

Budget Summary Report

2021/2022 Budget



May 1, 2021

Budget Summary

INTRODUCTION

Please find enclosed the Operating and Capital Budgets for Fiscal Year 2021/2022 for the Village of Lake Villa. 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 (April 30th).

BUDGET FORMAT

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

OPERATING FUNDS

General Operating fund	<u>Information Technology Fund (NEW)</u>
Water & Sewer Operating (enterprise) fund	<u>Fleet Maintenance Fund (NEW)</u>
Mansion (enterprise) fund	Motor Fuel Tax fund
Metra Parking (enterprise) fund	Retirement fund
Garbage (enterprise) fund	Insurance fund
	Special Events fund

CAPITAL FUNDS

- General Fund Capital fund
- Water/Sewer Capital fund
- Park Capital fund
- Downtown TIF District
- Park Avenue TIF District
- Business District #1

FIXED ASSET FUNDS

- Public Works Fleet Replacement fund
- Squad Car Replacement fund
- Water/Sewer Equipment Replacement fund

NON-OPERATING FUND

- Drug Forfeiture
- DUI
- Police Pension
- Celebration of Summer

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. 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 is intended for discussion purposes only. Refinements and adjustments will be made based on the Board's direction at the April 12th budget workshop.

FY 2020/2021 Estimated Year End Performance

Major highlights of the FY 2020/21 estimated year-end performance include:

General Fund

- General Fund revenues are projected to be \$292,784 higher than budget projections, as a result of \$396,542 in CARES ACT Revenue. Eliminating that, General Fund revenue is projected to be \$103,758 lower than Budgeted.
- General Fund expenses are projected to be (\$214,126) lower than budget projections.
 - Administrative (\$30,828) or 6% lower than budgeted
 - Police (\$156,102) or 6% lower than budgeted
 - Streets (\$2,905) lower than budgeted
 - B & G (\$24,291) or 14% lower than budgeted
- General Fund is projected to operate at a surplus of \$259,448. The FY 2020/21 budget projected a \$149,080 surplus.
- The anticipated fund balance on May 1, 2021 is \$2,586,117. The 2021/22 target balance is \$2,096,886 meaning the General Fund is projected to be \$460,786 above the target balance and this amount can be transferred to the General Capital Fund, upon approval of a Resolution by the Village Board once the year-end figures are finalized by the Village's contract auditors.

Water & Sewer Fund

- Revenues are projected to be \$17,578 higher than budgeted due to a slight increase in water/sewer billed pumpage from the 2020/21 budget projections.
- Fund expenses are projected to be \$88,346 lower than budgeted.
- The fund is projected to operate at a \$151,062 surplus. The FY 2020/21 budget projected a \$45,139 surplus.
- The anticipated fund balance on May 1, 2021 is \$1,239,568. The 2021/22 target balance is \$807,046, meaning \$432,522 is the estimated amount that can be transferred to the Water/Sewer Capital Fund, once the year-end numbers are finalized by the Village's contract auditors.

Other Operating Funds

- Metra Fund is projected to operate at a \$12,563 deficit; the FY 2020/21 budget projected a \$17,399 deficit.
- Mansion Fund is projected to operate at a \$85,342 deficit; the FY 2020/21 budget projected a \$51,963 deficit.
- Special Events Fund is projected to operate at a net zero performance; the FY 2020/21 budget projected a \$9,000 deficit.
- Garbage Fund is projected to operate at a \$29,683 surplus, the FY 2020/21 budget projected a \$11,488 surplus.
- Insurance and Retirement funds are projected to be within their budgeted amounts, while fully funding these liabilities.

Capital Funds

- Costs in the General Capital Fund are projected to be \$739,832 under budget as a result of the carryover of the Downtown Sidewalk Project. All other costs are \$58,691 below the budget.
- Costs in the Water/Sewer Capital Fund are projected to be \$106,600 under budget due to lower than anticipated costs and the carryover of the Hydraulic Study costs.
- Parks Capital Costs are projected to be \$7,395 under budget due the carrying over of the Mansion Tent Repairs/Cleaning Project (\$7,600)

FY 2021/2022 Budget Overview

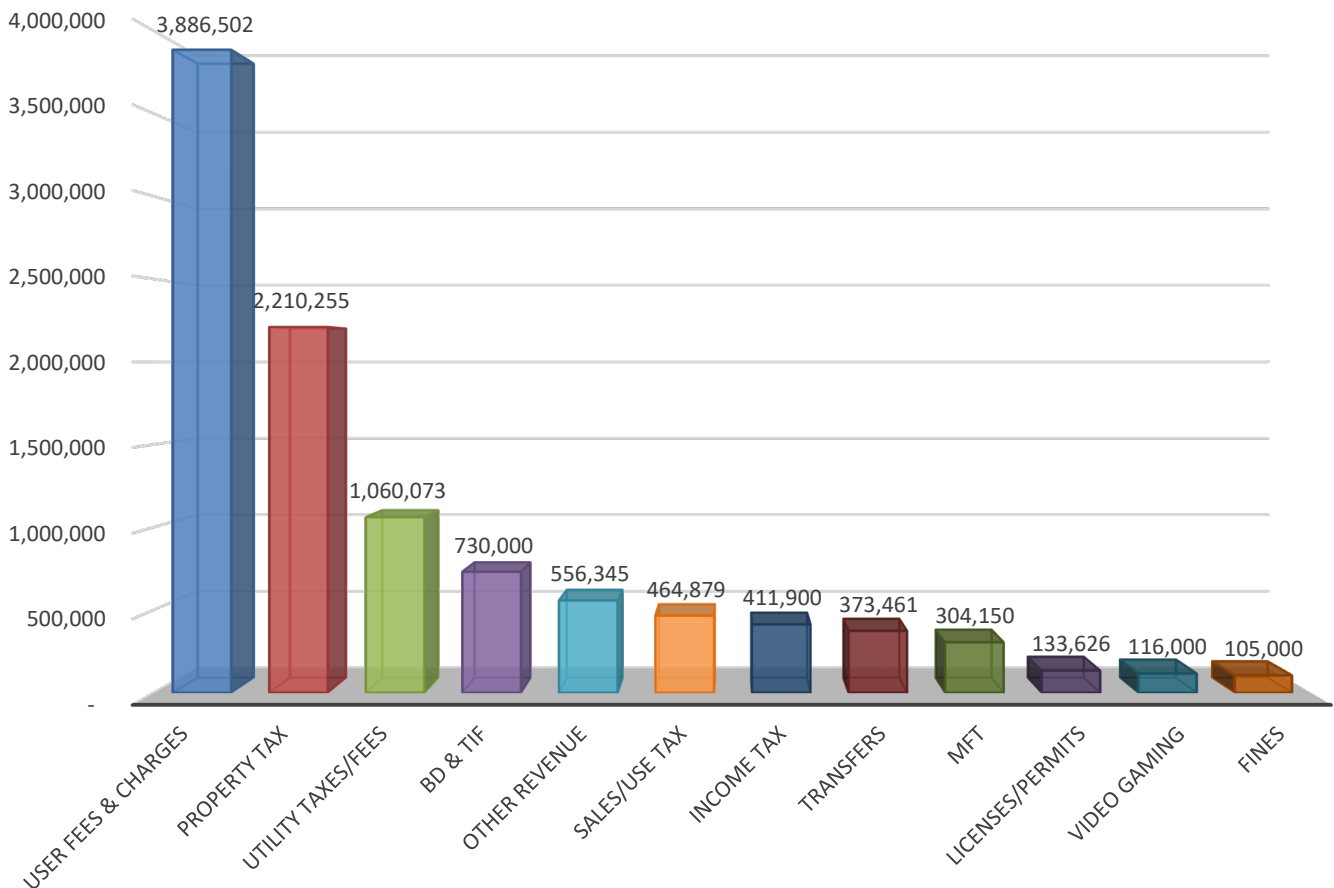
The draft budget includes the following major points:

- General Fund is projected to operate at a surplus of \$28,445
- Water & Sewer Fund is projected to operate at a deficit of \$100,899
- Metra Fund is projected to operate at a surplus of \$5,813
- Mansion Fund is projected to operate at a deficit of (\$100,139)
- Special Events Fund is projected to operate at a deficit of (\$6,000)
- The Garbage Fund is projected to operate at a surplus of \$15,494
- Motor Fuel Tax Fund is projected to operate at a surplus of \$264,150
- Retirement and Liability Insurance Fund meet their liabilities with contributions from the various funds and with revenue from the property tax levy.
- Budget includes full contribution for all fixed asset funds; Squad Car Replacement Fund, Public Works Fleet Replacement Fund and Water/Sewer Equipment Replacement Fund

FY 2021/2022 Revenue Trends – All Funds

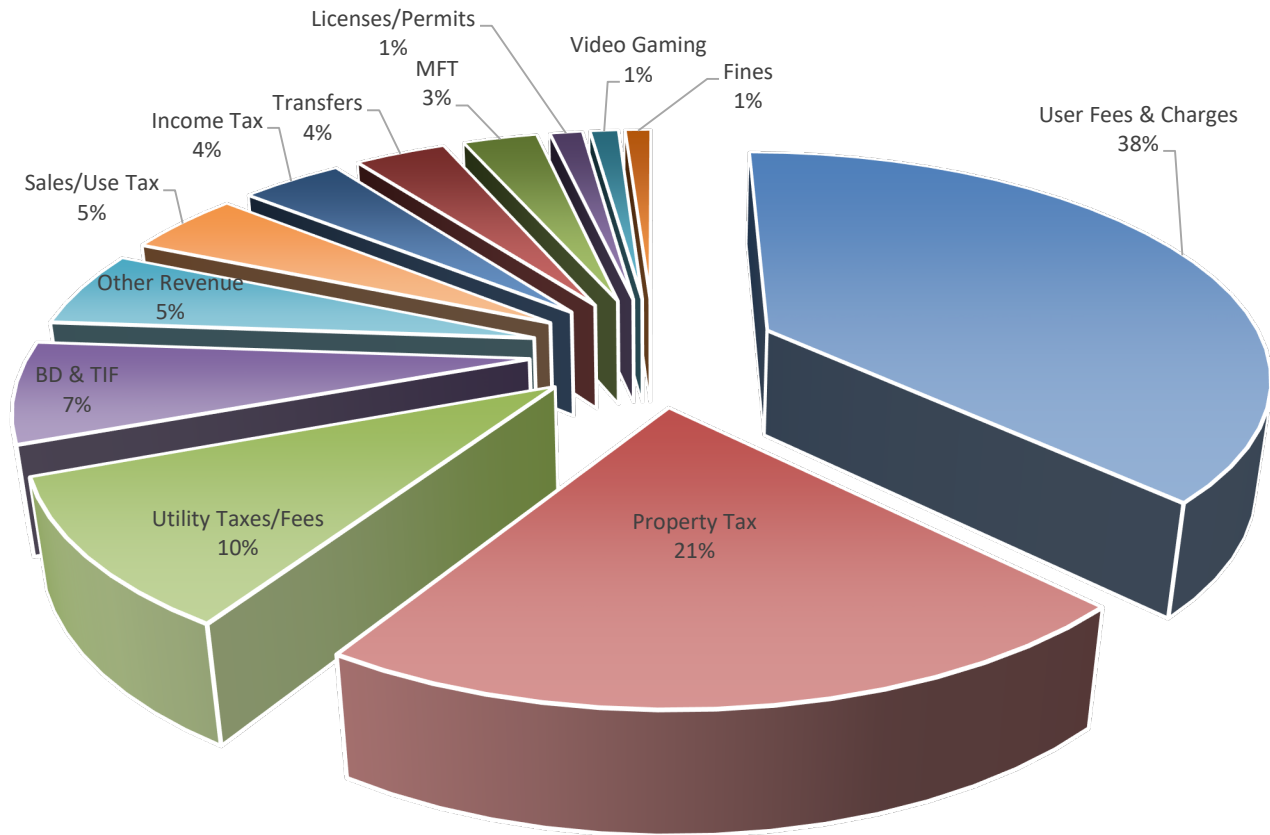
Three-fourths of the Village's revenue comes from three revenue sources; user fees and charges (34%), property taxes (20%), sales, and income, (13%) All other revenues represent 33% of the Village's revenue. These revenues collectively support all Village operational and capital commitments for our eight operating funds, eight capital funds and four non-operating funds. Many of these revenues are dedicated to multiple funds including, property taxes (chart below), sales, income, use tax, and user fees and charges.

FY 21/22 Revenue By Type



This chart represents the same revenue by type, but in a chart and percentage format.

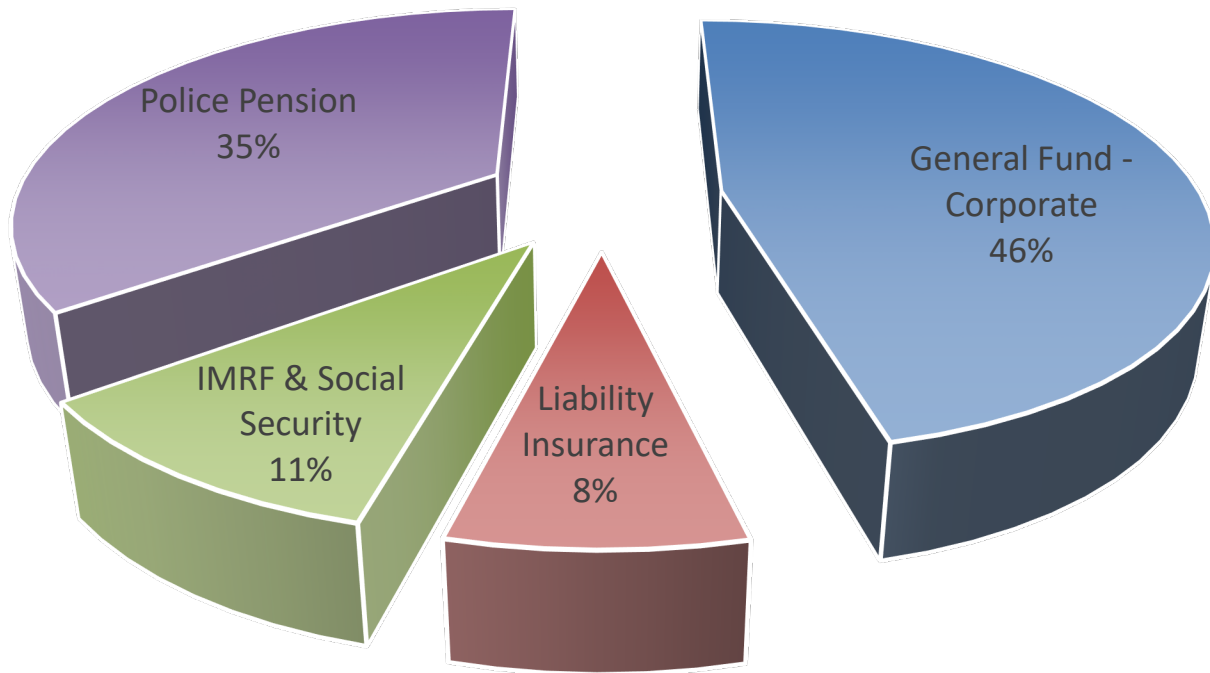
FY 21/22 Revenue By Type



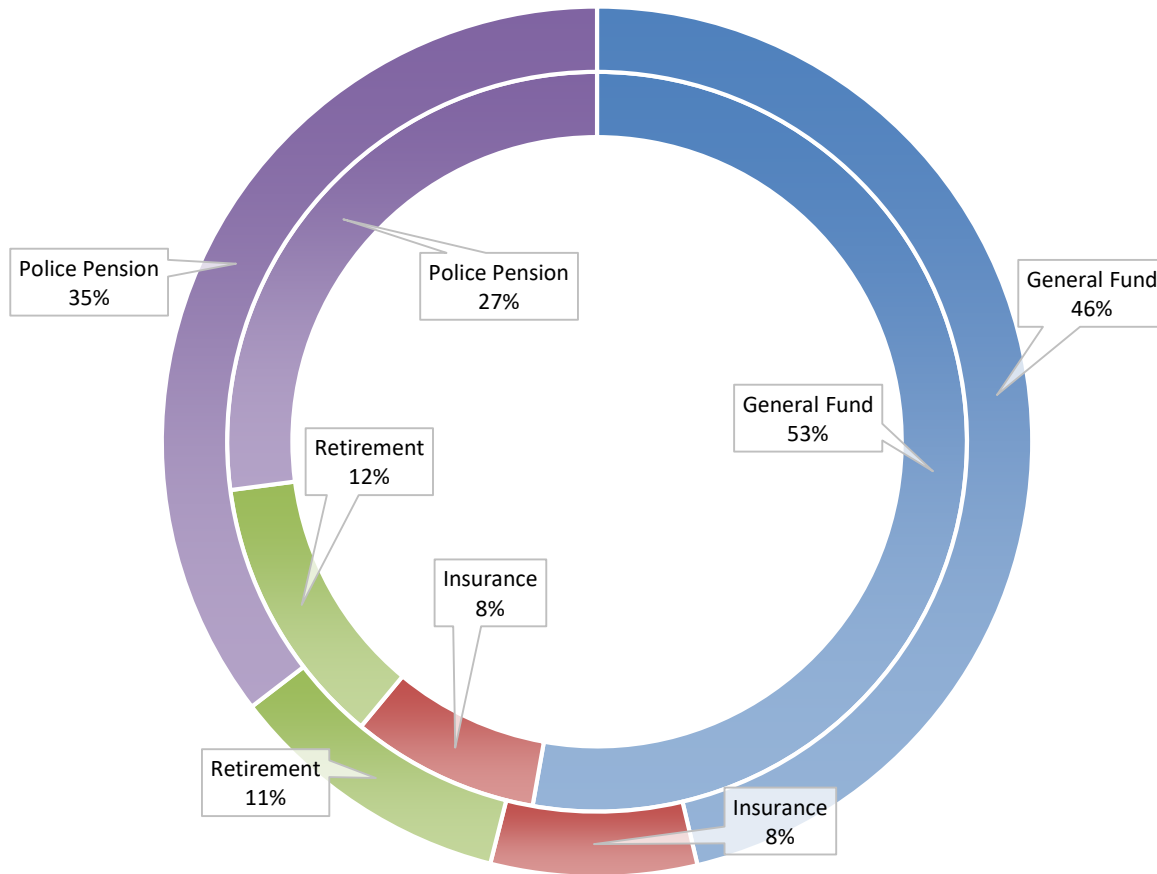
FY 2021/2022 Property Tax Revenue by Distribution:

This chart represents the breakdown of where the Village's property tax revenue is distributed. 46% of property tax revenue is obligated for general corporate purposes, 35% is obligated for police pension purposes and the remaining 19% is obligated towards retirement and insurance purposes.

Property Tax Revenue By Area



Property Taxes by Distribution 2014/15 Actual Versus 2021/22 Budget



General Fund Revenue Trends

General Fund revenues have fluctuated since 2011/12 and will continue to do so in the future. The decrease in revenue in 2014/15 was the result of the creation of the Insurance, Retirement, and General Capital Funds, which diverted some General Fund revenues directly to those funds. In that year, Police Pension revenues were directly allocated to that fund, when before they were passed through the General Fund.

2021/22 General Fund revenue is projected to be \$53,255 lower than last year's budget projection as a result of a decrease (\$1,026,489) in property taxes required for the Police Pension Fund.

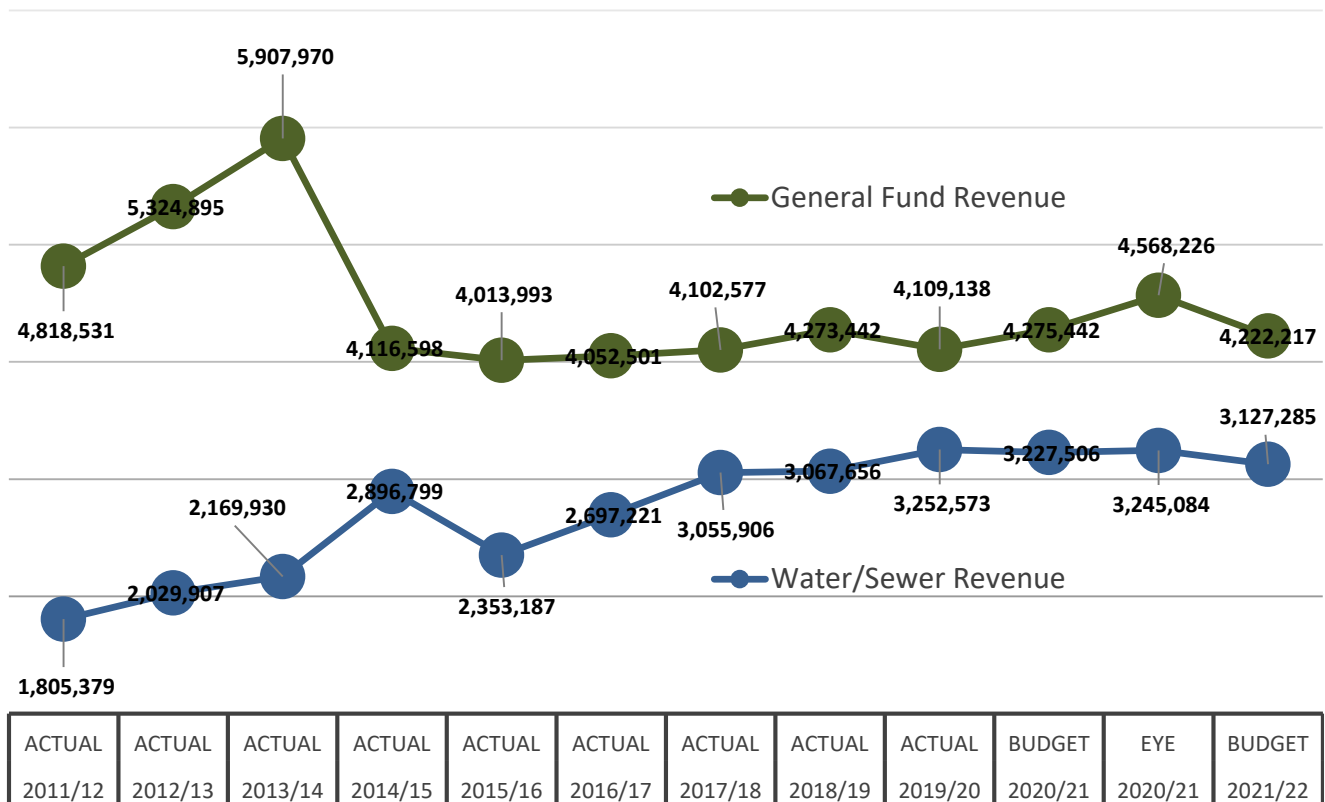
Water/Sewer Revenue Trends

In the past, Water/Sewer revenue fluctuated because of connection fee revenue were dedicated to the operating fund. These revenues are no longer dedicated to this fund and as a result revenue should remain consistent and predictable.

2021/22 revenues are projected to decrease \$117,799 versus the 2020/21 estimated year-end revenue despite the approved 2% rate increase. Revenue is projected to decline versus the estimated year end because water usage increased significantly in the 2020/21 budget most likely as a result of people staying at home during the pandemic. The increased water usage amounts were not placed into the 2021/22 Budget project due to the unknown factors associated with the increase in water sales.

The chart below summarizes the annual revenues obtained in the Village's two largest funds; the General Fund and Water/Sewer Fund. The chart assumes a 2% rate increase in the Water/Sewer Fund for FY 2021/22.

Water/Sewer & General Fund Revenue



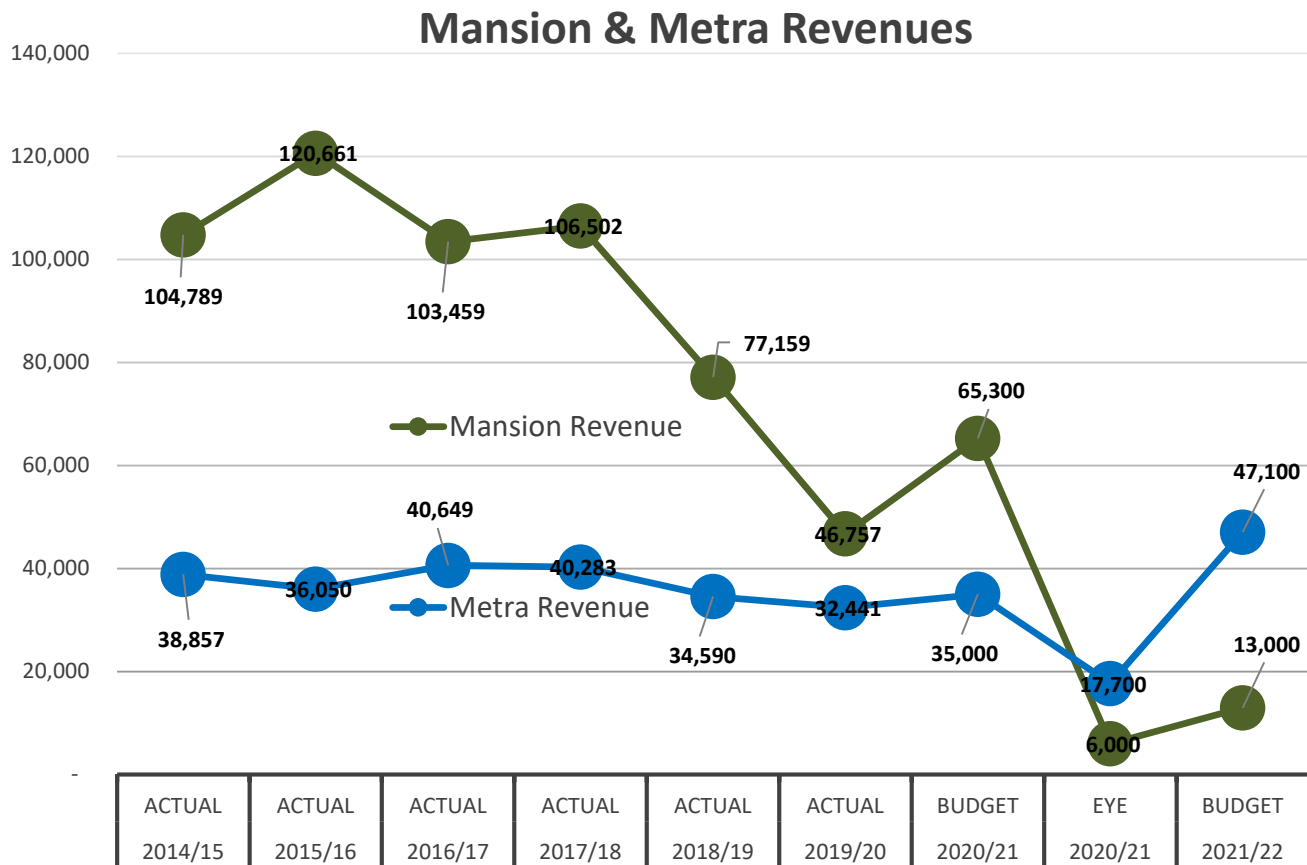
Total Revenue – Metra and Mansion Funds

The chart below summarizes revenues in the Metra and Mansion Enterprise Funds. These revenues are primarily user fees based on the number of vehicles parked in the Metra Lot and the amount of fees collected from events at the Lehmann Mansion.

Revenue in the Mansion fund has fluctuated based on the rental revenue received annually, with revenues lower during the past three than in previous years.

Metra revenues have been consistent, with an increase beginning in 2016/17 due to the parking fee increase to \$1.75 per day. Metra revenue has begun to slightly decline in the past two years. The Village dedicated revenue from the Village's Verizon rental agreement for use of the Railroad Avenue water tower.

The history on these funds dates back to 2014/15 when these funds were created.

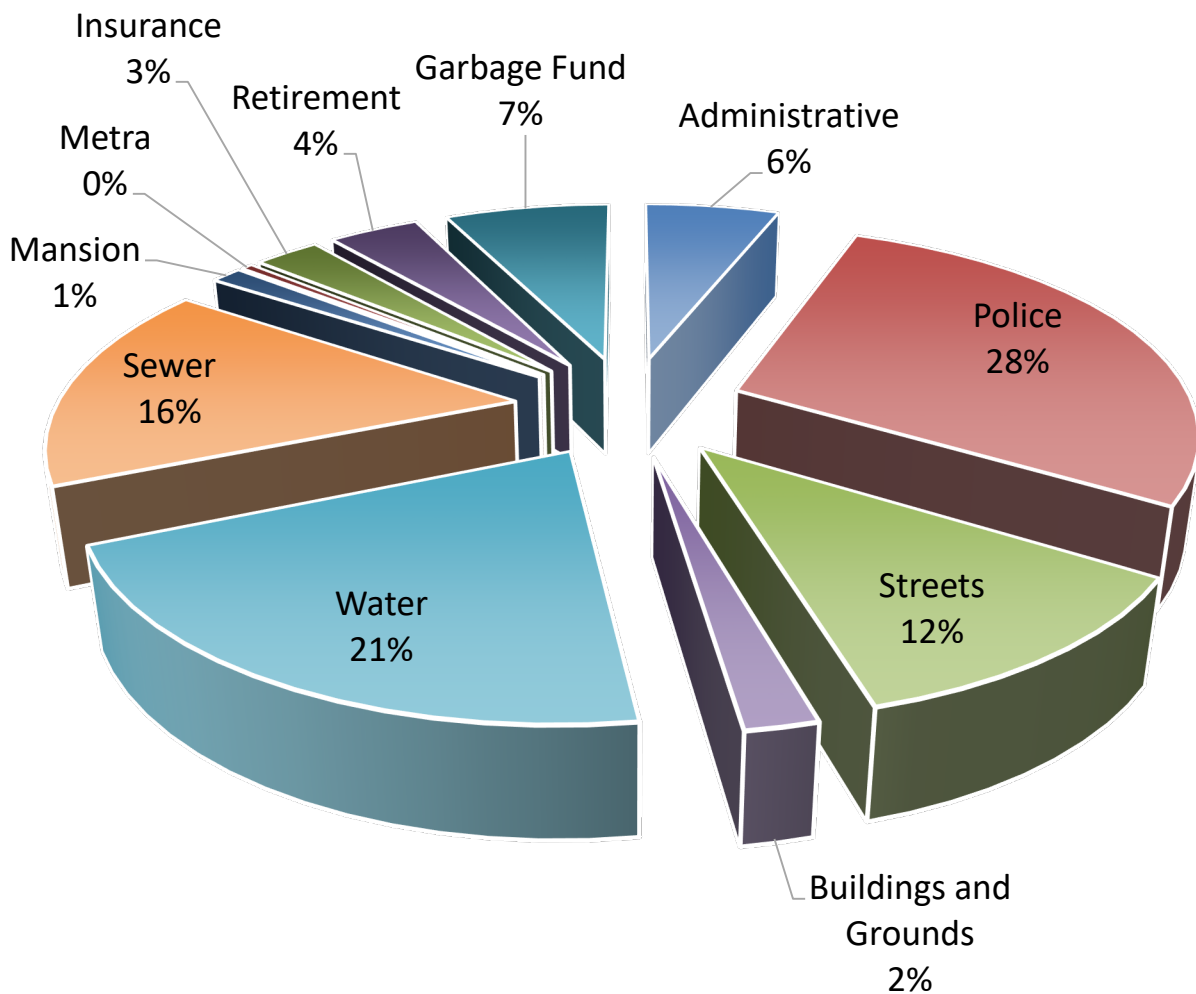


FY 2021/2022 Expense Trends – All Funds

TOTAL OPERATING SPENDING BY AREA

The majority of operating spending is related to Water/Sewer (37%) and Police (28%) areas. Street Maintenance and Administrative represent 18% of operating expenses. All other operating expenses represent 17% of spending. This chart excludes all capital spending.

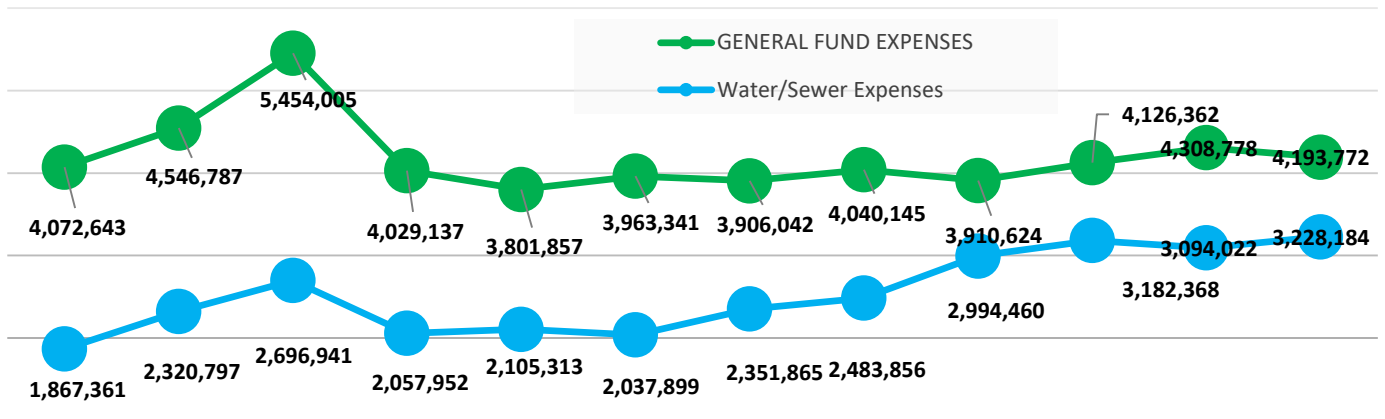
Operating Expenses By Type



WATER/SEWER & GENERAL FUND EXPENSES

The Village's two largest Funds; the Water/Sewer Fund and the General Fund's expenses are listed year by year dating back to 2011/12. Since 2014/15, the General Fund's expenses have remained relatively flat, increasing only \$164,635 in seven years or 4% in total or .05% per year. Due to the increased costs from Lake Michigan water, the Water/Sewer Fund has increased \$1.35 million over the same time period or 73%.

Water/Sewer & General Fund Expenses



ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET	EYE	BUDGET
2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2020/21	2021/22

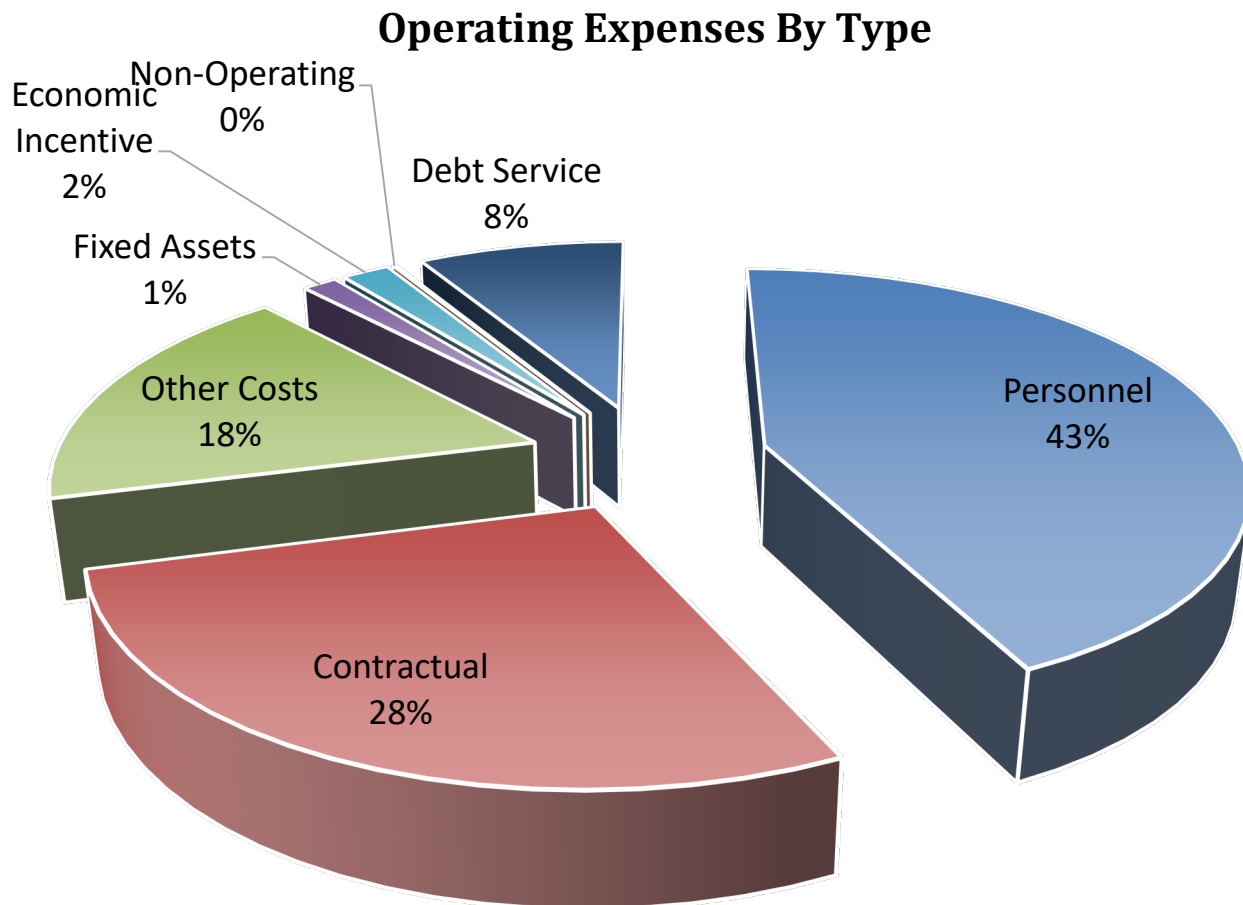
FY 2021/2022 All Operating Expenses by Type:

This chart represents spending by type with, personnel costs totaling \$4 million (43%). The largest portion of personnel expenses is police related (53%).

Debt services payments for the three water and sewer debt service payments and the business district debt service totals \$769,705 which represents 8% of total spending.

Contractual costs represent 28% of all expenses. Of the \$2.56 million in contractual costs, 1.87 million or 73% represent the County sewer treatment, CLCJAWA Water Agency and refuse/recycling expenses.

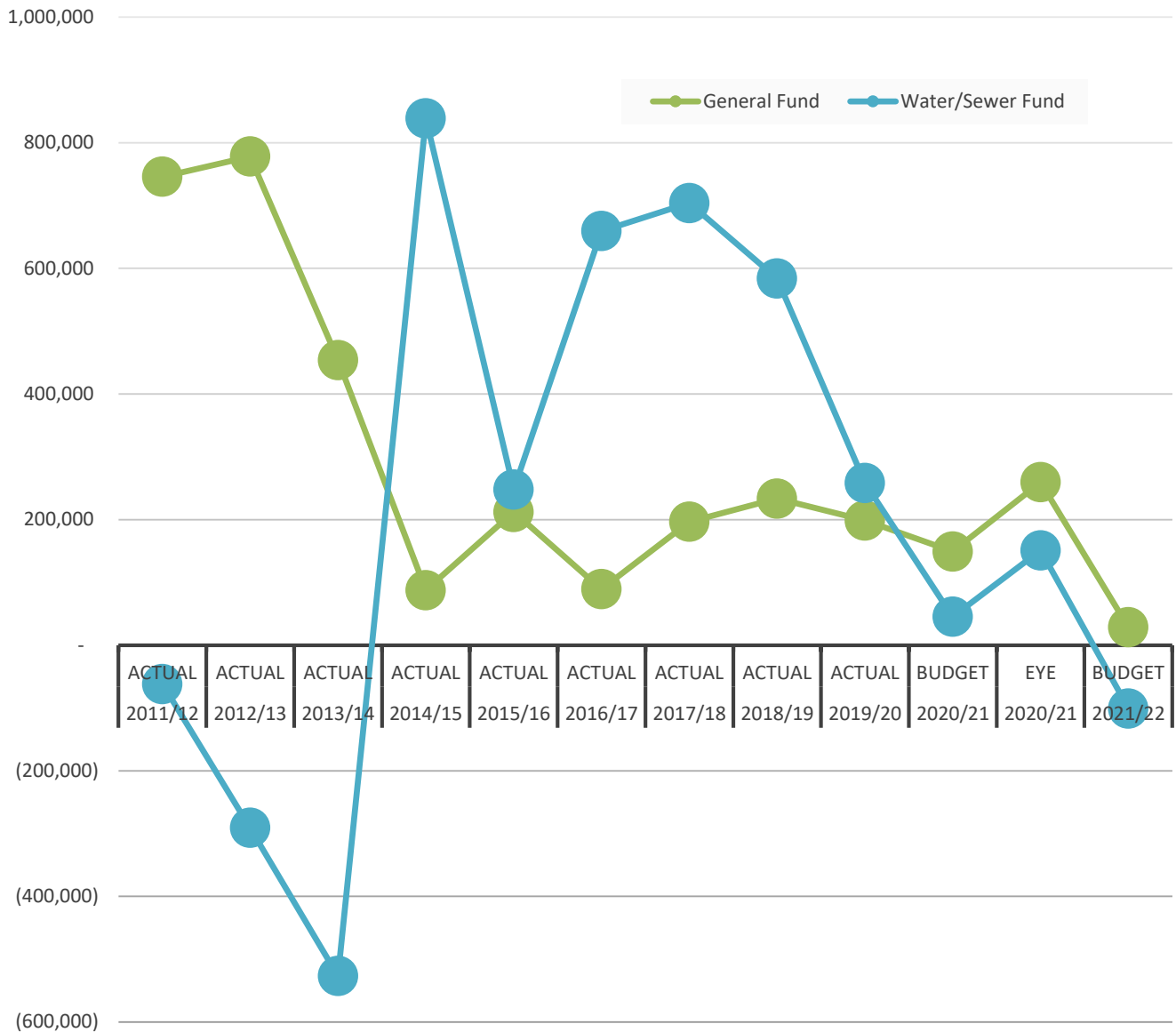
This chart excludes one-time capital costs.



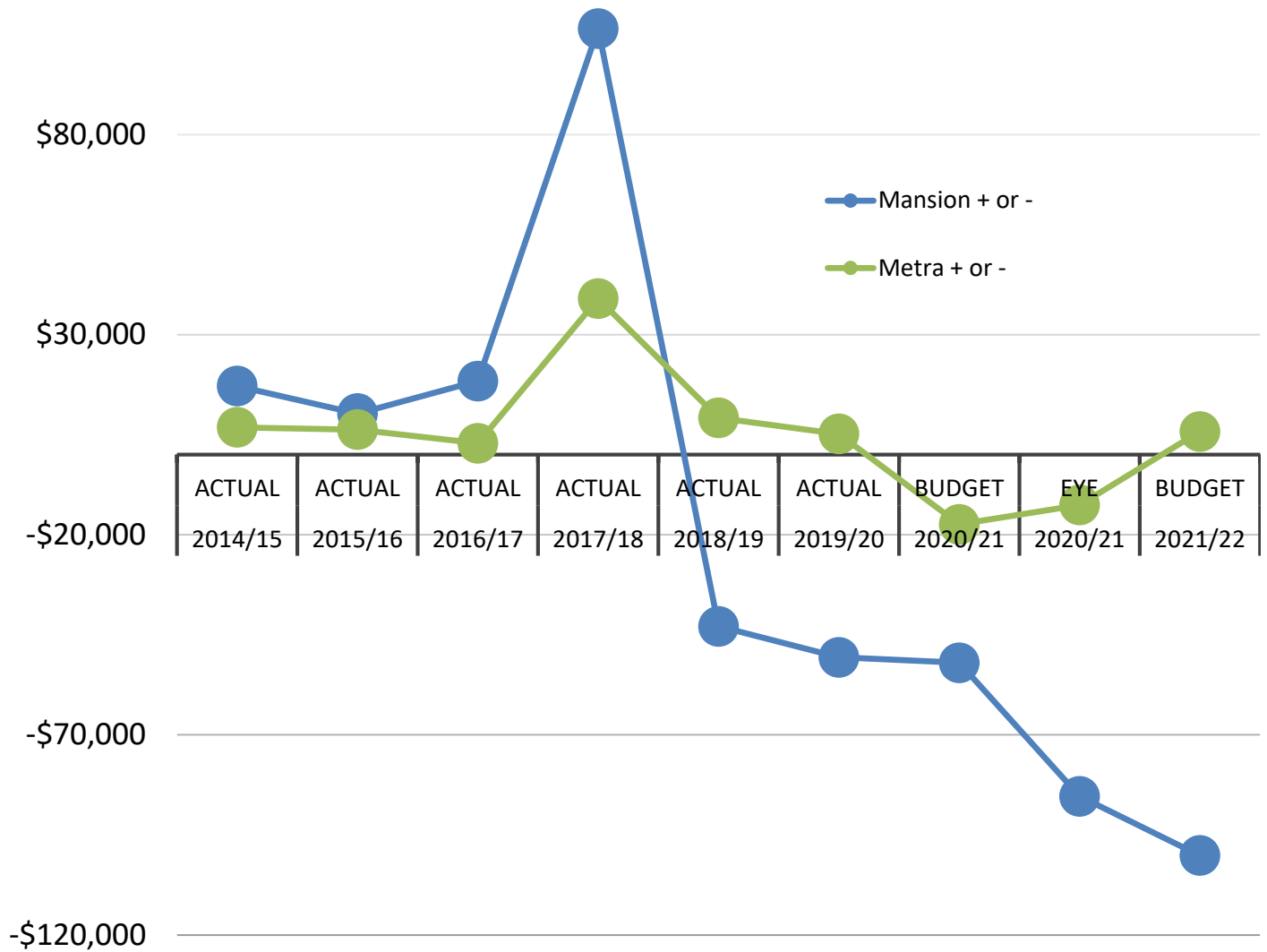
Fund Performance

The charts below summarize the performance of the General Fund and the Village's three enterprise funds (Water/Sewer, Metra and Mansion) since FY 2011/12 and FY 2014/15 for the Metra and Mansion Funds.

Water/Sewer Fund & General Fund Performance



Mansion and Metra Fund Performance



Fund Balances

Below is a chart summarizing the actual May 1, 2020 fund balance, anticipated FY 2020/21 performance and the anticipated May 1, 2021 fund balance for each fund.

FUND	20/21 Beginning Balance	2020/21 Performance	21/22 Beginning Balance
Operating Funds			
General Fund	\$ 2,298,224	\$ 259,448	\$ 2,557,672
Water & Sewer Fund	\$ 1,088,506	\$ 151,062	\$ 1,239,568
Retirement Fund	\$ 75,145	\$ -	\$ 75,145
Insurance Fund	\$ 48,957	\$ 4,357	\$ 53,314
Mansion Fund	\$ (46,074)	\$ (85,342)	\$ (131,416)
MFT Fund	\$ 761,191	\$ (326,236)	\$ 434,955
Metra Fund	\$ 46,640	\$ (12,563)	\$ 34,077
Capital Funds			
General Capital Fund	\$ 1,172,914	\$ 388,570	\$ 1,561,484
Water & Sewer Capital Fund	\$ 1,744,515	\$ (200,675)	\$ 1,543,840
Squad Car Replacement Fund	\$ 99,354	\$ (14,478)	\$ 84,876
Public Works Replacement Fund	\$ 36,837	\$ (2,540)	\$ 34,297
Water & Sewer Replacement Fund	\$ 386,217	\$ 51,650	\$ 437,867
Parks Capital Fund	\$ 173,848	\$ (8,205)	\$ 165,643
Downtown TIF	\$ 287,462	\$ 173,974	\$ 461,436
Business District	\$ 286,234	\$ 30,722	\$ 316,956

FY 2021/2022 Capital Improvements & New Equipment

The draft budget includes the following Capital Improvements & New Equipment requests.

Proposed General Capital Fund includes costs for:

▪ Downtown Sidewalk	\$445,879
▪ Economic Incentive	\$20,000
▪ Building Repairs	\$101,700
▪ Repairs and Improvements	\$50,000
▪ Office Furniture	\$26,670
▪ Comprehensive Plan	\$26,000
▪ Public Works Paving (50%)	\$40,000
▪ COVID Expenses	\$5,000
▪ Sidewalk Engineering: Grand Avenue	\$55,000
▪ Sidewalk Engineering: Grass Lake Road	\$30,000
▪ Sidewalk Engineering: Monaville (FP)	\$38,000
▪ Sidewalk Engineering: Monaville (Cedar Lake)	\$63,000
▪ Road Resurfacing Reserve	\$300,000
▪ Service Request System	\$7,000

Proposed Water/Sewer Capital fund includes costs for:

▪ Repairs and Improvements	\$50,000
▪ Grand Ave – Utility Relocation Design Eng.	\$36,000
▪ Sanitary Sewer Manhole Repairs	\$40,000
▪ Well House Chemical Conversion	\$30,000
▪ Public Works Paving (50%)	\$40,000
▪ Water System Hydraulic Study	\$75,000
▪ Well 5 & 11 SCADA Upgrades	\$5,800
▪ Water System Leak Survey	\$15,500
▪ Water Tower Inspections	\$6,500
▪ Milwaukee Ave. Inspection Valve	\$10,000

Proposed Parks Capital fund includes costs for:

▪ Mansion Tenet Repairs/Clean	\$11,100
▪ Lehmann Park Repairs	\$8,000
▪ Park Improvements	\$34,500

Proposed Motor Fuel Tax fund includes costs for:

▪ Design Engineering	\$40,000
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Proposed Business District fund includes costs for:

▪ Cedar Avenue Streetscape Loan Repayment	\$107,672
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Proposed New Equipment costs for all funds include:

Administration	Village Hall Lettering	\$2,800
Streets	Flat Edge Skid Steer Bucket	\$1,800
Streets	Jumping Jack Compactor	\$3,200
Grounds	Lehmann Park Tree Installation	\$2,400
Grounds	Lehmann Park Tree Removal	\$3,000
Water	Metal Detector	\$900
Sewer	Generator Sewer Camera Van	\$2,500
PW Replacement	Pick-up Truck	\$25,000
PW Replacement	Truck Body Repairs	\$19,000
Squad Replacement	Unmarked Utility	\$32,480
Squad Replacement	Marked Utility	\$50,750
W&S Replacement	Well #14 Replacement	\$40,000
DUI Fund	Squad Car Camera	\$6,000
DUI Fund	Body Camera	\$3,000
DUI Fund	Taser Replacement	\$2,400

General Fund

This section will provide information on revenue and expenses for only the General Operating Fund.

The General fund receives general taxes, fees to fund the administrative, police, streets and buildings and grounds operations of the Village.

Budget Summary

Total Revenues	\$4,222,217
Total Expenses	\$4,193,340
Net Income	\$28,445

General Fund Totals by Year

General fund revenues are not completely in control of the Village. Major revenue sources, including income tax, sales tax, use tax, and building permit fee revenue. They are highly dependent on economic factors.

Total General Fund expenses do vary year to year as incremental upward costs to salaries and other costs are realized. Fortunately, cost savings measures have been identified over the past several years to offset these annual cost of living increases.

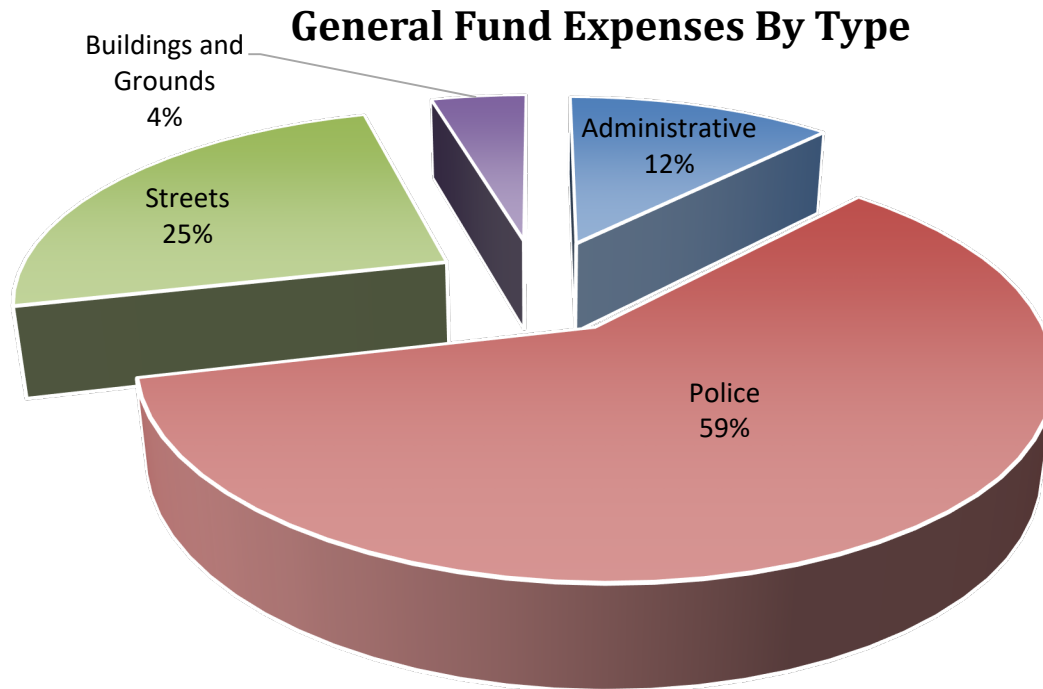
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2020/21	2021/22
	Actual	Actual	Actual	Actual	Actual	Budget	EYE	Budget
Revenue	4,013,993	4,052,501	4,102,577	4,273,442	4,109,138	4,275,442	4,568,226	4,222,217
Expenses	3,801,857	3,963,341	3,906,042	4,040,145	3,910,624	4,126,362	4,308,778	4,193,772
Net Income	212,136	89,160	196,535	233,297	198,515	149,080	259,448	28,445

General Fund Spending by Area

	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2019/20	2020/21	
	Actual	Actual	Actual	Actual	Actual	Budget	EYE	Budget	
Administrative	680,179	551,113	608,827	528,516	496,026	530,075	524,595	510,104	
Police	2,214,650	2,229,217	2,294,400	2,357,404	2,444,056	2,354,045	2,332,794	2,471,970	
Streets	872,264	870,853	925,598	866,887	948,189	1,008,800	980,022	981,500	
Buildings and Grounds	262,044	150,674	134,516	153,235	151,874	162,546	159,044	171,240	
Water	836,343	912,903	844,340	1,116,174	1,205,395	1,807,039	1,714,559	1,714,559	1,

GENERAL FUND SPENDING BY AREA

The majority of General Fund spending (59%) is related to police. 69% of general fund costs are personnel, with 73% of personnel expenses being police related. 85% of police expenses are personnel related.



GENERAL FUND SPENDING VERSUS LAST YEAR

Proposed 2021/22 General Fund spending is \$67,410 higher than budgeted in 2020/21. A few major expense changes occurred in the proposed budget. These changes include:

Projected Increases over 2020/21 Budget

- Road Salt \$45,100
- Legal Fees \$5,000
- Fleet Replacement Contribution \$9,880
- Tree Maintenance \$8,000

Projected decreases versus 2020/21 Budget

- Police Part-time (\$16,000)
- New Equipment (\$12,800)

Water & Sewer Operating Fund

This section will provide information on revenue and expenses for only the Water/Sewer Operating Fund.

Primary revenues in the Water and Sewer Operating fund are water/sewer rates and charges set by the Village Board. These user charges fund the maintenance and treatment activities that provide residents and businesses with drinking water and processing of effluent through the Village's system and into the County wastewater system.

Budget Summary

Total Revenues	\$3,127,285
Total Expenses	\$3,228,184
Net Income	(\$100,899)

Water & Sewer Operating Fund Totals by Year

Revenue	2,896,799	2,353,187	2,697,221	3,055,906	3,067,656	3,101,033	3,181,286	3,227,506
Expenses	2,057,952	2,105,313	2,037,899	2,351,865	2,483,856	3,162,639	3,059,272	3,182,367
Net Income	838,847	247,874	659,322	704,041	583,800	(61,606)	122,014	45,139

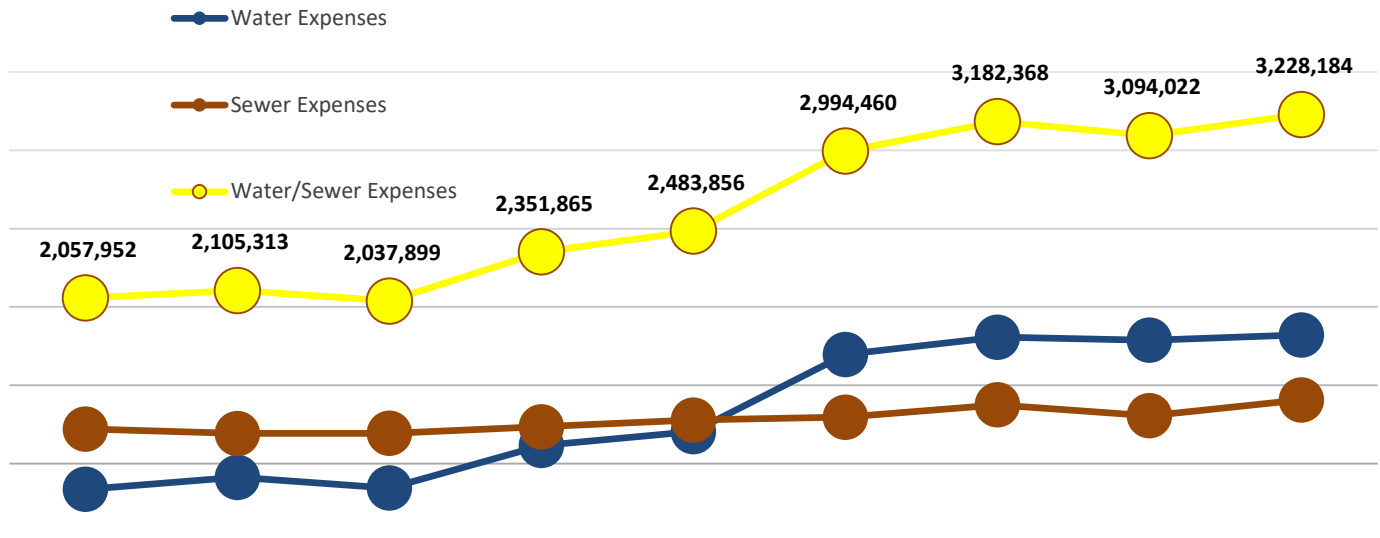
Water/Sewer revenues are projected to decrease (\$100,221) from the 2020/21 Budget projection, even with the approved 2% rate increase. Conservative water billing estimates were used in the 2020/21 budget because water billing increased this year, based on the fact that more residents were home over the past year. Those higher water billing numbers were not incorporated into the 2020/21 budget.

Expenses will rise \$45,817 or 1.44% in FY 2021/22, primarily due to the addition of \$138,576 in additional debt service expenses as a result of required utility improvements as a result of the Grand Avenue Widening Project. All other costs are down \$92,759.

WATER/SEWER FUND SPENDING VERSUS LAST YEAR

Proposed 2021/22 Water/Sewer budget is \$45,817 higher than budgeted in 2020/21 and \$134,162 higher than the 2020/21 estimated year end. The 2020/21 estimated year is (\$88,346) lower than the 2020/21 budget projection.

Water/Sewer Fund Expenses



ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET	EYE	BUDGET
2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2020/21	2021/22

Major changes include:

Projected Increases over last year's Budget

- County Sewer \$9,996
- Credit Card Fees \$14,400
- Debt Services \$70,263

Projected decreases from last year's Budget

- Salaries (\$40,036)
- Health Insurance (\$8,038)

Metra Parking Fund

The primary revenue in the Parking Fund is the \$1.75 daily parking fee, monthly parking pass and Verizon Water Tower Lease Agreement. Expenses are related to depot and parking lot maintenance.

Budget Summary

Total Revenues	\$47,100
Total Expenses	\$41,287
Net Income	\$5,813

Mansion Fund

The primary revenue in the Mansion Fund is rental fees for various events, activities and special events.

Budget Summary

Total Revenues	\$13,000
Total Expenses	\$113,139
Net Income	(\$100,139)

Special Events

The primary revenue in the Special Events Fund is registration fees from events and the costs are related to these events.

Budget Summary

Total Revenues	\$6,000
Total Expenses	\$12,000
Net Income	(\$6,000)

Garbage

The primary revenue in the Garbage Fund is refuse/recycling fees and the major expense is the payment to Waste Management for refuse/recycling collection.

Budget Summary

Total Revenues	\$636,217
Total Expenses	\$620,723
Net Income	\$15,494

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, Retirement Fund, Insurance Fund and Motor Fuel Tax (MFT) 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.

Budget Summary

Total Revenues	\$304,150
Total Expenses	\$40,000
Net Income	\$264,150

Retirement Fund

The Retirement Fund funds Illinois Municipal Retirement Fund (IMRF) and Social Security retirement costs. Police pension costs are funded through a state mandated single purpose fund for all sworn officer positions.

The Retirement fund receives revenue from the property taxes levied for IMRF and social security.

Budget Summary

Total Revenues	\$336,029
Total Expenses	\$339,553
Net Income	(\$3,524)

Insurance Fund

The Insurance fund receives revenue from the property taxes levied for property, liability and casualty insurance. In addition, the enterprise funds make contributions to the Insurance fund to pay their share of insurance costs.

Budget Summary

Total Revenues	\$243,504
Total Expenses	\$243,504
Net Income	\$0

Information Technology Fund

The Information Technology fund receives revenue from the General Fund and Water and Sewer Fund to fund costs associated with necessary information technology costs, including regular operating costs and computer and equipment replacements.

Budget Summary

Total Revenues	\$60,000
Total Expenses	\$57,100
Net Income	\$2,900

Fleet Maintenance Fund

The Fleet Maintenance fund receives revenue from the General Fund and Water and Sewer Fund to fund costs associated with vehicle maintenance and fuel costs.

Budget Summary

Total Revenues	\$280,000
Total Expenses	\$271,883
Net Income	\$8,117

Capital Funds

The FY 2021/22 Draft budget contains five capital funds, the General Capital Fund, Water/Sewer Capital Fund, Parks Capital Fund, TIF Districts and Business District #1.

General Capital Fund

The General Capital Fund receives revenue from vehicle sticker fees, video gaming, water tower lease, and a portion of sales, use and income tax. In addition, this fund will receive funds in excess of the General Operating Fund designated fund reserve. These revenues are set apart from operational spending and reserved for one-time community improvements and major equipment replacements.

Budget Summary

Total Revenues	\$701,077
Total Expenses	\$1,208,249
Net Income	(\$507,172)

Water/Sewer Capital Projects Fund

The Water/Sewer Capital Projects fund receives revenue from one-time water and sewer tap-in fees generated from new building construction. In addition, this fund will receive funds in excess of the Water/Sewer Operating Fund designated fund reserve. These revenues are set apart from operational spending and reserved for one-time system improvements and replacements.

Budget Summary

Total Revenues	\$3,350
Total Expenses	\$308,800
Net Income	(\$305,450)

Parks Capital Fund

The Parks Capital Fund uses parks impact fees to fund parks projects.

Budget Summary

Total Revenues	\$0
Total Expenses	\$53,600
Net Income	(\$53,600)

Downtown Tax Increment Financing District

The Downtown TIF District Fund includes revenue and expenses related to the allowable transaction for this fund.

Budget Summary

Total Revenues	\$230,400
Total Expenses	\$69,350
Net Income	\$169,350

Park Avenue Tax Increment Financing District

The Park TIF District Fund includes revenue and expenses related to the allowable transaction for this fund.

Budget Summary

Total Revenues	\$25,000
Total Expenses	\$31,050
Net Income	\$3,950

Business District #1

The Business District #1 Fund includes revenue and expenses related to the allowable transactions for this fund.

Total Revenues	\$156,500
Total Expenses	\$135,472
Net Income	\$21,028

Fixed Asset Funds

The FY 21/22 Draft budget contains three fixed asset funds.

Squad Car Replacement Fund

The Squad Car Replacement Fund receives revenue from the General Fund to fund the regular replacement of police vehicles.

Budget Summary

Total Revenues	\$82,080
Total Expenses	\$83,230
Net Income	(\$1,150)

Public Works Fleet Replacement Fund

The Public Works Replacement Fund receives revenue from the General Fund and Water/Sewer Fund to fund the regular replacement of Public Works vehicles and major equipment.

Budget Summary

Total Revenues	\$165,000
Total Expenses	\$44,000
Net Income	\$121,000

Water/Sewer Equipment Replacement Fund

The Water/Sewer Equipment Replacement Fund receives revenue from the Water/Sewer Fund to fund the regular replacement of major water and sewer equipment.

Budget Summary

Total Revenues	\$70,000
Total Expenses	\$40,000
Net Income	\$30,000

Non-Operating Funds

The Village has a number of non-operating funds; the DUI Fund, Drug Fund, and Pension Fund. These funds are required under State statute.

Police Pension Fund

The Police Pension fund receives revenue from a portion of the Village's property taxes, fund contributions from employees and investment earnings. These revenues pay for the state-mandated police pension liability costs.

Drug Fund

The Drug fund receives revenue from the proceeds of felony drug arrests through a court order. These funds are restricted.

DUI Fund

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

Mansion Debt

When the Village closed on the debt certificate for the Lehmann Mansion improvements, the Village was required to place one year's worth of debt payments in a separate fund. The debt service for this has been paid off.

Celebration of Summer

The Celebration of Summer Fund receives revenue from donations and the raffle sales. These funds are used for the Celebration of Summer event, including fireworks.