The Water and Sewer fund is an enterprise fund that functions as an independent business where user fees and charges should be sufficient to pay all operating expenses associated with the provision of the service. This fund provides the production, delivery and treatment of drinking water, and the collection, treatment and disposal of wastewater. The Water and Sewer fund is segregated into three different accounts based upon function. These accounts include:

- **Water & Sewer Administration** - provides for the general administration of the water and sanitary sewer systems including billing, accounting, financial management, customer service, and debt management.
- **Water** – provides for costs associated with the maintenance of well houses, water mains, water treatment, and laboratory testing to provide quality drinking water.
- **Sewer** – provides for costs associated with the maintenance of lift stations, sanitary sewer lines, operation of the wastewater treatment plant, and laboratory testing for the treatment of wastewater.

The cash balance reserve policy for this fund is two months of the current year's operating expenses.

Garbage Fund

The Garbage fund is an enterprise fund that functions as an independent business where user fees and charges should be sufficient to pay all operating expenses associated with the provision of the service. This fund provides for the collection and disposal of all residential refuse, recycling and yard waste. Revenues are received from monthly user charges and expenses include the contractual cost of providing the service through the Village's waste hauler contract.

The cash balance reserve policy for this fund is one month of the current year's operating expenses.

Motor Fuel Tax Fund

The Motor Fuel Tax fund receives revenues from the State-shared tax on motor fuel. This revenue is distributed to municipalities on a per capita basis. This is an encumbered fund where the revenues received can only be spent for specific purposes as outlined by State law. In the past, the Village has elected to spend these funds for residential road resurfacing and salt costs.

The cash balance reserve policy for this fund is \$100,000 to establish a snow emergency reserve.

Retirement Fund

The Retirement Fund receives revenues from a portion of the Village's property tax levied for the payment of employee retirement costs and from contributions from the Village's enterprise funds. This fund pays for the Village's portion of retirement and social security costs.

This fund does not have a cash balance reserve policy.

Insurance Fund

The Insurance Fund receives revenues from a portion of the Village's property tax levied for insurance costs and from contributions from the Village's enterprise funds. This funds pays for property, liability and casualty insurance costs.

This fund does not have a cash balance reserve policy.

Community Capital Fund

The Community Capital Fund receives revenues from vehicle license fees charged to all households within the Village, cell tower antenna lease fees and public facility donation fees charged to all new development. The purpose of this fund is to provide funding for major community infrastructure improvements.

This fund does not have a cash balance reserve policy.

Water & Sewer Capital Fund

The Water & Sewer Capital Fund receives revenues from connection (tap-on) fees charged to all new development within the Village. This fund has historically provided for water and sewer infrastructure needs, new equipment and equipment replacement needs.

This fund does not have a cash balance reserve policy.

Public Works Fleet Replacement Fund

The Public Works Fleet Fund is a fixed asset fund that reserves funds based upon the 20-year fleet replacement needs to ensure the regular replacement of major fixed assets. Costs are determined based upon the 20-year replacement schedule.

The cash balance reserve policy is the same buying power today as is anticipated in 20 years.

Squad Car Replacement Fund

The Squad Car Replacement Fund is a fixed asset fund that reserves funds based upon the 20-year fleet replacement needs to ensure the regular replacement of major fixed assets. Costs are determined based upon the 20-year replacement schedule.

The cash balance reserve policy is the same buying power today as is anticipated in 20 years.