

Annual Budget
**FISCAL YEAR ENDING
APRIL 30, 2010**

4/30/09

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April 15, 2009

To The Mayor and Members of the City Council
of the City of Park Ridge, Illinois:

This is an extremely difficult budget year. We are in the midst of a severe economic recession. Revenues are decreasing, yet the demand for city services increases. In this recommended budget, I have cut expenditures to an unprecedented level yet maintained the City's commitment to capital projects, particularly sewer rehabilitation.

The January 19, 2009 issue of Business Week quotes the book, Leadership in the Era of Economic Uncertainty by Ram Charan and notes that:

Plans and progress must be revisited almost daily. Big-picture, strategic-level thinking cannot be abandoned, but every leader now must be involved, visible, and in daily communication with employees, customers, and suppliers. In this world, CEOs need detailed, up-to-date, and unfiltered information. And they have to act decisively when trouble looms. "If you don't prepare for the worst," says Charan, "you will put both your company and career at risk." (Emphasis added.)

To prepare a budget, we begin with the City's mission and strategic plan. In other words, what do we want to accomplish with our budget dollars?

THE CITY'S MISSION AND STRATEGIC PLAN

The City of Park Ridge is committed to providing excellence in City services in order to uphold a high quality of life, so our community remains a wonderful place to live and work.

On November 14 and 15, 2008 elected officials and senior staff developed a strategic plan and goals for the city. Our vision for the City includes these key elements:

- Economic Development
- Infrastructure
- City life
- The way we work
- Resources and financials

We have twelve major goals for the next two fiscal years, 2009/10 and 2010/11.

Fiscal Year 2009/10 Goals

Economic Development

Goal: Develop a comprehensive long-term strategy for economic development enveloping a business-friendly philosophy intended to attract and retain business in Park Ridge.

Vision: Our vision is to have an economic development strategy that attracts new businesses, creates an appropriate blend of businesses, markets Park Ridge as a business friendly environment, and includes a business incentive program.

How the budget relates to this vision: The 2009/10 Economic Development budget is \$1,631,100. The general operating fund portion is \$135,500.

Departmental goals related to this vision: The Economic Development and Community Preservation and Development Departments work together to formulate policies that encourage businesses to locate in Park Ridge.

Infrastructure

Goal (Part I): Keep the streets and sidewalks in good repair.

Vision: The City's vision is to continue the sidewalk replacement program and limit "trip and fall" liability exposure. We changed our policy. The City will not subsidize the cost of replacing "voluntary" sidewalks; voluntary sidewalks are sidewalks replaced for cosmetic reasons. The City will continue paying 50% of the replacement cost of mandatory sidewalks. We want to limit expenditures to current motor fuel tax fund revenues and concentrate on the street program.

How the budget relates to this vision: Public Works budgeted \$75,000 of general operating funds to replace 25,000 square feet or 1,000 squares of sidewalk in FY 2009/10. The City plans on spending \$1 million to rehabilitate 5 miles of streets in 2009/10.

Park Ridge part of the economic stimulus package is roadway repair on Oakton (entire city) and Touhy, 6-corners east to city limits. A small part of Northwest Highway is also included.

Departmental goals related to this vision: The Public Works Department coordinates the sidewalk replacement and street maintenance programs. Finance helps administer sidewalk related claims.

Goal (Part I): As dollars permit, install 1 or 2 relief sewers per year.

Vision: The City of Park Ridge's vision is to have a community where basement backup/overload flooding is reduced, not eliminated since nature prevents total elimination.

How the budget relates to this vision: We budgeted \$530,000 in fiscal year 2009/10 to install relief storm sewers.

These relief sewers will be at Frances, Greenwood to Grace and Frances, Greenwood to Lincoln. In fiscal year 2009/10, we will install a cathodic protection system at the Sibley lift station for a cost of \$30,000. We will spend \$100,000 to divide the city into ten sections and over a ten-year period, jet clean the sewers and televise sewers.

In fiscal year 2008/09, we will spend \$80,000 to identify and study areas prone to flooding and basement back-up. The city's last sewer study was completed in 1996.

Departmental goals related to this vision: The Public Works department coordinates the sewer replacement program.

Goal: Build a police station that meets our needs and is manageable within our financial constraints.

Vision: Our vision is to have a modest and efficient police facility that works for the employees and citizens.

How the budget relates to this vision: \$1.6 million is the amount of annual debt service we would have levied for the 1998 Public Works Service Center/alley paving bonds.

Why do we need a new police station? The City needs a new police station because of crucial space and safety needs.

This is the most serious safety issue:

1. A "Sally Port" is desperately needed. A "Sally Port" is a bay that a police car can drive into, close the bay door, secure the area, remove the prisoner, and bring the prisoner to a secure lock-up area. This helps ensure both the officer's and prisoner's safety.

Currently, prisoners are removed from the police squad cars in the driveway, escorted down a flight of stairs in all weather conditions and brought through the public section of the police station to the secured area in the back. With our current facility, prisoners and the public are in common areas both inside and outside the police station.

The space needs are:

2. The storage requirements in the evidence property room exceed available capacity,
3. There are ventilation problems in the evidence property room,
4. State law requires police agencies to retain property for longer time periods putting excess strain on space needs,

5. The property clerk is forced to have her work desk inside the property room that smells from marijuana evidence and other types of evidence that may have odorous smells,
6. The evidence property room is slightly bigger than a closet. When Evidence Technicians process evidence, they are forced to work in a cramped area and an inefficient workspace. We cannot fit another piece of equipment in the room.
7. Stolen and/or confiscated vehicles are stored at the Public Works Service Center. This poses legal issues involving chain of custody and reduces usable workspace for Public Works.
8. The men's locker room is crowded, but the women's locker room is deplorable. Eight sworn and eight civilian uniformed female officers are forced to use a locker room built for ten people.
9. The Traffic Officers' office was converted from two small holding cells and can only be accessed by squeezing through the foot and a half space between the desk of a reporting officer and the chairs that the citizens filing a report are using. These chairs can also be occupied by juveniles who under arrest but cannot be processed in the holding cell area because adults are in custody in the holding cells.

Departmental goals related to this vision: Police personnel are best situated to have input on their needs.

City Life

Goal: Reinforce Park Ridge's strength as a caring community by promoting and referring community social services offered.

Vision: Park Ridge wants to be known as a caring community.

How the budget relates to this vision: The City regularly provides funding to various community groups. More information can be found in the Community and Civic Services section of the budget.

Departmental goals related to this vision: The City has a Human Needs Task Force. The Human Needs Task Force unites various social service and volunteer agencies to improve the community's charitable needs. Goals include making the Task Force more visible to the community by marketing and educating the public of their activities.

Way We Work

Goal: Establish a Committee of the Whole "workshop" operating by January 1, 2009.

Vision: The City Council decided to change from a Standing Committee to a Committee of the Whole format effective January 2009. It is hoped that this format will result in a higher level of aldermen understanding issues resulting in more productive City Council meetings. This new format will be evaluated after six-months.

Departmental goals related to this vision: We held our first Committee of the Whole workshop on January 12, 2009. All the functional departments attend Committee of the Whole meetings. If the new format is successful, we will need to change the Municipal Code and the City Council Procedure Manual.

Goal: In continuing to develop an even more user-friendly government, implement a courtesy program, database, and training for municipal staff.

Vision: Our vision is to have a City staff that is courteous and in the event they refuse a request, they will do so in a manner that the customer understands the reason for the refusal.

How the budget relates to this vision: The Information Technology Department budgeted \$23,000 next year to install a customer service web based system. This system will track customer service requests. Staff budgeted \$4,000 in FY 2008/09 and \$1,000 in FY 2009/10 for citywide customer service training. The first customer training seminar was held on April 15, 2009.

Departmental goals related to this vision: All departments will be trained in a customer service protocol.

Resources and Financials

Goal: Identify conservative base revenues, core services and their associated costs and develop a 2-year balanced budget.

Vision: Ideally, the City Council and senior staff would like to have a balanced budget; this means operating revenues equal operating expenses. For the past several years, the City incurred deficits in the general operating fund primarily due to revenue shortfalls. While it is all right to use reserves in the event of a "rainy day", continued use of reserves eventually leads to depletion and weakened financial condition. The term "conservative base revenues" refers to not overestimating projected revenues.

How the budget relates to this vision: The budget maintains the General Fund Balance at the current rate.

Departmental goals related to this vision: The City Manager and Finance Director will spearhead efforts to curtail expenses, but success depends upon cooperation of all elected officials and staff. Recognizing that the City has limited funding, elected officials need to prioritize projects and direct staff on a mutually agreed upon direction.

Fiscal Year 2010/11 Goals

Economic Development

Goal (Part II): Invest in providing the necessary tools to entice the redevelopment of targeted economic development areas within the City of Park Ridge.

The redevelopment of Uptown (Target Area 2) is near completion. Target Area 2 includes the former water reservoir and pump station area located in Uptown. The underground parking garage opened to the public on August 11, 2008. There are 286 free public parking spaces on the main level and 183 residential parking spaces on the lowest level of the garage. The surface parking lot opened on August 27, 2008. Several businesses opened in Target Area 2. They include: Amphora's, Trader Joe's, Chico's, Joseph A. Banks, Kriser's Pet Store, Lens Crafters Optique, Aveda Salon & Spa, Jason's Deli, and Noodles & Company. Trader Joe's, Chico's and Joseph A. Banks opened in 2007. The design and part of the construction of streetscape improvements on Summit Avenue between Prospect and Touhy Avenues were completed. Construction will be fully completed in 2009.

Once completed, the Higgins Road Corridor Plan will provide a long-term vision for the Corridor and will become an amendment to the Comprehensive Plan. The Corridor is located on the north side of Higgins Road and extends between Dee Road on the west and Canfield Road on the east.

Besides Uptown Target Area 2 and the Higgins Road Corridor, the City Council has identified other priority areas.

Target Area 4 is the southwest sector of Uptown, and encompasses the area generally bounded by Touhy Avenue, Main Street, Fairview Avenue, Garden Street and Cumberland Avenue. The City wants to encourage mixed land use in this area. Challenges for this area include land assembly, environmental clean-up, and accessibility from Touhy Avenue.

There is redevelopment potential for several vacant properties formerly owned by an automobile dealer. These properties are located on Northwest Highway in Uptown. The location makes these properties influential to the City's Uptown Plan.

The City approved a redevelopment plan for Dee Park. There are traffic flow challenges that need to be resolved. The Northwest Highway Shopping Center site needs improvement. There are other potential redevelopment opportunities in the area.

The next priority is to prepare a redevelopment plan for South Park. Challenges include finding additional parking spaces, financing façade improvements, and filling vacant retail buildings.

How the budget relates to this vision: The Community Preservation and Development budget for 2010/11 includes \$40,000 to begin implementation of the Higgins Road Corridor Plan. The City Council will adopt it as an amendment to the Comprehensive Plan and then staff will implement the plan. Redevelopment spans several years. Tax Increment Financing, Special Service Areas, and Grant Funding can facilitate development.

Departmental goals related to this vision: Staff will continue implementation of the Uptown and Dee Park Plan. CPD will begin implementation of the Higgins Road Corridor Plan in 2010/11.

Infrastructure

Goal (Part II): Keep the streets and sidewalks in good repair.

Vision: The City's vision is to continue the sidewalk replacement program and limit "trip and fall" liability exposure. We want to limit expenditures to current motor fuel tax fund revenues and concentrate on the street program.

How the budget relates to this vision: Public Works budgeted \$78,800 of general operating funds to replace 25,000 square feet or 1,000 squares of sidewalk in FY 2010/11. The City plans on spending \$1.1 million to rehabilitate 5 miles of streets in 2010/11.

Departmental goals related to this vision: The Public Works department coordinates the sidewalk replacement program. Finance helps administer sidewalk related claims.

Goal (Part II): As dollars permit, install 1 or 2 relief sewers per year.

How the budget relates to this vision: In fiscal year 2010/11, we would like to resume sewer videotape and lining program. Videotaping enables the engineer to analyze the sewer system for maintenance and lining. We have budgeted \$264,000 in fiscal year 2010/11 for this purpose.

Departmental goals related to this vision: The Public Works department coordinates this program.

City Life

Goal: Develop a plan that improves rush hour traffic flow without negatively impacting residential areas while expanding opportunities to utilize public transportation.

Vision: Improve traffic flow without negatively impacting residential areas.

How the budget relates to this vision: We plan to spend \$60,000 in 2010/11 to conduct a traffic study.

Departmental goals related to this vision: The Public Works department will supervise the traffic study. Staff will seek federal grant funding.

Resources and Financials

Goal: Prioritize additional capital projects based on other achievable revenues.

Vision: Elected officials and senior staff envision a city where streets and sidewalks are in good repair, storm drainage is improved, power lines are improved, a new police station is built, the tree canopy is restored and improved, parking is improved, the Uptown streetscape is completed, and the Library meets current needs.

How the budget relates to this vision: A schedule showing all recommended capital improvements for the ensuing six fiscal years is part of the yearly budget process. The capital plan lists \$510,100 for sidewalk replacement, \$3,092,200 for sewer rehabilitation, videotaping and lining, \$1,186,400 for reforestation, \$50,000 to replace cash parking boxes, \$7,400,000 for the Uptown streetscape, and \$1,065,000 of library maintenance projects.

The Way We Work

Goal: Enroll other Park Ridge governmental bodies and our citizens and businesses in the development of a long-term vision and plan for the City of Park Ridge.

Vision: Form a Vision 2025 Committee consisting of business leaders, representatives from various taxing bodies, and community members at large.

How the budget relates to this vision: The Legislative general contractual services 2010/11 budget includes \$12,000 for the Vision 2025 planning process.

Departmental goals related to this vision: Administration staff will coordinate the Vision 2025 meetings and create a timetable and budget for the Vision 2025 Committee.

BUDGET OVERVIEW

The City budgets for the following Governmental funds: General Operating, Library, Emergency Telephone 911, Illinois Municipal Retirement, Motor Fuel Tax, Municipal Waste, and Uptown Tax Increment Financing. With the exception of the General Operating Fund, the latter funds are termed Special Revenue funds. The City budgets for the following Debt Service funds: Series 2004A, 2004B, 2005A, 2006A, and 2006B. Debt service funds are termed Governmental funds. The City budgets for three Enterprise funds: the Water, Sewer and Parking funds. The City has three Capital Project Funds (Series 2005A Uptown TIF, Series 2006A Uptown TIF Construction, and Series 2006B Uptown TIF Construction). Whether the City budgets for these funds depends upon whether there is any activity in the fund.

The General Operating, Uptown TIF, Municipal Waste, and Library Funds are Major Governmental Funds. The Water Fund is a Major Proprietary Fund. The remaining budgeted funds are Minor Funds.

The following table shows the primary revenue sources of the above funds:

General Operating	Property taxes, followed by Utility and Telecommunication taxes, Sales taxes, and Income taxes
Library	Property taxes
E-911	Income tax transfer from the General Operating fund, not the Emergency Telephone surcharge
IMRF	Property taxes
Motor Fuel Tax	Motor Fuel taxes
Municipal Waste	Property taxes
Uptown TIF	Loan from General Operating Fund
Debt Service 2004A, 2005A, 2006A, 2006B	Uptown TIF Property Tax Increment
Debt Service 2004B	Water Sales
Water	Water Sales
Sewer	Sewer Surcharge
Parking	Parking Penalties

The following is a summary of revenues and expenses for all budgeted funds of the City and Library from 2007/08 through 2009/10:

	07/08 Actual	08/09 Budget	08/09 Est Act.	09/10 Budget	10/11 Estimate
Revenues:					
Income	3,559,023	3,800,000	3,700,000	3,626,000	3,800,000
MFT	1,054,593	1,138,900	1,006,000	1,026,000	1,050,000
Property	14,431,000	14,902,500	14,902,500	15,384,000	16,153,200
HR Sales	1,452,305	1,650,000	1,510,000	1,550,000	1,650,000
Sales	3,754,466	3,970,000	3,490,000	3,500,000	3,600,000
Uptown Property Tax	764,238	2,812,700	1,658,700	2,073,200	2,994,500
Utility	4,778,256	4,750,000	4,500,000	4,750,000	4,900,000
Sewer	112,808	348,000	344,300	895,900	895,900
Water	6,138,664	6,929,300	6,500,000	7,000,000	7,255,000
Other	9,497,134	11,704,300	9,544,900	9,501,700	9,642,400
Bond Proceeds	19,400	-	-	-	-
Total	45,561,888	52,005,700	47,156,400	49,306,800	51,941,000
Expenses:					
Personal Services	24,900,787	27,088,100	26,219,500	27,175,600	28,625,200
Contractual Services	12,975,300	12,761,600	13,154,400	13,297,300	14,126,900
Commodities	2,243,897	2,276,000	2,658,100	2,337,900	2,461,000
Debt Service	3,484,799	5,038,700	5,053,200	3,436,400	3,588,500
Capital Budget	<u>4,478,530</u>	<u>5,335,700</u>	<u>5,452,000</u>	<u>4,855,600</u>	<u>5,025,500</u>
Total	48,083,313	52,500,100	52,537,200	51,102,800	53,827,100
Excess (Deficit) of Revenues over Expenses	(2,521,425)	(494,400)	(5,380,800)	(1,796,000)	(1,886,100)

The above chart shows all budgeted funds.

2008/09 – Two funds will have surpluses and seven funds will have deficits. Revenues will equal expenses in the remaining funds.

Surpluses

Emergency 911 \$43,000

Library \$1,800

Deficits

General Operating \$2,352,400 Deficit due to revenue shortfall primarily in building permit and sales taxes.

IMRF \$3,000

MFT \$389,300

Municipal Waste \$86,600

Parking \$109,300

Uptown TIF \$1,968,300

Water \$516,700

Total \$5,380,800

2009/10 – Three funds will have surpluses and four funds will have deficits. Revenues will equal expenses in the remaining funds.

<u>Surpluses</u>	
Emergency 911	\$38,000
Parking	\$52,400
MFT	\$31,700
<u>Deficits</u>	
General	\$117,600
Library	\$52,300
Uptown TIF	\$1,343,800
<u>Water</u>	<u>\$404,400</u>
Total	\$1,796,000

2010/11 – Three funds will have surpluses and five funds will have deficits. Revenues will equal expenses in the remaining funds.

<u>Surpluses</u>	
Parking	\$6,000
Uptown TIF	\$47,600
Sewer	\$44,000
<u>Deficits</u>	
Emergency 911	\$12,000
General Operating	\$1,366,800
Library	\$21,400
MFT	\$44,200
<u>Water</u>	<u>\$539,300</u>
Total	\$1,886,100

REVENUE SUMMARY

The following revenues will fund the 2009/10 planned expenditures:

	Total	Debt Service	E-911	General	IMRF	Library	MFT	Mun Waste	Parking	Uptown	Sewer	Water
Inc	3,626,000		777,200	2,455,800		100,000						
MFT	1,026,000						1,026,000					
Prop	15,384,000	-		6,140,300	1,798,500	4,006,000		3,439,200				
HR Sls	1,550,000			1,550,000								
Sales	3,500,000			3,500,000								
Utility	4,750,000			4,750,000								
Water	7,000,000	885,400		800,000	166,100							5,148,500
Sewer	895,900										895,900	
Oth	10,397,600		525,000	8,106,200	55,200	315,600	5,700	-	385,300			161,000
Uptwn	2,073,200	2,464,000								(390,800)		
Fund Bal	1,796,000	-	(38,000)	117,600			(31,700)		(52,400)	1,343,800	-	404,400
Total	51,102,800	3,349,400	1,264,200	27,419,900	2,019,800	4,421,600	1,000,000	3,439,200	332,900	953,000	1,188,900	5,713,900

Expenses will be financed through a variety of revenues including \$3,626,000 of income taxes, \$3,500,000 of sales taxes, \$1,550,000 of home rule sales taxes, \$4,750,000 utility taxes and \$15,384,000 of property taxes.

Factors Influencing the Budget

General Economic Conditions

This budget was prepared with several assumptions regarding general economic conditions. We are in the midst of a severe economic recession. There is little or no good news to report.

The lead paragraph in the January 5, 2009 edition of Crain's Chicago Business reads: "The deepening recession, already more than a year old, will probably maintain its stranglehold on the Chicago economy for at least another year." The December 26, 2008 issue of the Government Finance Officers Association Newsletter reads: "Seven in 10 city officials said overall economic conditions are a problem, with nearly one in two reporting that their cities are having problems financing services."

The S&P 500 has dropped so much it has become one of the five worst bear markets since 1929. There is record volatility in the equity and commodity markets. We are encountering declining inflation as the recession continues; this means the cost of living is declining and commodity prices are dropping. (source: Northern Trust Perspective Newsletter, December 2008).

Referring to the National League of Cities, *City Fiscal Conditions in 2008 Report* "the decline in property tax revenues (3.6% from the prior year, in inflation-adjusted terms) is having an impact on the fiscal health of local governments. Unlike the previous economic downturn in 2001, when property tax revenues were able to buffer the effects of declining income and sales tax receipts, the weak housing market is likely to affect city budgets until 2010. Moreover, the report found that other sources of revenue are headed downward as well, with sales tax receipts declining by 4.2% and income tax revenues expected to decline by 3.3% in inflation-adjusted dollars in 2008 compared to 2007. As a result, 64% of city finance officers surveyed expect cities to have a harder time meeting fiscal needs in 2008, and 79% forecast even bigger problems ahead in 2009." (Source: Illinois Municipal Review, October 2008, page 9).

According to an article in the Pioneer Press, there were 81 foreclosures in Park Ridge in 2007 compared to 27 in 2006 and 30 in 2005. (Source: North Shore Barrington Association of Realtors, National Training and Information Center). As of March 2009, about 250 Park Ridge properties are vacant or in foreclosure status.

State of Illinois revenues are at a critical point. 100,700 jobs were lost in Illinois last calendar year; 36,000 jobs were lost in December 2008. The State unemployment rate is 7.6%, compared to 7.2% nationally. Tax collections dropped 6.2% in the last three months of 2008. Personal income taxes were down 2.4%, corporate taxes were down 10%, and sales taxes were down 6.7% in the last three months of 2008 compared to 2007. The State of Illinois has a nearly \$9 billion budget hole to fill. (Source: Illinois Government Finance Officers Legislative Committee Update, February 6, 2009).

Governor Quinn recently proposed increasing the Illinois income tax from 3% to 4.5%. Illinois Governor Quinn has proposed increasing the personal income tax rate from 3 to 4.5% and the corporate rate from 4.8 to 7.2%. This will generate approximately an additional \$6.35 billion for the State. Under the current 1/10 percentage distribution formula, municipalities would receive an additional \$49.60 per capita. However, current proposals do not plan to share the money with municipalities. The money will be used to fund education, environmental protection, energy conservation and economic development components of the proposed \$26 billion capital program.

Non-Property Tax Revenues

Several revenue categories, including sales taxes, income taxes, building permit revenues and property transfer taxes are most visibly affected by changes in economic conditions.

Sales Taxes

Park Ridge is highly dependent upon a relatively small number of businesses for its sales tax receipts. Over half of our sales tax revenue derives from a limited number of car dealers and grocery stores. We budgeted \$3,500,000 for sales taxes and \$1,550,000 for home rule sales taxes.

Because Park Ridge is highly dependent upon automobile sales for sales taxes – automobile sales account for 43% of sales tax receipts – a special comment regarding automobile sales is warranted. Automobile sales declined in

2008. Since fiscal year 2003/04, the City paid a local automobile dealer \$400,000 sales rebate annually pursuant to the Dempster TIF revenue sharing agreement.

From April 2008 through September 2008, the City realized \$96,800 in Uptown sales taxes. In fiscal year 2007/08, the City paid School District \$45,600 of sales taxes and in fiscal year 2008/09, \$238,300 of sales taxes pursuant to the Uptown TIF revenue sharing agreement.

Income Taxes

The projection for income tax receipts is based on a forecast of \$95.99 per capita. Total projected revenues are \$3,626,000.

Utility Taxes

We budgeted \$4,750,000 of utility tax revenue next year, this includes water and gas utility taxes, electric use tax, and a telecommunications tax. The breakdown is as follows: \$1,175,00 for gas utility taxes, \$320,000 for water utility taxes, \$1,825,000 for telecommunications taxes, and \$1,430,000 for electric use taxes. Due to the complex utility industry, legislative changes, and changing weather conditions, accurately predicting total revenues is extremely difficult.

Building Permits

The revenue projection for building permits is \$1,000,000. Building permits must be purchased prior to construction. Permit fees vary depending upon the nature of the construction. This revenue source functions in the same manner as the economy (if economic conditions are positive, the revenue is positive, and vice versa).

Property Transfer Taxes

The \$502,000 consists of \$490,000 for property transfers and \$12,000 for exempt transfers.

Interest Rates

Three revenues, building permits, property transfer taxes and interest income, are affected by changes in interest rates. The budget was prepared assuming interest rates would remain low.

Water Rates

The budget includes a 5% increase in water rates. The City of Chicago increased water rates 15% effective January 1, 2008, 15% effective January 1, 2009, and will raise water rates 14% January 1, 2010. Water purchases from the City of Chicago constitute the single largest expense in the water fund. If we increase rates 5%, annual revenues should increase \$327,500. A typical household will pay approximately \$20 more per year under the proposal.

Rental Income

The City rents the former Public Works Service Center to NICOR. NICOR informed staff they will vacate the facility on October 31, 2009. Annual rental income was \$250,000.

Sewer Fees

These sewer projects are included in the FY 2009/10 budget:

Sewer Rehabilitation	\$530,000	See page 244
Levee 50 – Acquisition and Construction	102,000	
Jet Clean and Televiser Sewers	100,000	
Sibley Lift Station Cleaning	45,000	
State of Illinois Permit Fee	<u>21,000</u>	
Total	\$798,000	See page 193

To pay for these projects, we need to increase the sewer rate. The current rate structure is:

1 – 5,000 gallons	\$1.35
Each 1,000 gallons up to 30,000 gallons	\$.21
Each 1,000 gallons over 30,000 gallons	\$.24

The proposed rate structure is:

1 – 5,000 gallons	\$3.80
Each 1,000 gallons up to 30,000 gallons	\$.59
Each 1,000 gallons over 30,000 gallons	\$.68

This increase will cost a family of four who uses 97,000 gallons of water a year \$40 more annually.

	<u>Current</u>	<u>Proposed</u>	<u>Difference</u>
Water	\$416.10	\$437.04	\$20.94
Sewer	21.96	61.74	39.74
Utility	<u>20.82</u>	<u>21.90</u>	<u>1.08</u>
Total	\$458.88	\$520.68	\$61.76

This will increase City annual sewer revenue \$577,700; to \$895,900 from \$318,200.

Property Tax Levy

The budget includes a 3.2% increase in the property tax levy.

Last year's property tax levy was allocated among several funds as illustrated by the following table:

2008 Levy	1998 Debt	Library	Garbage	IMRF	General
\$14,902,500	\$1,632,800	\$4,190,500	\$3,199,000	\$1,638,700	\$4,241,500

Let's examine each component of the 2009 property tax.

We will not levy any amount for the public works service center/alley paving 1998 bonds.

We need to levy \$4,006,000 to sustain library operations next year. The property tax is the major source of revenue for the library. Fluctuations in the annual property tax levy for the library often stem from the capital portion of the budget. The 2009/10 library property tax levy is \$184,500 less than the 2008/09 levy.

We need to levy \$3,439,200 for the municipal waste fund next year. Municipal waste property taxes are increasing by \$240,200. Staff recommends the imposition of a commercial refuse collection franchise fee, which this takes 15 months to implement.

We need to levy \$1,798,500 for the Illinois Municipal Retirement fund next year. This is \$159,800 greater than last year's levy. IMRF provides pension benefits for employees who work 1,000 hours per year and are not police officers or firefighters. It also provides Medicare coverage for police officers and firefighters.

We need to levy \$2,940,200 compared to \$2,511,000 last year for police and fire pensions. This is an additional \$427,600 or 17%.

The proposed property tax levy will increase 3.2% from \$14,902,500 to \$15,384,000. This is a \$481,500 increase.

	1998 Debt	Library	Mun. Waste	IMRF	General
2008	\$1,632,800	\$4,190,500	\$3,199,000	\$1,638,700	\$4,241,500
Inc (Dec)	(\$1,632,800)	(\$184,500)	\$240,200	\$159,800	1,898,800
2009		\$4,006,000	\$3,439,200	\$1,798,500	\$6,140,300

The total property tax levy is allocated among the following funds:

2009 Levy	Library	Garbage	IMRF	General
\$15,384,000	\$4,006,000	\$3,439,200	\$1,798,500	\$6,140,300

On an average home in Park Ridge with an equalized assessed valuation of \$93,059 (market value of \$581,617), the property tax levy will cost the homeowner \$727.56. This represents an increase of \$22.56 for the year. A home with a lower assessed valuation would pay less and one with a higher valuation would pay more. The following chart depicts seven-year trends for tax levies, tax rates and estimated costs for typical single-family homeowners:

Seven Year Trends Regarding Assessed Valuation,
Property Tax Levies and Property Tax Rates

	Equalized Assessed Valuation	Net Tax Levy	Tax Rate Per \$100	Total Cost for a Home	Percent Change	EAV	Market Value
2003/04	\$1,207,973,785	\$11,866,600	.98	\$563	5.0%	57,296	\$358,102
2004/05*	\$1,406,982,666	\$12,459,900	.88	\$591	5.0%	66,735	\$417,097
2005/06	\$1,502,128,908	\$13,082,900	.87	\$620	5.0%	71,248	\$445,303
2006/07	\$1,528,372,764	\$13,737,400	.90	\$652	5.0%	72,493	\$453,083
2007/08*	\$1,852,758,740	\$14,431,000	.78	\$684	5.0%	87,717	\$548,230
2008/09	\$1,908,341,502est	\$14,902,500	.78	\$705	3.3%	90,348	\$564,677
2009/10	\$1,965,591,747est	\$15,384,000	.78	\$727.56	3.2%	93,059	\$581,617

* Property was reassessed in 2004 and 2007.

In administering property taxes, the City may consider new growth. Under the tax cap law, communities are allowed to capture taxes from growth in the tax base from new development. The following chart illustrates new growth within Park Ridge:

Dollar Value of New Development Per Year	
2003/04	\$9,624,252
2004/05	\$15,043,853
2005/06	\$19,232,818
2006/07	\$25,241,945
2007/08	\$33,764,684

Fund Balance

General Operating Fund

The City's unrestricted general operating fund balance as of April 30, 2008 was \$13,747,100. Estimated future fund balances are \$12,042,300 as of April 30, 2009, \$11,924,700 as of April 30, 2010, and \$10,557,900 as of April 30, 2011. The April 30, 2010 fund balance is based on revenues of \$27,302,300 and expenses of \$27,419,900.

The City's target general balance at year-end is a range between four and six months of operating revenues of general, special revenue and debt service (where payment stems from the levying of property taxes) funds on a budgetary basis. Fund balance is defined as the excess of assets over liabilities. Also, at year-end, the City's target is to have cash reserves equal to a range of two to four months of operating expenses. A fund balance policy provides guidance to the City Council and senior staff regarding the appropriate balance between reserves, revenues and expenditures. Adherence to an appropriate policy will help the city maintain and improve its credit rating. Having adequate reserves will help the city maintain operations should unexpected emergencies arise, revenues not be realized or expenditures exceed expectations.

Preliminary estimates show that we will be below the minimum of our policy at April 30, 2009 (27%), 2010 (23%), and 2011 (18%).

Fund balance is not the same thing as cash. Fund balance is an accounting concept that represents assets minus liabilities. The General Operating Fund Balance is \$12 million. On March 19, 2009, the City had \$3.6 million of General Operating Fund cash. At the same time other funds owed the General Operating Fund \$4.8 million (Special Service Areas - \$340,000; Emergency 911 Fund - \$357,000; Library - \$210,000; Series 2006A Uptown Construction Capital Projects Fund - \$85,000; Uptown TIF Fund - \$3,813,000). Cash balances change daily. The difference between cash and fund balance is other assets and liabilities. This example illustrates that the City may have a \$12 million fund balance, but it has \$3.6 million in cash to run daily operations. A monthly payroll costs the City and the Library \$1.8 million, add monthly warrants of approximately \$2.5 million, and annual debt service payments and you can quickly see the demands on cash flow. The way to improve the situation is to budget conservatively.

Expenses are projected to exceed revenues in four funds next year.

General Operating

Amount - \$117,600

The General Operating budget is \$27.4 million. A projected deficit of \$117,600 represents less than 1% and is within a margin of error.

Library Fund

Amount - \$52,300

This amount is the sum of three amounts: 30% of the training budget (\$9,000), tuition reimbursement (\$12,000), and the amount budgeted for carpeting \$40,000). The City Council approves the overall funding of the Library's annual budget and the Library Board has the authority to allocate that total funding within the various program areas contained in the Library Department's budget.

Water Fund

Amount - \$404,400

The City of Chicago increased water rates to the city of Park Ridge and other communities by 15% January 1, 2008 and 2009. Chicago will increase water rates by another 14% on January 1, 2010. This is the primary reason why Park Ridge needs to increase water rates. The city of Park Ridge raised water rates 6.7% May 1, 2008. This rate increase was not enough to cover increased operating and capital costs. This long-term trend as illustrated on page 70 is worrisome.

Uptown TIF Fund

Amount - \$1,343,800

Expenses will exceed revenues in the Uptown Tax Increment Fund until the property is fully assessed. Even though the Uptown TIF fund is projected to have a surplus at its conclusion, the practice of spending in advance of revenues is problematic in that there is a strain on the general operating fund cash to lend the Uptown TIF fund money. See pages 300 and 301 for more information.

Three funds are projected to have surpluses next year.

Emergency 911 Fund

Amount - \$38,000

This modest surplus is good news in that the fund currently has a negative fund balance.

Motor Fuel Tax Fund

Amount - \$31,700

The Public Works Department wants to limit on-going Motor Fuel Tax projects to current revenues.

Parking Fund

Amount - \$52,400

The City builds up surpluses in the parking fund for when it wants to complete capital projects.

THE CITY'S SOLVENCY

The City's budget can be analyzed in terms of solvency. The four relevant types of solvency are:

Cash Solvency

Cash solvency is defined as having adequate money on hand to pay expenses. Cash insolvency occurs when a city has a repeated history of budget insolvency money leading to long-range insolvency. Future cash solvency is a concern as illustrated on page 11.

Budget Solvency

Budget solvency means estimated revenues are adequate to finance expenditures and programs. If operating expenditures exceed operating revenues, then the budget does not meet the test of budget solvency. The fiscal year 2009/10 general operating fund budget is solvent.

Long-Range Solvency

Long-range solvency means the municipality has the tools to finance its services on a perennial basis. A municipality that has revenues that offer long-term revenue growth will be well on its way to securing long-range solvency. The City of Park Ridge has a wide range of revenue sources to help maintain its future. To insure future solvency, I recommend that the City adopt a 3% property tax levy, water rate increase, sewer fee increase, and a commercial refuse collection franchise fee.

Service Delivery Solvency

Service delivery solvency means the funds budgeted for expenses are adequate to meet the demands for services. This budget meets the basic service needs of the City for the next twelve months. There remains a question of long-range service delivery solvency. If revenues continue to decrease and expenditures continue to increase there will be no other option than to further reduce services.

EXPENDITURE SUMMARY

The 2009/10 expenditure budget totals \$51,102,800. The following chart illustrates the breakdown between the City and the Library and among the classification of expenses:

	<u>2008/09</u>	<u>2009/10</u>	<u>Percent Change</u>
City			
Operating Expenses	\$37,333,000	\$37,960,800	1.7%
Debt Service	5,038,700	3,436,400	(31.8%)
Capital	<u>5,006,900</u>	<u>4,746,800</u>	(5.2%)
Total	47,378,600	46,144,000	(2.6%)
Library			
Operating Expenses	4,792,700	4,850,000	1.2%
Capital	<u>328,800</u>	<u>108,800</u>	(66.9%)
Total	5,121,500	4,958,800	(3.2%)
City & Library			
Operating Expenses	42,125,700	42,810,800	1.6%
Debt Service	5,038,700	3,436,400	(31.8%)
Capital	<u>5,335,700</u>	<u>4,855,600</u>	(9.0%)
Total	\$52,500,100	\$51,102,800	(2.7%)

**Comparison of Budgets by Fund
2008/09 and 2009/10**

	2008/09	2009/10	\$ Inc (Dec)	% Inc (Dec)
General Operating	\$28,568,100	\$27,419,900	(\$1,148,200)	-4.0%
Municipal Waste	\$3,199,800	\$3,439,200	\$239,400	7.5%
IMRF	\$1,849,200	\$2,019,800	\$170,600	9.2%
1998 Debt Service	\$1,632,800	\$0	(\$1,632,800)	
Subtotal	\$35,249,900	\$32,878,900	(\$2,371,000)	-6.7%
Library^	\$4,627,600	\$4,421,600	(\$206,000)	-4.5%
Total Fd Levy Prop Tx	\$39,877,500	\$37,300,500	(\$2,577,000)	-6.5%
Water	\$5,638,000	\$5,713,900	\$75,900	1.3%
Parking	\$426,800	\$332,900	(\$93,900)	-22.0%
Sewer	\$0	\$1,188,900	\$1,188,900	
2004A&B Debt Service	\$1,920,000	\$1,925,000	\$5,000	0.3%
2005A Debt Service	\$321,100	\$321,100	\$0	0.0%
2006A&B Debt Service	\$1,103,300	\$1,103,300	\$0	0.0%
MFT	\$1,401,300	\$1,000,000	(\$401,300)	-28.6%
Uptown TIF	\$617,000	\$953,000	\$336,000	54.5%
Emergency 911	\$1,195,100	\$1,264,200	\$69,100	5.8%
Total All Funds	\$52,500,100	\$51,102,800	(\$1,397,300)	-2.7%

^ Excludes library pension expenses.

General Operating. The general operating fund represents the single largest component of the total budget and as such, accounts for the majority of day-to-day operations. Much of the general fund expense involves wages and salaries and other personnel costs such as pensions and health insurance. Non-union employees and most supervisory employees are on a merit based pay plan. Other employees' wages and benefits are pursuant to union contracts. PPO costs are expected to remain the same this year, HMO costs are expected to increase 8%, and dental costs are expected to increase 12.6%. Life insurance costs will increase \$.01 per \$1,000 of coverage. Total insurance costs will exceed \$2,300,000. Administration staff will review the medical design when rates become available to minimize any cost increases.

Pursuant to Governmental Accounting Standards, police and fire pension contributions are accounted for in the general operating fund. Police and fire pension costs are high. The City will contribute \$1,424,600 to the fire pension fund and \$1,556,600 to the police pension fund next year; this compares to \$1,135,100 and \$1,418,500 last year respectively. This is a \$289,500 increase for the fire pension fund and a \$138,100 increase for the police pension fund or \$427,600 total.

Total full time equivalents including the library are 284.57. Due to cost constraints, staff eliminated the Human Resources Director, Assistant Director of Community Preservation and Development, and the Urban Forester positions. Part-time help in the Finance department was reduced. The Fire Inspector was reduced from full-time to part-time. The extra-help Fire Inspector was reclassified a permanent part-time. As attrition occurs throughout the year, we will review our needs closely before authorizing replacement personnel.

There is no amount for contingency in the general operating fund; this is the first time the City has not included a line item for contingency. This saved \$140,000. We budgeted \$400,000 for snow removal supplies.

Pursuant to the City Council's request, \$25,000 was added to the Noise Abatement program budget to rent monitors from the city of Bensenville that will record the noise level from O'Hare airport.

Municipal Waste. We will levy \$3,439,200 in property taxes for garbage collection expenses next year. As of April 30, 2008, fund balance in the municipal waste fund increased from (\$241,349) to (\$217,574). While fund balance increased, it is a negative balance.

The two primary expenses in the municipal waste fund are the collection of waste, which is paid to ARC Disposal, and the disposal of waste, which is paid to the Solid Waste Agency of Northern Cook County (SWANCC). We estimate that we will pay ARC \$3,153,000 next fiscal year for garbage pickup and recycling services. This

equates to \$15.00 per single family home (5% increase from \$14.29) and \$7.76 per multi-family residence. A garbage cart collection program became effective April 1, 2008. The garbage cart collection program increased costs.

Pension. The employer contribution rate to the Illinois Municipal Retirement Fund (IMRF) increased to 10.67% from 9.49%. The City's contribution to the Illinois Municipal Retirement Fund is determined on a calendar basis. IMRF's aggregate funding was 100% as of January 1, 2008 and is projected to be 70% as of December 31, 2008. IMRF invests heavily in equities and the decrease is due to the market downturn. To accommodate an anticipated 20% rate increase in January 2010, staff used an 11.56% rate for fiscal year 2009/10 and 12.8% for fiscal year 2010/11. Besides the market downturn, the City needs to fund an early retirement incentive (ERI) in 2010. The ERI will cost \$2,000,000 over a ten-year period at 7.5% interest. The City Council approved the ERI on February 19, 2007. Total IMRF expenses are increasing by \$170,600. We need to increase the fund balance in the city's special revenue Illinois Municipal Retirement Fund; a reserve helps keep the fund in balance during the interim between the receipts of spring and fall property taxes.

Debt Service. In 2004, the City issued bonds with a par value of \$16,770,000 to finance the pump station and reservoir relocation and expansion project as an improvement to the water supply and distribution system of the city. The bonds were issued in two series. The City will pay \$1,039,600 on Series 2004A and \$885,400 on Series 2004B. The payments for Series 2004A are abated with Uptown property tax increment and payments for Series 2004B are abated with water fund revenues.

In April 2005, the City issued \$7,005,000 of general obligation bonds for Target Area 2 (Series 2005A). We will pay \$321,100 of interest on these bonds in 2009/10. The interest payment is abated with Uptown property tax increment.

In June 2006, the City issued \$10,530,000 of tax-exempt bonds (series 2006A) and \$10,055,000 (series 2006B) to finance phase 3 of the Uptown TIF project, the Summit parking lot, and City Commons. In 2009/10, the City will pay \$523,500 of debt service for series 2006A and \$579,800 of debt service for series 2006B. Both series are intended to be paid from incremental Uptown TIF property taxes.

All of the above issues are general obligation issues.

Library. In 2009/10, the Library would like to replace the carpet in the children's for a cost of \$40,000.

Water. In 2009/10, we plan to relocate the watermain and construct a right turn lane northbound on Potter Road at Dempster Street for a cost of \$250,000. We also plan to replace 2,800 lineal feet of watermain at Canfield, Higgins to 1900 Canfield and Potter, Busse Highway to Northwest Highway for a cost of \$725,000. In FY 2008/09, the City implemented a backflow protection program for commercial property owners. At the time we intended to bill the commercial property owners for the cost of this program. The City needs to bill the property owners, otherwise, the deficit in the water fund increases. Fiscal year 2009/10 estimated commercial backflow revenue is \$31,000.

Parking. No capital projects are planned in 2009/10.

Motor Fuel Tax. Next year, pursuant to City Council priorities, we will resurface 5 miles of streets. Staff is limiting motor fuel tax receipts to street resurfacing and using general operating funds for alley resurfacing. This will help prevent the motor fuel tax fund from running a deficit.

Uptown TIF The Uptown TIF budget includes \$53,000 of operating and \$900,000 capital expenses. The capital expense next year is to complete the streetscape along Summit between Touhy and Prospect Avenues. This is the second year of a multi-year project. Total cost of redeveloping the streetscape is estimated at \$7,400,000. Additionally, the Uptown TIF will pay \$2,464,000 of debt service in 2009/10.

Emergency 911. Principal costs of this fund are fees paid to the City of Des Plaines to participate in the North Suburban Emergency Communication Center. Members of the consortium are Des Plaines, Park Ridge, Niles and Morton Grove. The City prepaid \$158,000 for automatic line and number identification in November 2007 for the period 11/1/07 – 10/31/12. We expect to pay \$1,225,600 in service fees to the communications center next year. Total annual operating costs for providing emergency 911 services are estimated at \$1,264,200; this is a 6% increase from last year. In 2008/09, the North Suburban Emergency Communication Center purchased software that provides for a mass notification system. The first-year cost of this system is \$23,000. Second-year maintenance cost is \$21,000 compared to \$9,000 for the old system.

Estimated revenues from the telephone surcharge are \$525,000. The general fund must transfer funds annually to the E-911 fund to sustain operations. The subsidy this year is \$777,200. The amount of this subsidy grows annually. If the City Council wants to increase the surcharge to make this fund self sufficient, we would have to sponsor a referendum. The referendum would only apply to land lines.

CAPITAL BUDGET

Capital Budget Highlights

Capital improvements are fixed asset expenditures with a value of \$25,000 or more. Capital projects consist of a year-to-year ongoing infrastructure replacement program and one-time programs.

For 2009/10, infrastructure programs consist of \$98,400 for reforestation, \$530,000 for sewer reconstruction, \$75,000 for sidewalk replacement, \$400,000 for sidewalk installation, \$1,000,000 for street resurfacing, and \$725,000 for watermain replacement. Contributions to the City computer replacement fund, library technology replacement fund and motor equipment replacement fund are budgeted at \$166,800, \$66,800 and \$443,200, respectively. The City reduced contributions to the internal service funds for several years. This is a source of concern in the Motor Equipment Replacement Fund. The financial projection on page 295 indicates the City may have difficulty replacing the \$1 million dollar fire pumper in 2015.

Next year, using general fund money, we plan to remove and replace 25,000 square feet of sidewalk or 1,000 sidewalk squares under the mandatory program. We will also sponsor the voluntary sidewalk replacement program at 100% resident cost. This is a change from past policy; previously the City paid 50% of the voluntary sidewalk program. In 2009/10, we plan to construct two new relief sewers at Frances, Greenwood to Grace and Frances, Cumberland to Grace. Routine replacement of sewers directly reduces operating budget expenses for sewer flushing. We plan to replace 365 trees as part of our annual reforestation program. Next year, we plan to use \$1,000,000 of motor fuel tax funds to resurface 5 miles of streets. In 2009/10, we plan to replace 2,800 linear feet of water main.

In total, \$3,505,200 will be spent on infrastructure next year.

Normally, the City undertakes several building repair projects each year. The 2009/10 building projects are:

- \$40,000 to re-carpet the Library.
- \$25,000 to improve the air quality at the Public Works Service Center.

Other one-time projects are as follows:

General Fund

- \$20,000 for a Dutch Elm tree protection program. Designed to protect the aging Dutch Elm tree population, the cost of this voluntary program will be shared with residents.
- \$60,000 to spray trees in order to protect against gypsy moth infestation. This is the second year of this program.
- \$55,400 for technology implementation. This includes the following projects: Fire Stations security cabinets for domain controller file servers, Fire Zoll EMS software upgrade, and installation of a Web customer service system.

Water Fund

- \$250,000 to relocate the water main and install a right turn lane at Potter and Dempster.

Uptown TIF

- \$900,000 to complete construction of the streetscape on Summit, Touhy to Prospect.

The Public Works Director proposed constructing an underground detention facility for Executive Plaza. Design and construction costs total \$2.7 million and would be paid by use of a Special Service Area. This means the City would issue general obligation bonds and the bonds would be repaid by levying taxes against the property owners living within the Special Service Area. This proposed capital project and accompanying debt service are not included in the Capital Budget.

CITY-WIDE POLICIES AND GOALS

Providing Services At A Low Cost

The Mayor and City Council have a long established policy that citizens should receive a full range of high quality services at the lowest possible cost per capita. Each year, Finance staff surveys neighboring communities and measures the costs of providing comparable services in Park Ridge with other suburbs. The January 2009 survey showed that, out of nine communities, Park Ridge was the lowest in per capita spending. The average cost per capita of nine neighboring communities was \$1,513.28. The cost of government per capita in Park Ridge was \$1,264.97. The Budget Summary section shows a comparison of Park Ridge's spending per capita to other communities. The Full Time Equivalents section shows a comparison of full-time equivalents per population for various communities.

POLICY ISSUES

Referring to the January 19, 2009 issue of Business Week and the book Leadership in the Era of Economic Uncertainty by Ram Charan,

You (Leaders) must recognize reality. This is the single most important task confronting a CEO, and it is extremely difficult to do in this environment. Facing wrenching uncertainty, many become fearful. Others indulge in wishful thinking: "We'll soon be back to normal." Don't believe it. Though we don't know what the new world will look like, we can be certain it won't look the way it did before.

When preparing this budget, we cut expenses severely.

Reductions included:

- Reducing employee wages by \$832,800. When it became clear that we could not balance the 2009/10 budget without wage concessions and/or layoffs, management contacted various employee groups and asked for wage concessions.
- Reducing full-time equivalents by 4.30. This saved the City \$330,000 plus the cost of insurance and pensions.
- Reducing extra help expense in the Public Works Department. This saved the City \$45,000; the expense was reduced from \$72,300 to \$31,000 (plus \$3,200 for FICA and Medicare). Staff plans to limit hiring to a few workers to clean sewer inlets. Reducing the number of summer help employees means we will not be able to clean the Uptown area on weekends. We will also plant fewer flowers, and weed the beautification areas less often.
- Eliminating \$45,000 by not displaying holiday lights.
- Eliminating the cost of having a full-time fire inspector. This will result in inspecting certain occupancies every other year instead of every year, cancelling the fire school safety program, and longer wait times for a certificate of occupancy.
- Eliminating employing an Urban Forester. Among other things, the City will no longer provide "free" advice to residents regarding trees located on private property.
- Redesigning the *Spokesman*, the City's newsletter to residents, thereby saving \$10,000.
- Discontinuing removing vermin for residents, thereby saving \$8,000.
- Eliminating \$140,000 contingency in the general operating fund.
- Eliminating paying for employee tuition reimbursement, thereby saving \$27,800.
- Reducing the training budget by 30% for a savings of \$27,400.
- Reducing contributions to community groups by 15%, saving \$41,900.
- Cancelling all employee appreciation events for a savings of \$7,500.
- Not conducting an aerial flyover of the City, thereby saving \$7,000 and not having an update for the geographic information system.
- Cancelling the Fire Open House, thereby saving \$4,600.
- Eliminating bottled water at City Hall (\$4,200), City provided coffee (\$1,000), and plants at City Hall (\$1,000).
- Cancellation of monetary awards for the Garden Club beautification program (\$1,000).
- Eliminating duplicate memberships in civic organizations.
- Restricting materials purchases to bare necessities and saving \$4,800.
- Reducing Fire Department Public Education overtime by \$10,000.
- Not purchasing banners to celebrate the fall season and the 100th anniversary of the City saving \$15,000.
- Not conducting a salary study and saving \$40,000.
- Not conducting a study of historical buildings for a cost of \$25,000.

At the March and April budget workshops, the City Council considered the following issues.

Capital Budget

These savings are included in the budget.

- Fund the voluntary sidewalk program at 100% citizen cost instead of 50% city cost. This save the City \$75,000.
- At the March budget workshop, the City Council expressed a preference for rehabilitating sewers.

Revenues to Fund Operations

Water Rates

Total water fund expenses next year will be \$5,713,900. A 5% increase in water rates will help pay for the increase in water supply that the City of Park Ridge incurred from the City of Chicago.

The current water rates are:

Up to but not exceeding 5,000 gallons	\$25.68
Over 5,000 but not exceeding 30,000 gallons	\$3.97/1,000 gallons
Over 30,000 gallons	\$4.43/1,000 gallons

Effective May 1, 2009, the new water rates will be:

Up to but not exceeding 5,000 gallons	\$26.96
Over 5,000 but not exceeding 30,000 gallons	\$4.17/1,000 gallons
Over 30,000 gallons	\$4.65/1,000 gallons

Total annual revenues will increase \$327,500. It is estimated that a household that uses 97,000 gallons annually will pay \$20 more per year. With a 5% increase in water rates, the water fund is projected to have a \$404,400 deficit.

Sewer Fee

An increase in the sewer fee as listed on page 9 will pay for \$530,000 of sewer rehabilitation, \$102,000 Levee 50 work, \$100,000 sewer jet cleaning & televising, \$45,000 Sibley Lift Station cleaning, and a \$21,000 Illinois Combined Sewer Overflow Permit.

Commercial Refuse Collection Franchise Fee

Staff recommends that the City implement a franchise agreement for the collection and disposal of commercial waste and recyclable material. This will realize an additional \$100,000 to the Municipal Waste Fund. It takes 15 months to implement this fee; therefore if approved, it would not be effective until the 2010/11 fiscal year. The advantages of this program include:

- Lower and standardize collection and disposal costs within service areas;
- Stabilize yearly cost increases;
- Reduce greenhouse gas emissions and vehicle pollutant emissions
- Minimize and more effectively control the flow of heavy equipment on City alleys and streets; and
- Provide every customer with recycling services and reduce landfilled waste volumes.

User Charges and Other Fees

During the next fiscal year, staff will review adjudication court costs, parking ticket fees, business license fees, and permit fees to see if they should be adjusted to provide additional revenues.

The City spends a significant amount of time and labor costs cleaning and providing other services for special events. We can recoup our costs by charging a user fee for these special events. Here is a listing of the events and their associated costs. This listing excludes employee regular salary costs.

<u>Event</u>	<u>Cost</u>
Taste of Park Ridge	\$10,600
Rainbow Placement	\$2,600
Girl Scout Cookie Drop	\$1,300
Norwegian Day Parade	\$800
Anelise's Run	\$700
Maine Park Touch a Truck	\$600
Maine South High School Parade	\$500
Merchant's Open House	\$400
Rotary Club Grapefruit Delivery	\$300
Total	\$17,800

Having user charges reimbursed will improve the City's financial condition without placing an unfair burden on taxpayers. Similarly, charging for commercial backflow will improve the financial condition of the water fund.

The estimated revenue increases for a Park Ridge family to fund the 2009/10 budget are: \$22 Property Taxes, \$20 Water Rates, and \$40 Sewer Surcharge for an annual total of \$82.

STRATEGIC GOALS

The following is a matrix of 2009/10 and 2010/11 strategic goals:

<u>Element</u>	<u>Department</u>	<u>Action</u>	<u>Funding Source</u>
		2009/10	
Economic Development	Economic Development	Attract New Businesses	General - \$135,500
Infrastructure	Public Works	Replace 25,000 square feet of sidewalk (mandatory program – 50% of cost)	General - \$75,000
Infrastructure	Public Works	Rehabilitate 5 miles of streets	Motor Fuel Tax - \$1,000,000
Infrastructure	Public Works	Install relief sewers	Sewer - \$530,000
Infrastructure	Public Works	Install cathodic protection system	Sewer - \$30,000
City Life	Info. Serv.	Promote Human Needs Task Force	
Way We Work	All	Establish "Committee of the Whole"	
Way We Work	Information Technology	Install courtesy program database	General - \$24,000; \$23,000 software + \$1,000 training
Resources and Financials	All	Balance General Operating Fund Budget	
		2010/11	
Economic Development	CPD	Redevelop targeted areas	General - \$50,000 for studies. Additional funds needed for incentive programs.
Infrastructure	Public Works	Replace 25,000 square feet of sidewalk (mandatory program – 50% of cost)	General - \$78,800
Infrastructure	Public Works	Rehabilitate 5 miles of streets	Motor Fuel Tax - \$1,100,000
Infrastructure	Public Works	Line 1 mile of sewer	Sewer - \$264,000
City Life	Public Works	Traffic Study	General - \$60,000 (will seek grant funding)
Way We Work	Admin & Legal	Committee of the Whole – Change Municipal Code and Policy Manual (assumes trial period is successful)	
Way We Work	Administration	Vision 2025 Process	General - \$12,000
Resources and Financials	City Council	Prioritize infrastructure projects	

Distinguished Budget Presentation Award

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Park Ridge, Illinois for its annual budget for the fiscal year beginning May 1, 2008. 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. The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

CONCLUSION

Preparing this budget was extremely challenging. Most revenues, excepting a few like ambulance fees and package liquor taxes, are decreasing. Police, Fire, and Illinois Municipal Retirement Fund pension costs are increasing at an alarming rate. Snow removal supplies costs multiplied a hundred fold and capital needs never end. Yet, throughout the process we held true to our values. We met our strategic goals, fulfilled our infrastructure needs, held the property tax levy to 3%, and met our pension obligations.

Respectfully submitted,



James D. Hock
City Manager



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

City of Park Ridge

Illinois

For the Fiscal Year Beginning

May 1, 2008

President

Executive Director

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BUDGET SUMMARY

Budget Overview

The following is a summary of revenues and expenses for the City and Library from 2007/08 through 2010/11.

	07/08 Actual	08/09 Budget	08/09 Est Act.	09/10 Budget	10/11 Estimate
Revenues:					
Income	3,559,023	3,800,000	3,700,000	3,626,000	3,800,000
MFT	1,054,593	1,138,900	1,006,000	1,026,000	1,050,000
Property	14,431,000	14,902,500	14,902,500	15,384,000	16,153,200
HR Sales	1,452,305	1,650,000	1,510,000	1,550,000	1,650,000
Sales	3,754,466	3,970,000	3,490,000	3,500,000	3,600,000
Uptown Property Tax	764,238	2,812,700	1,658,700	2,073,200	2,994,500
Utility	4,778,256	4,750,000	4,500,000	4,750,000	4,900,000
Sewer	112,808	348,000	344,300	895,900	895,900
Water	6,138,664	6,929,300	6,500,000	7,000,000	7,255,000
Other	9,497,134	11,704,300	9,544,900	9,501,700	9,642,400
Bond Proceeds	19,400	-	-	-	-
Total	45,561,888	52,005,700	47,156,400	49,306,800	51,941,000
Expenses:					
Personal Services	24,900,787	27,088,100	26,219,500	27,175,600	28,625,200
Contractual Services	12,975,300	12,761,600	13,154,400	13,297,300	14,126,900
Commodities	2,243,897	2,276,000	2,658,100	2,337,900	2,461,000
Debt Service	3,484,799	5,038,700	5,053,200	3,436,400	3,588,500
Capital Budget	<u>4,478,530</u>	<u>5,335,700</u>	<u>5,452,000</u>	<u>4,855,600</u>	<u>5,025,500</u>
Total	48,083,313	52,500,100	52,537,200	51,102,800	53,827,100
Excess (Deficit) of Revenues	(2,521,425)	(494,400)	(5,380,800)	(1,796,000)	(1,886,100)

The above chart shows all budgeted funds.

2008/09 – Two funds will have surpluses and seven funds will have deficits. Revenues will equal expenses in the remaining funds.

Surpluses

Emergency 911	\$43,000
Library	\$1,800

Deficits

General Operating	\$2,352,400	Deficit due to revenue shortfall primarily in building permit and sales taxes.
IMRF	\$3,000	
MFT	\$389,300	
Municipal Waste	\$86,600	
Parking	\$109,300	
Uptown TIF	\$1,968,300	
<u>Water</u>	<u>\$516,700</u>	
Total	\$5,380,800	

2009/10 – Three funds will have surpluses and four funds will have deficits. Revenues will equal expenses in the remaining funds.

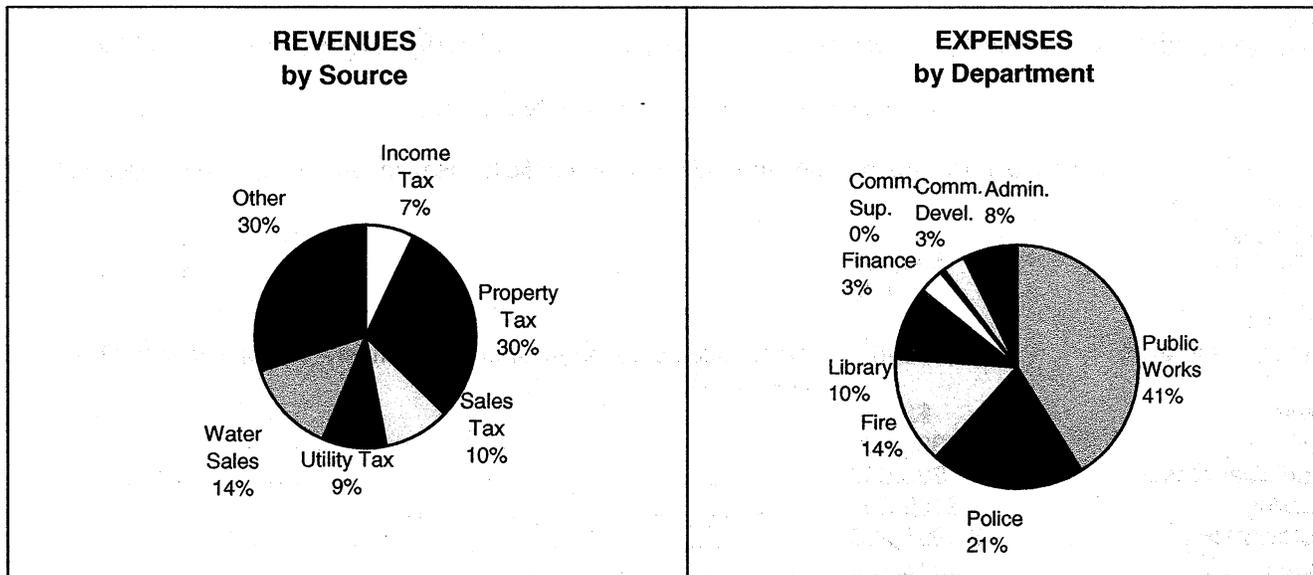
<u>Surpluses</u>	
Emergency 911	\$38,000
Parking	\$52,400
MFT	\$31,700
<u>Deficits</u>	
General	\$117,600
Library	\$52,300
Uptown TIF	\$1,343,800
<u>Water</u>	<u>\$404,400</u>
Total	\$1,796,000

2010/11 – Three funds will have surpluses and five funds will have deficits. Revenues will equal expenses in the remaining funds.

<u>Surpluses</u>	
Parking	\$6,000
Uptown TIF	\$47,600
Sewer	\$44,000
<u>Deficits</u>	
Emergency 911	\$12,000
General Operating	\$1,366,800
Library	\$21,400
MFT	\$44,200
<u>Water</u>	<u>\$539,300</u>
Total	\$1,886,100

Current Year Budget

The total budget for the City of Park Ridge for the year beginning May 1, 2009 and ending April 30, 2010 is \$51,102,800. This is a 3% decrease from the previous year's budget. The budget consists of \$42,810,800 of operating expenses, \$3,436,400 of debt service and \$4,855,600 of capital improvements. Operating expenses will increase 2%, debt service will decrease 32%, and capital improvements will decrease 9%.



Revenues

The following table summarizes the various revenue sources for the 2009/10 budget.

	Total	Debt Service	E-911	General	IMRF	Library	MFT	Mun Waste	Parking	Uptown	Sewer	Water
Inc	3,626,000		777,200	2,455,800		100,000						
MFT	1,026,000						1,026,000					
Prop	15,384,000	-		6,140,300	1,798,500	4,006,000		3,439,200				
HR Sls	1,550,000			1,550,000								
Sales	3,500,000			3,500,000								
Utility	4,750,000			4,750,000								
Water	7,000,000	885,400		800,000	166,100							5,148,500
Sewer	895,900										895,900	
oth	10,397,600		525,000	8,106,200	55,200	315,600	5,700	-	385,300			161,000
Uptwn	2,073,200	2,464,000								(390,800)		
Fund Bal	1,796,000	-	(38,000)	117,600			(31,700)		(52,400)	1,343,800	-	404,400
Total	51,102,800	3,349,400	1,264,200	27,419,900	2,019,800	4,421,600	1,000,000	3,439,200	332,900	953,000	1,188,900	5,713,900

Expenses

The following tables summarize expenses by classification.

TOTAL CITY EXPENSES INCLUDING LIBRARY

	07/08 Actual	08/09 Budget	08/09 Estimated Actual	09/10 Budget	Percent Change	10/11 Estimate	Percent Change
Personal Services	24,900,787	27,088,100	26,219,500	27,175,600	0.3%	28,625,200	5.3%
Contractual Services	12,975,300	12,761,600	13,154,400	13,297,300	4.2%	14,126,900	6.2%
Commodities	2,243,897	2,276,000	2,658,100	2,337,900	2.7%	2,461,000	5.3%
Operating Budget Total	40,119,984	42,125,700	42,032,000	42,810,800	1.6%	45,213,100	5.6%
Debt Service	3,484,799	5,038,700	5,053,200	3,436,400	-31.8%	3,588,500	4.4%
Capital Budget	4,478,530	5,335,700	5,452,000	4,855,600	-9.0%	5,025,500	3.5%
Expenditure Total	48,083,313	52,500,100	52,537,200	51,102,800	-2.7%	53,827,100	5.3%

TOTAL CITY EXPENSES WITHOUT LIBRARY

	07/08 Actual	08/09 Budget	08/09 Estimated Actual	09/10 Budget	Percent Change	10/11 Estimate	Percent Change
Personal Services	21,510,809	23,515,100	22,646,500	23,549,200	0.1%	24,824,400	5.4%
Contractual Services	12,494,614	12,295,100	12,690,100	12,824,300	4.3%	13,645,600	6.4%
Commodities	1,489,115	1,522,800	1,904,900	1,587,300	4.2%	1,694,200	6.7%
Operating Budget Total	35,494,539	37,333,000	37,241,500	37,960,800	1.7%	40,164,200	5.8%
Debt Service	3,484,799	5,038,700	5,053,200	3,436,400	-31.8%	3,588,500	4.4%
Capital Budget	4,152,795	5,006,900	5,173,200	4,746,800	-5.2%	4,358,000	-8.2%
Expenditure Total	43,132,133	47,378,600	47,467,900	46,144,000	-2.6%	48,110,700	4.3%

LIBRARY EXPENSES

	07/08	08/09	08/09	09/10	10/11	
	Actual	Budget	Estimated Actual	Budget	Percent Change	Percent Estimate Change
Personal Services	3,389,978	3,573,000	3,573,000	3,626,400	1.5%	3,800,800 4.8%
Contractual Services	480,686	466,500	464,300	473,000	1.4%	481,300 1.8%
Commodities	754,782	753,200	753,200	750,600	-0.3%	766,800 2.2%
Operating Budget Total	4,625,445	4,792,700	4,790,500	4,850,000	1.2%	5,048,900 4.1%
Debt Service	-	-	-	-		
Capital Budget	325,735	328,800	278,800	108,800	-66.9%	667,500 513.5%
Expenditure Total	4,951,180	5,121,500	5,069,300	4,958,800	-3.2%	5,716,400 15.3%

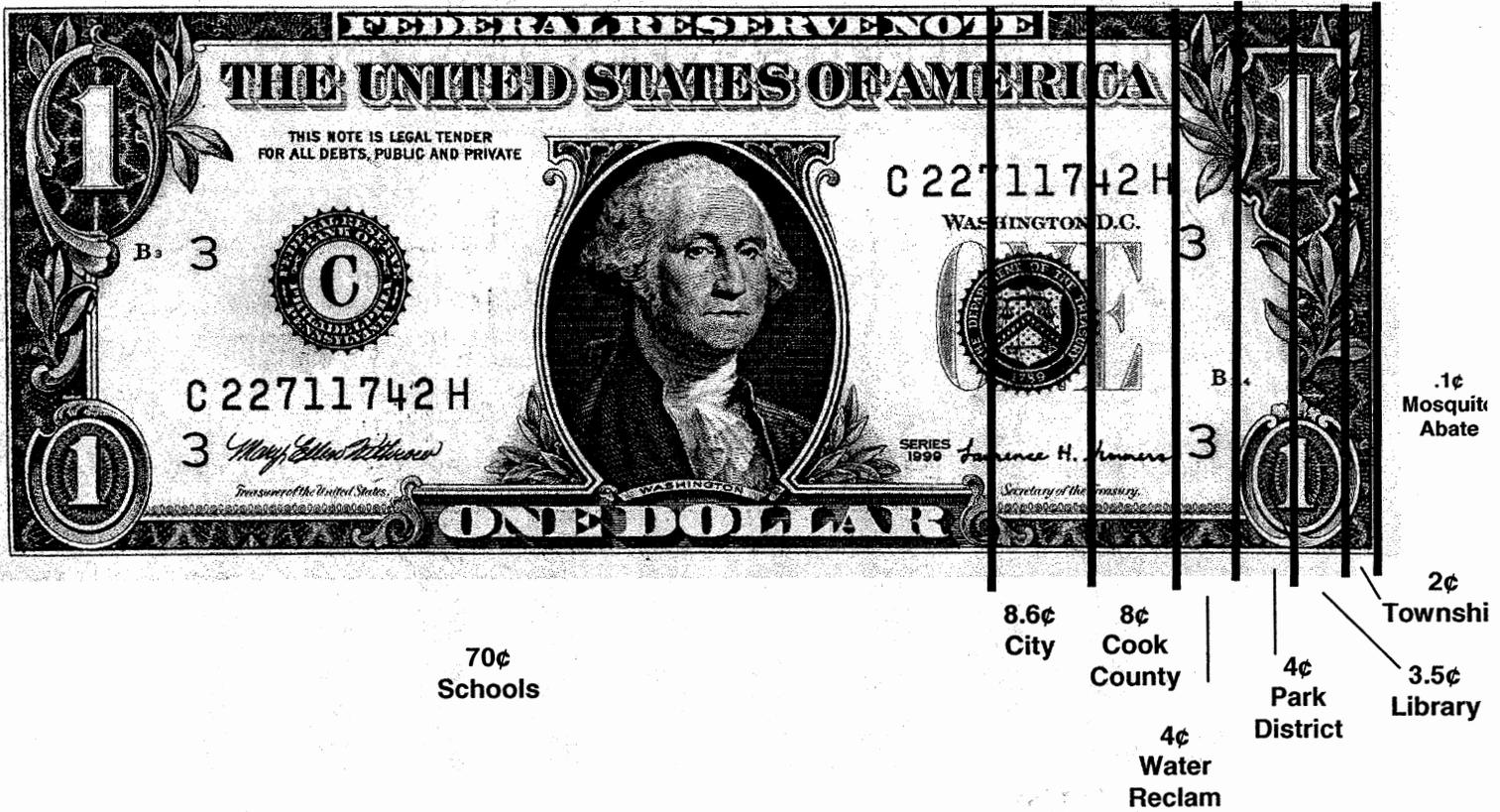
Park Ridge Homeowner Payments

The estimated revenue increases for a Park Ridge family to fund the 2009/10 budget are: \$22 Property Taxes, \$20 Water Rates, and \$40 Sewer Surcharge for an annual total of \$82.

Property Taxes

The property tax levy to finance this budget equals \$15,384,000. This levy is a 3.2% or \$481,500 increase over the prior year's property tax levy.

When a resident receives a property tax bill, only a small portion is given to the City. This illustration shows how the property tax bill is allocated among the various taxing entities. The majority of the property tax levy goes to the schools.



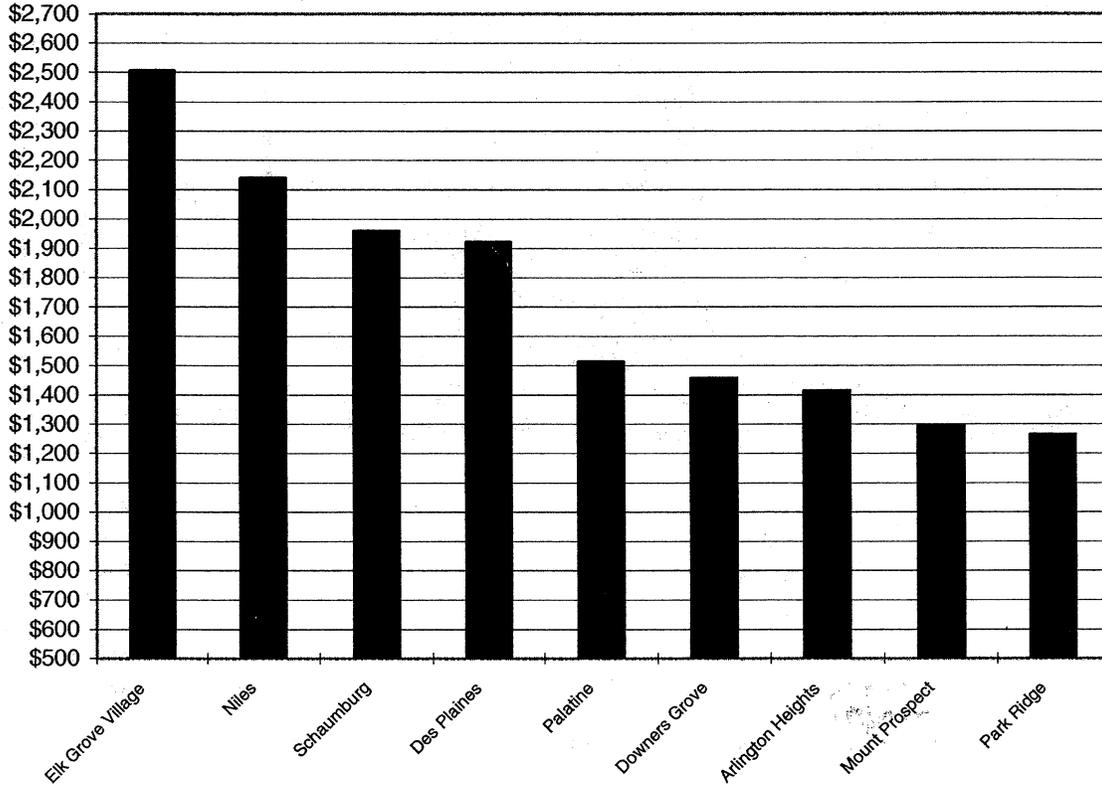
This illustration shows how the City's portion of the property tax levy is distributed.



Total Expenses per Capita

Each year, the City compares total expenses per capita to similar communities. This year, the City ranked second out of nine communities as shown in the following graph. The City's annual cost per capita is \$1,264.97. This compares to the mean cost per capita of \$1,513.28. (Note that the graph compares fiscal year 2008/09 budget information.)

Per Capita Expenditure Comparison



Total Revenues Per Household

The City scored fourth out of nine communities for total direct payments (vehicle license fees, garbage collection charges, utility taxes, property taxes, etc.) from a typical household to support municipal operations.

Arlington Heights	1,241.36
Mt. Prospect	1,204.44
Des Plaines	1,156.57
Downers Grove	1,040.36
Skokie	937.63
Park Ridge	827.42
Naperville	773.39
Schaumburg	716.05
Niles	691.25
<i>Average</i>	<i>954.27</i>

Full Time Equivalents Per Population

Please see the Full Time Equivalents section of the book for a comparison of number of employees per capita among various communities.

COMMUNITY PROFILE

Name

The village was first called Pennyville, after one of the first settlers, George Penny, but at his request the name was changed to Brickton in 1855. This name was adopted because of the small brick manufacturing village it had become, surrounded by farms. The City was incorporated on July 1, 1873. At the July 4 picnic of 1873, "Brickton," the name of the unincorporated town at that time, was painted on a large balloon and sent aloft, thus symbolizing the changing of the name from Brickton to Park Ridge. The closing of the brickyard prompted the change of name to Park Ridge. The new name was chosen because of the high natural ridge near Ashland Avenue that separates the Des Plaines and the Chicago River watersheds, and the park-like appearance of the town.

Location

Park Ridge is known as a prime residential community located 15 miles northwest of downtown Chicago. Originally settled in 1840, Park Ridge has grown into a medium sized city. The City is situated in a key geographic location in close proximity to O'Hare Airport, the Northwest Tollway, the Kennedy Expressway, CTA Rapid Transit and the Metra Railroad.

Famous Citizens

Hillary Rodham Clinton, Frederick Goudy (inventor of 120 typefaces), Grant Wood, Eugene Kupjack (miniaturist; works displayed at the Art Institute), Alfonso Iannelli (sculptor; designed parts of the Pickwick Theater), Harrison Ford, Jim Pankow, John Pankow (actors), Karen Black & Carrie Snodgrass (actresses), Steve Goodman (folk singer and songwriter).

Famous Landmarks

The Pickwick Theater and the Park Ridge Youth Campus (formerly the Illinois Industrial School for Girls) are listed on the National Register of Historic Places.

Type of Government

Park Ridge was incorporated as the Village of Park Ridge in 1873 and incorporated as the City of Park Ridge in 1910. The City operates under a Mayor-Council form of government. The Mayor and the City Clerk are elected from the population at large. Seven Aldermen are elected for staggered terms from seven wards on the basis of ward population. The Mayor and City Council establish policy; the City Manager oversees the day-to-day operations of the City and its employees.

City's Mission Statement

The City of Park Ridge is committed to providing excellence in City services in order to uphold a high quality of life so our community remains a wonderful place to live and work.

Municipal Services

The City provides emergency 911 telephone, police, fire, and emergency medical services. The Police Department is accredited by the Commission on Accreditation for Law Enforcement Agencies in the United States and Canada. Park Ridge was the 21st department in Illinois and the 255th in the United States and Canada to receive accreditation. The City has one police station and employs 60 police officers and supervisors. The Fire Department is exemplified by the very high "class three" fire insurance rating. This rating indicates the department's ability to successfully suppress fires and provide life support. The Fire Department was awarded International Accredited Agency status through the Commission on Fire Accreditation International in 2001 and 2006. Park Ridge was the seventh fire department in Illinois and the 45th fire department in the United States to receive accreditation. There are two fire stations and 52 officers, firefighters, and firefighters/paramedics.

Park Ridge is one of 37 communities in the United States that has both Fire and Law Enforcement Accredited Agencies. Moreover, Park Ridge is one of 30 communities in the United States with both Fire and Law Enforcement Accredited Agencies and an Insurance Service Office rating (ISO) of Class 3 or better.

In April 2006, the Park Ridge Police Department was awarded second place in a Traffic Safety Challenge by the International Association of Chiefs of Police. The Department also was named as the recipient of the International Association of Chiefs of Police, "Clayton J. Hall Memorial Award," which recognizes the, "best of the best" in highway safety and traffic enforcement in North America.

Land Use and Housing

Residential land use makes up 48% of Park Ridge total area. The remaining general land use includes: commercial - 5%, public, institutional, park, & open space - 24%, and transportation & utilities - 23%. There is little vacant or undeveloped land in Park Ridge; much development results from the demolition of existing structures.

Park Ridge has a long established reputation as a stable residential community known for its well-maintained homes, tree lined streets, and outstanding schools. There are 14,365 housing units in Park Ridge. 85.32% of these units are owner occupied. Sixty-nine percent of the city's residents have lived in the same house since 1995.

Housing Values.

Home prices fell less in Park Ridge than in surrounding areas:

City	Price Decline	City	Price Increase
Park Ridge	7.3%	Chicago-Albany Park/Lincoln Square	.7%
Chicago-O'Hare/Norwood Park	7.4%	Chicago-Avondale/Irving Park	.8%
Chicago-Edison Park/Norwood Park	8.0%	Chicago-Logan Square	1.8%
Glenview	8.2%	Evanston	2.0%
Oak Park	8.3%	Chicago-Lakeview/North Center	4.4%

Source: Crain's Chicago Business, April 28, 2008

Park Ridge has fewer foreclosures than neighboring towns.

City	In pre-foreclosure	Owned by banks	Auctions scheduled
Des Plaines	427	182	119
Palatine	328	205	97
Arlington Heights	221	111	50
Wheeling	196	103	58
Glenview	190	65	42
Mount Prospect	186	52	60
Buffalo Grove	161	52	34
Elk Grove Village	122	31	16
Prospect Heights	115	56	21
Park Ridge	107	31	33
Rolling Meadows	96	49	22
Niles	94	29	31
Rosemont	4	1	1

Source: Park Ridge Journal, November 19, 2008

Building Activity.

	New Single Family Home Construction		Existing Single Family Home Remodeling	
	Permits	(\$Mil)	Permits	(\$Mil)
2005	109	\$52.8	353	\$16.6
2006	93	\$46.1	338	\$15.3
2007	48	\$24.4	348	\$13.0
2008	32	\$16.8	323	\$14.2

Source: Park Ridge Community Preservation and Development records.

There was a significant drop in teardowns in calendar year 2008.

Year	2002	2003	2004	2005	2006	2007	2008
No. of Teardowns	73	72	86	97	110	87	39

Crime Statistics

Unlike neighboring communities, Park Ridge had the highest crime rate decrease from 2006 to 2007.

Crime rate = Total crime index x 100,000 / Population; according to Illinois State Police

Town	Year	Pop.	Rate per 100,000	Total Crime Index	Murder	Criminal Sexual Assault	Robbery	Aggrav. Assault/Battery	Burglary	Theft	Motor Vehicle Theft	Arson
Des	2007	57,033	2,382.8	1,359	0	12	13	70	178	1,012	73	1
Plaines	2006	56,945	2,119.6	1,207	1	8	12	40	199	890	44	13
	% chg	0.2%	12.4%	12.6%	-100%	50.0%	8.3%	75.0%	-10.6%	13.7%	65.9%	-92.3%
Mount	2007	54,140	1,893.2	1,025	1	7	15	35	102	832	30	3
Prospect	2006	54,482	1,703.3	928	0	13	19	24	107	703	56	6
	% chg	-0.6%	11.1%	10.5%	100%	-46.2%	-21.1%	45.8%	-4.7%	18.3%	-46.4%	-50.0%
Niles	2007	29,065	3,247.9	944	1	12	17	13	74	777	50	0
	2006	29,330	2,956.0	867	0	9	18	26	74	698	40	2
	% chg	-0.9%	9.9%	8.9%	100%	33.3%	-5.6%	-50.0%	0.0%	11.3%	25.0%	-100%
Park Ridge	2007	36,887	1,569.7	579	0	4	6	16	109	423	21	0
	2006	36,983	1,733.2	641	1	3	2	12	100	496	24	3
	% chg	-0.3%	-9.4%	-9.7%	-100%	33.3%	200%	33.3%	9.0%	-14.7%	-12.5%	-100%

Source: Park Ridge Journal, November 26, 2008

Governor's Home Town Award

Park Ridge received several first place Governor's Home Town Awards. Administered by the Illinois Department of Commerce and Community Affairs in close cooperation with the Lieutenant Governor's office, this program honors volunteer projects that have improved the quality of life in a community. Awards are:

Recipient	Year
Brickton Art Center	2001
Park Ridge Civic Orchestra	1998
Park Ridge Center of Concern	1997
Economic Development Corporation	1992

In September 2003, the Illinois Arts Alliance Foundation and the Illinois Municipal League selected the City of Park Ridge as one of 16 municipalities to receive an Honorable Mention for the Illinois Arts Friendly Community Awards.

Park Ridge on the Internet

The Park Ridge Community Network, (www.parkridge.info), provides timely information about the City, Library, Park District, schools, businesses (over 1,500) and other organizations on the Internet. The City's Web site is www.parkridge.us. The Uptown Redevelopment Plan can be found on the city's web site. The Park Ridge Fire Department has a Web site at www.parkridgefd.org and the Park Ridge Police Department's Web address is www.parkridgepolice.org. Internet e-mail to the City may be sent to info@parkridge.us. The Library's Web address is www.parkridgelibrary.org. Internet e-mail to the Library may be sent to krolsing@prpl.org.

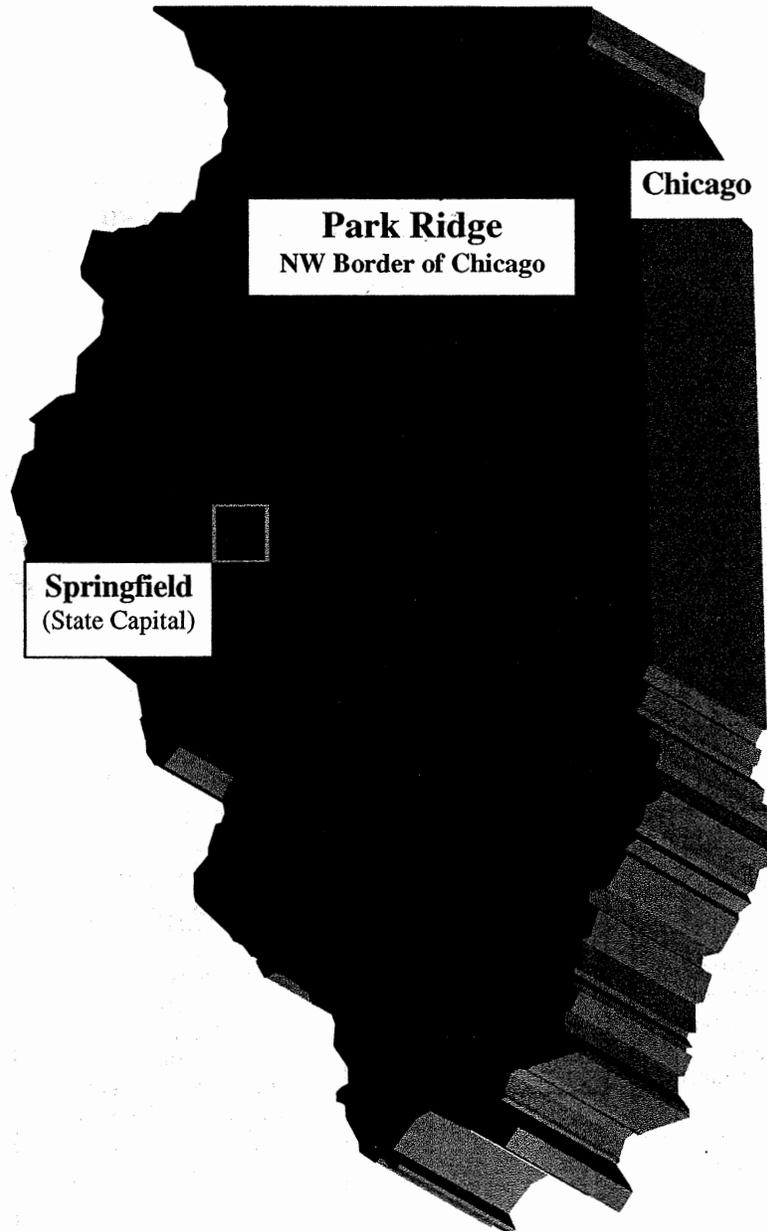
Uptown Redevelopment

The Phase II parking garage constructed as part of Uptown Park Ridge re-development opened to the public on August 11, 2008. There are 286 free public parking spaces on the main level and 183 residential parking spaces on the lowest level of the garage. A surface parking lot opened on August 27, 2008.

Several businesses are open in Uptown. They include: Amphora's Home Furnishings, Trader Joe's, Chico's, Joseph A. Banks, Kriser's Pet Store, Lens Crafters Optique, Scottrade, Aveda Salon & Spa, Jason's Deli, Houlihan's, and Noodles & Company.

The Uptown Park Ridge redevelopment project earned two awards. The 2008 Gold Award was presented by the Illinois Chapter of the American Planning Association "in recognition of high quality, transit-oriented project that reinforces Uptown as an exciting and diverse mixed use area with a strong retail and entertainment focus." The Congress for New Urbanism, Illinois Chapter, recognized the Target Area 2 Development Team for promoting the importance of new urbanism in regional planning.

**CITY OF PARK RIDGE,
ILLINOIS**



PARK RIDGE CITIZENS

City Clerk

Mayor and City Council
Legislative

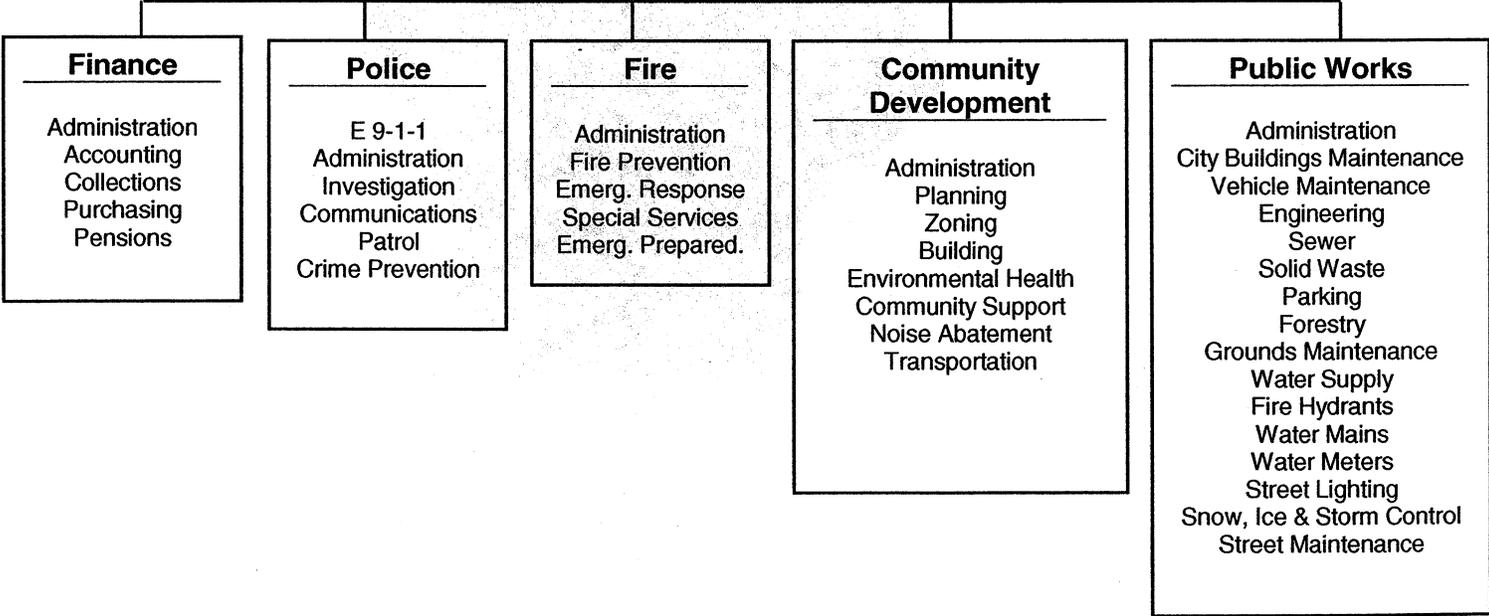
Legal
Legal Counsel

Library Board

Library
Administration
Maintenance
Technical Service
Adult Reference
Children Service
Circulation
Reader Service

City Management
Administration
Records Control
Human Resources
Information Services
Information Technology
Economic Development

City of Park Ridge
Organizational Chart
By Activities



BOARDS AND COMMISSIONS

- Appearance Commission
- Board of Fire & Police Commission
- Board of Trustees – Fire Pension Fund
- Board of Trustees – Police Pension Fund
- Civil Service Commission
- Community Health Commission
- Electrical Commission
- Emergency Telephone Service Board
- Fair Housing Commission
- Healthy Community Partnership (in conjunction with Lutheran General Hospital)
- Heritage Commission
- Human Needs Task Force
- Library Board
- Liquor License Review Board
- Planning & Zoning Commission
- Public Arts Commission
- Sister Cities Commission
- Youth Commission
- Zoning Board of Appeals

OFFICERS AND OFFICIALS

MAY 4, 2009

Mayor

David Schmidt

Aldermen

- First Ward:**
- Second Ward:** Richard A. Di Pietro
- Third Ward:** Donald Bach
- Fourth Ward:** James L. Allegretti
- Fifth Ward:** Robert J. Ryan
- Sixth Ward:** Thomas F. Carey
- Seventh Ward:** Frank Wsol

City Clerk

Betty W. Henneman

City Manager

James Hock

Deputy City Manager

Juliana Maller

Police Chief

Director of Community Development

Carrie Davis

Library Director

Janet Van De Carr

Public Information Coordinator

Aggie Stempniak

Human Resources Administrator

Diane Schroeder

Director of Finance

Diane Lembesis

Fire Chief

Craig Gjelsten

Director of Public Works

Wayne Zingsheim

Director of Information Technology

Diane Nelson

Assistant Finance Director

Linda Lazzara

City Attorney

Everette Hill, *Klein Thorpe & Jenkins, Ltd.*

BUDGET PROCESS

The budget is the working plan for the operation of the City during the May 1 - April 30 fiscal year.

Citizens, elected officials and staff all play a vital role in preparing the many components of the budget. Citizens are encouraged to play an active part in the budget process and accordingly a description of their role in this process is highlighted.

Although the City Manager is responsible for preparing and recommending a balanced budget, the City Council determines the final budget document and the allocation of resources it represents.

Preparation, review and adoption of the budget spans at least six months, beginning in October and ending in March or April. The budget document is the result of the completion of a complex set of tasks, including assessing the City's financial condition, developing assumptions upon which to base budget projections, assessing needs, developing goals and objectives which will meet these needs, and estimating the costs of providing services.

October and November Budget Preparation

The budget process this year began with a strategic planning session where the City Council identified five key elements (*economic development, infrastructure, city life, the way we work, and resources and financials*). The City Council further defined priorities within these elements. These priorities were further refined into twelve strategic goals. *The strategic planning process was held on November 14 & 15, 2008.*

Keeping these strategic goals in mind, in November, the Finance Director and Department Heads prepared a six-year projection of capital projects. Department Heads prepare detailed descriptions and cost estimates of capital projects. The City currently defines a capital project as one costing at least \$25,000 and having an estimated life of at least 10 years. The capital budget is projected for the next six fiscal years.

Public Works Director completes an inventory of potential long-term capital projects. Proposed capital projects are suggested with this inventory in mind. However, this list is not a list of Council approved projects.

Finance Director completes motor equipment, and computer replacement schedules.

Capital budget proposals are reviewed by the City Manager, considering several criteria, including the need for the project, availability of funds, ongoing infrastructure needs, Council policy, and citizen input.

The Library Board of Trustees holds a Budget & Finance Committee meeting of the Whole to review all proposed capital projects for the Library. The capital budget is approved at the Board meeting and submitted to the City.

Elected officials and staff try to determine which results citizens' value most. Core outcomes for city government are: to provide health and safety, to promote fiscal or economic health, to increase citizen satisfaction, and to promote community character or spirit.

Citizen Participation: Citizens are encouraged to talk to their elected representatives or the City Manager about municipal services they feel need to be added or improved. The City provides several opportunities to speak with elected officials, including informal town meetings, board and commission meetings, Committee of the Whole meetings, and City Council meetings. Citizens may discuss issues of interest and concern with elected officials at the *City Council Listening Post*. This informal gathering is held during the summer months at the Farmers' Market one Saturday each month, beginning in June through October. Police officers attended the Farmers' Market to listen to residents concerns.

December Budget Preparation

Finance Director distributes operating budget forms and historical information to Department Heads.

Department Heads complete program budgets for the next two fiscal years. Department Heads evaluate goals, objectives and the means to accomplish these objectives in light of financial constraints. These objectives are articulated considering the City Council's identification of key policy issues.

Finance Director prepares revenue projections. By reviewing historical information, legislative and economic developments, revenues are projected two years forward.

Finance Director completes personal services section of the operating budget, which consists of salary and employee benefits.

The Library Board of Trustees holds Budget & Finance Committee meetings of the Whole to review the proposed operating budget for the Library. The budget is approved at the Board meeting and submitted to the City.

In December, the operating budget begins to resemble its final form as departmental requests are consolidated.

January Budget Preparation

Staff attempts to decide how much to spend to produce the desired outcomes. This process begins in January. The City Manager meets with Department Heads to review and revise the operating budgets. Proposed expenses are evaluated in terms of how well they respond to the level of services desired by the public.

Once this review is completed, the Finance Director re-compiles documents with revisions.

City Manager and Finance Director review key assumptions that will be used in preparing the budget. Various financial publications are researched in order to estimate economic, revenue, interest rate and inflationary trends.

Revenue projections, including recommended property tax levy and new revenues, are finalized.

Finance staff completes the annual Community Survey. This report compares Park Ridge financial policies, fees, and expenses with comparable neighboring communities.

Cash flow projections are prepared using amounts listed in revenue and expense projections.

February and March Budget Review

In February or March, the City Council holds a budget workshop to consider the total, capital and operating, budget. At this workshop, all facets of the budget are discussed, including revenues, personnel costs, operating and capital budgets, economic and financial trends, etc. *This year, the City Council held the budget workshop on March 14, 2009. The budget was reviewed for a second time on April 13, 2009 and a third time on April 18, 2009.*

At the workshop, new programs are considered separately from continuing programs. Existing programs are evaluated in terms of the adequacy of service levels provided during the previous fiscal year. New programs and changes in service levels are determined by the demand for those services as weighed against the public's willingness to provide the financial support required or the availability of alternative revenue sources.

Citizen Participation: Citizens are encouraged to attend the budget workshop. Additionally, citizens may review copies of the proposed budget, which are located at the Public Library and City Hall. Suggestions regarding the budget can be made at these budget meetings or directly to the City Manager.

April Budget Adoption

During April, the budget process begins its final phase.

A newspaper notice regarding the availability of the budget book for public inspection is published. This notice also lists a summary of the proposed total budget and the date of a public hearing. The newspaper notice is published at least one week prior to the budget hearing. *The newspaper notice for the 2009/10 budget was published in a local paper on April 9, 2009.*

Citizen Participation: In April, the City Council holds a public hearing regarding the proposed budget. At this hearing, citizens are given the opportunity to formally comment on the proposed budget. *The hearing for the 2009/10 budget was held on April 20, 2009.*

Normally, at one of its regularly scheduled meetings, the City Council formally adopts the capital and operating budget for the next fiscal year. This must be done prior to the beginning of the fiscal year on May 1. *The 2009/10 budget was passed by the City Council on April 20, 2009.*

Since the fiscal year begins May 1, newly elected aldermen are not eligible to participate directly in the adoption of the budget for that year. To compensate for this, the City's budget policy provides that within the first thirty days of a fiscal year when newly elected officials are installed, by a majority vote of the members of the corporate authorities then holding office, the annual budget for the City may be revised by deleting, adding to, changing or creating accounts. *This was not an election year for aldermen.*

Once the budget is passed, the Finance Director files a copy of the budget, including an estimate of revenues by source, with the Cook County Clerk. The budget, certified by the Finance Director, must be filed within 30 days of its adoption.

The property tax levy that corresponds to this budget will be passed and filed prior to December 31, 2009.

Throughout the Year Budget Amendments

During the fiscal year, the City Manager may revise the budget for the City by deleting, adding to, changing, or creating accounts. Revisions requested by Department Heads must be submitted in writing to the City Manager. The line item amount to be changed in the budget and the reason for the change must be clearly listed. The City Manager reviews all requests for budget revisions as to their effect on the budget in total and the availability of funds. No revision of the budget shall be made increasing the budget if funds are not available.

Implementation of the Budget

The budget is monitored when monthly reports that list total revenues and expenses compared to prior year and current year budgeted amounts are issued. Additionally, the City Manager reviews a detailed Quarterly Report with the City Council. At the conclusion of the fiscal year, budgeted funds that are not spent are returned to the City's fund balance. The goal of proper budgeting is to produce the desired results and outcomes at the price citizens are willing to pay.

Dates of Budget Hearings and Notices

November 15, 2008	City Council Strategic Planning Session
November 2008	Capital Budget Requests Compiled by Department Heads
November 2008	Capital Budget Compiled by Finance Director
December 2008	Operating Budget Requests Compiled by Department Heads
December 2008	Operating Budget Compiled by Finance Director including Personnel Counts
January 2009	City Manager Reviews Operating Budget with Department Heads
January 2009	Staff Prepares Budget Draft for City Council Review
January 26, 2009	Review of 2009/10 Strategic Goals with City Council
March 9, 2009	Distribution of Budget Draft to City Council and Public
March 14, 2009	Budget Workshop – Open to Public
April 9, 2009	Publication of Budget Notice in Newspaper.
April 13, 2009	City Council Reviews Second Draft of Budget
April 18, 2009	City Council Reviews Third Draft of Budget
April 20, 2009	Public Budget Hearing
April 20, 2009	City Council Approval of 2009/10 Budget
November 26, 2009	Publication of Notice of Property Tax Hearing in Newspaper (If Necessary)
December 7, 2009	Property Tax Hearing (If Necessary)
December 7, 2009	City Council approves property tax levy related to 2009/10 budget

BUDGET STRUCTURE

This section describes the following topics:

- **Fund Structure** - description of the various types of funds the City employs
- **Budgeted Funds** - description of the funds the City budgets for
- **Major versus Minor Funds** – distinction and identification of major and minor funds
- **Audited Funds** - description of the funds the City does not budget for
- **Account Structure** - description of departments, programs, accounts, and object codes
- **Program and Financial Policies** - description of Council policies which govern the formation of the budget
- **Comparison of Budget Documents to Financial Statements** - description of the differences between budget documents and audited financial statements
- **Budget Changes** - description of the changes to the budget document this year

FUND STRUCTURE

A fund is a separate fiscal entity with revenues and expenses that are segregated for the purpose of carrying out a specific purpose or activity. Fund accounting demonstrates legal compliance and aids financial management by segregating transactions related to certain government functions or activities. The City’s budget is divided into several different funds. Each fund is considered a separate accounting entity. The budgeted funds are classified into five categories:

Debt Service Funds - A Debt Service Fund accounts for the payment of long-term debt. A Debt Service Fund may also be referred to as a Governmental Fund.

Enterprise Funds - Enterprise Funds are proprietary funds established to account for the financing of self-supporting activities of governmental units that render services on a user charge basis to the general public. The significant attribute of Enterprise Funds is that they are financed primarily by charges to consumers and that the accounting for them makes it possible to show whether they are operated at a profit or loss similar to comparable private enterprises. The City has three Enterprise Funds: Parking, Water and Sewer. Depreciation expenses are recorded in Enterprise Funds, but the City excludes this non-cash expense from its budget.

General Fund - This Fund represents a substantial portion of the City’s activities. It is used to account for activities that are not accounted for in the other funds. The General Fund may also be referred to as a Governmental Fund.

Special Revenue Funds - Special Revenue Funds are governmental funds used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes. The City budgets for six Special Revenue Funds: Emergency Telephone, Illinois Municipal Retirement Fund, Library, Motor Fuel Tax Fund, the Municipal Waste Management Fund and the Uptown Tax Increment Financing Fund. The City has additional Special Revenue Funds that are not included in the budget. These funds are the Asset Forfeiture, the Foreign Fire Insurance Tax, the Dempster Tax Increment Financing Fund, and the Alley Special Service Areas. Special Revenue Funds may also be referred to as Governmental Funds.

Capital Project Funds – Capital Projects Funds are governmental funds used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by the Enterprise funds).

BUDGET BY FUND STRUCTURE

<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Enterprise</u>
Administration	Library	2004A	Parking
Community & Civic Svcs.	Motor Fuel Tax	2004B	Water
Commun. Development	IMRF	2005A	Sewer
Finance	Municipal Waste	2006A	
Fire	E-911	2006B	
Police	Uptown TIF		
Public Works			

BUDGETED FUNDS

Within the five previously mentioned classifications, the City prepares budgets for fifteen different funds. They are:

2004 A and B Debt Service Funds - This fund accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs to finance the construction of a reservoir and pump station. Series 2004A is intended to be paid from Uptown TIF incremental property taxes; series 2004B is intended to be paid from water revenues.

2005 A Debt Service Fund - This fund accounts for the accumulation of resources for, and the payment of, debt principal, interest and related costs for the general obligation bonds issued in 2005 to finance the construction of phases I and II of the Uptown Redevelopment Project. Series 2005A is intended to be paid from TIF increment.

2006 A & B Debt Service Funds - The City issued debt to complete the redevelopment of Target Area 2. These funds account for the accumulation of resources for, and the payment of, debt principal, interest and related costs for the general obligation bonds to finance the construction of phase III of the Uptown Redevelopment Project. Series 2006 A & B is intended to be paid from Uptown TIF incremental property taxes; series 2006 A is a tax-exempt issue and 2006 B is taxable.

Emergency Telephone Fund - This fund is used to record the expenses of the Emergency 911 telephone system and telephone surcharge receipts. Revenue sources for the fund come from an emergency telephone surcharge and a subsidy from the general operating fund.

General Fund - The general operating fund is the City's primary operating fund. It accounts for all financial resources of general government, except those required to be accounted for in another fund. The services which are administered by the City and accounted for in the general operating fund include general government, public safety, and public works. The primary revenues in the general operating fund are: property taxes, utility and telecommunications taxes, sales taxes, and income taxes.

Illinois Municipal Retirement Fund - This fund is used to record employer contributions to a State administered retirement fund. All personnel, except those who are covered by the police or fire pensions and employees whose positions are classified as requiring less than 1,000 hours per year are covered under IMRF. A property tax is levied each year to fund the Illinois Municipal Retirement fund.

Library Fund - This fund is used to account for the operation and maintenance of the public library. Financing is provided by property taxes and other City and library revenues. The City Council appoints the Library Board and approves its annual budget. The property tax is the primary source of funding for the library.

Motor Fuel Tax Fund - This fund accounts for the use of the City's share of state gasoline taxes. State law requires that motor fuel taxes be used for improvements in the street right of way, including streets, curbs and gutters, traffic signalization and sewer related improvements.

Municipal Waste Management Fund - This fund is used to account for the operation and maintenance of the waste collection, transportation and disposal system, including all obligations to the Solid Waste Agency of Northern Cook County under the terms of the 1992 Project Use Agreement. Financing is provided by property taxes.

Parking Fund - This fund accounts for the provision and maintenance of parking facilities in the City. Projections are shown exclusive of depreciation. Funding comes from several parking related fees, such as parking penalties, unmetered parking charges, and parking meter fees.

Sewer Fund - This fund accounts for the provision and maintenance of sewer lines, catch basins, manholes, and inlets.

Uptown Tax Increment Financing Fund - This fund accounts for the activity in one of the City's tax increment financing funds. Revenue comes from incremental property taxes.

Water Fund - This fund accounts for the provision of water services to residents of the City. Projections are shown exclusive of depreciation. Residents are billed bi-monthly for water and major commercial accounts are billed monthly.

MAJOR AND MINOR FUNDS

The City budgets for the following **major governmental** funds: General Operating, Uptown TIF, Municipal Waste, and Library.

The City budgets for the following **major proprietary** fund: Water.

The remaining budgeted funds are **minor** funds.

The General Operating Fund is always a major fund. Other funds are considered a major fund when assets, liabilities, revenues or expenditures equal 10% or more of total governmental or enterprise funds respectively, and 5% or more for all governmental and enterprise funds combined.

AUDITED FUNDS

The City has additional funds that are audited, but not included in the budget. The asset forfeiture fund accounts for the receipt of confiscated illegal drug money or assets and the disbursement of monies for drug enforcement purposes and is considered minor. The fiduciary funds, such as the agency trust funds, are excluded because the City holds assets in a trustee capacity for other entities. Selected special revenue funds, such as the alley special service areas, are excluded because once the alleys are built, principal activity is for the City to levy property taxes until a receivable is collected.

ACCOUNT STRUCTURE

The City of Park Ridge uses a modified program budget. Budget dollars are allocated to specific programs. Departments consist of various programs. Departments and programs are both subsets of a fund. So, starting from the largest structure to the smallest, dollars are allocated to a particular fund, departments within the fund, programs within the department, accounts within the program, and finally object codes as the smallest classification of the account. The following is an illustration of this structure (203-3024-9951-47):

FUND _____ Motor Fuel Tax (203)
 DEPARTMENT _____ Public Works
 PROGRAM _____ Street Maintenance (3024)
 ACCOUNT _____ Street Repairs (9951)
 OBJECT _____ Year 2010 (47)

Accounts are listed in the budget with an accompanying thirteen-digit account number. The first three numbers indicate the fund number.

The City budgets for the following funds:

Type	Fund Number	Fund Name
General	100	General Operating
Special Revenue	201	Library
	203	Motor Fuel Tax
	204	Uptown Tax Increment Financing District
	206	Illinois Municipal Retirement
	208	Municipal Waste
	220	Emergency Telephone
Debt Service	304	Debt Service – 2004A General Obligation Issue
	305	Debt Service – 2004B General Obligation Issue
	306	Debt Service – 2005A General Obligation Issue
	308	Debt Service – 2006A General Obligation Issue (Tax-Exempt)
	309	Debt Service – 2006B General Obligation Issue (Taxable)
Enterprise	501	Parking
	502	Water
	503	Sewer

The next four numbers indicate the department/program number. There are eight major departments within the City:

- Administration
- Community & Civic Services
- Community Preservation & Development
- Finance
- Library
- Police
- Fire
- Public Works

Within the General Fund, there are forty-one programs:

1011 – Legislative	1021 - City Administration	1022 - Legal Counsel
1023 - Records Control	1024 - Human Resources	1025 - Information Technology
1026 - Information Services	1027 – Economic Development	1031 - Finance Administration
1032 – Accounting	1033 - Collections	1034 - Purchasing
1041 – Community Support	1042 – Noise Abatement	1044 – Transportation
2011 - Police Administration	2012 – Investigations	2013 – Communications
2014 - Patrol	2015 - Crime Prevention	2021 - Fire Administration
2022 - Fire Prevention	2023 - Emergency Response	2024 – Special Services
2025 – Emergency Preparedness	3011 - Public Works Administration	3012 - Engineering
3021 - Traffic Control	3022 - Street Lighting	3023 - Snow, Ice & Storm Control
3024 - Street Maintenance	3025 – Sidewalk Maintenance	3026 - Alley Maintenance
3062 – City Buildings Maintenance	3071 - Forestry	3072 - Grounds Maintenance
4011 - CP&D Administration	4012 - Planning	4022 - Zoning
4031 - Building	4051 – Environmental Health	

Within the Library fund, there are seven programs:

5011 - Library Administration	5012 - Library Maintenance	5013 - Technical Services
5014 - Adult Reference	5015 - Children’s Services	5016 - Circulation
5017 - Reader Services		

Within the Motor Fuel Tax fund, there are three programs:

3021 - Traffic Control	3024 - Street Maintenance	3026 - Alley Maintenance
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Within the Water Fund, there are five programs:

3051 - Water Administration	3052 - Water Supply & Treatment	3053 - Fire Hydrant Services
3054 - Water Main Services	3055 - Water Meter Services	

The remaining funds have one program each:

Fund	
IMRF	6050 - IMRF
Municipal Waste	3043 - Solid Waste Collection & Disposal
Emergency Telephone	2013 - Communications
Debt Service – 2004A	6110 – Debt Service
Debt Service – 2004B	6110 – Debt Service
Debt Service – 2005A	6110 – Debt Service
Debt Service – 2006A	6110 – Debt Service
Debt Service – 2006B	6110 – Debt Service
Parking	3027 - Parking
Sewer	3031 - Sewer

The eighth through eleventh digits of the general ledger account number designate the type of account.

9100 – 9299	Personal Services
9300 – 9399	Library Contractual Services
9400 – 9499	City Contractual Services
9500 – 9699	Commodities
9700 – 9799	Fixed Assets
9800 – 9899	Debt Service
9900 – 9999	Capital Budget

The last two digits indicate the object code. Object codes are mostly used by the Library. Object codes indicate a designation within the same account category. An example would be Library Resources - Adult Books (5014-9540-01) and Library Resources - Periodicals (5014-9540-03).

PROGRAM POLICIES

The City has adopted a budgetary policy in lieu of an appropriation ordinance. The major attributes of the policy are:

- Budget Amendments - During the fiscal year, the City Manager may revise the budget for the City by deleting, adding to, changing, or creating accounts.
- Capital Improvements Program - A six-year projection of capital projects and debt service is prepared by staff each fall. The objective of this is prioritize capital projects independent of funding constraints.
- Home Rule - Park Ridge is a "home rule" municipality under the 1970 Illinois Constitution. Among other things, this gives the City certain budgetary authority. See Legal Debt Limit and Property Tax Caps below.
- Newly Elected Officials - Within the first 30 days of a fiscal year when newly elected officials are installed, by a majority vote of the members of the corporate authorities then holding office, the annual budget for the City may be revised by deleting, adding to, changing, or creating accounts.
- Property Tax Caps - Park Ridge, as a home rule municipality, is exempt from property tax cap legislation.
- Responsibility - The City operates under a Mayor-Council form of government. The Mayor and City Council establish policy; the City Manager manages the day-to-day operations of the City and its employees. The City Manager is also charged with the responsibility of submitting the annual budget.
- Timing of Budget Passage - The budget is passed by the City Council before the beginning of the fiscal year. An ordinance is then passed to establish the property tax as provided for in the approved budget.

FINANCIAL POLICIES

- Acquisition of Property - This policy guides the potential purchase of property. The discussion of acquisition of a specific parcel of property may be done in a closed session meeting of elected officials as may be permitted by law. After the conclusion of the closed session, the City Council shall reconvene in open session and announce the intent of acquisition of a specific parcel of property. The final authorization of the acquisition of property, which must be accomplished before an agreement is binding, shall be in open session at the next or future meeting of the City Council in accordance with law. In an extraordinary situation, as determined by a two-thirds vote of the City Council that a delay in final authorization will compromise the City's ability to obtain the property on the most favorable terms, final authorization of the acquisition of property may be in the open session that immediately follows the conclusion of the closed session. The City may employ eminent domain, if eminent domain is determined to be necessary, to acquire property.
- Asset Classification - The City considers a capital asset to cost at least \$25,000 and have a life of not less than 10 years. The threshold for fixed assets is \$10,000.
- Balanced Budget - The term "balanced budget" refers to the balancing of revenues with expenditures. It may include the use of net assets or fund balance; a budget will be considered balanced if reserves are drawn down to subsidize revenues.
- Budgeted Expenditures - Budgeted expenditures lapse at the end of each fiscal year and unexpended balances are credited to fund balance.
- Capital Asset Policy - Capital assets include infrastructure, land, land improvements, buildings, building improvements, equipment, software, vehicles, and other tangible assets that are used in operations and have expected useful lives extending beyond a single reporting period. Capital assets are accounted for differently in the basic financial statements depending upon the measurement focus used. Capital assets acquired with governmental fund resources (general capital assets) are accounted for as capital expenditures and not capitalized in the governmental fund financial statements. General capital

assets also include donated assets even though they are not reported as capital expenditures or capitalized in the governmental funds. Capital assets acquired with proprietary or fiduciary fund resources or donated to those funds are capitalized in those funds and depreciated in those funds over their estimated useful lives.

In the government-wide financial statements, capital assets, including general capital assets are capitalized and depreciated over their estimated useful lives (except for land, land improvements, construction in progress, and software under development).

- Cash Disbursements Policy – Warrants are issued twice per month, on the 15th and 30th. The City Council approves the warrant register for disbursement at the bi-monthly meetings. Disbursements are reviewed and approved by the initiating Employee, Department Head, Purchasing Agent, Accounts Payable Clerk, Assistant Finance Director, Finance Director, Member of the City Council and Mayor. The City Manager signs all Purchase Orders over \$5,000.
- Cash Flow Policy - Cash flow projections that show the impact of budgetary decisions are prepared by the Finance Director. Individual funds may temporarily have deficit positions during the fiscal year provided that the overall cash position is positive.
- Contingency Funds – Each year, the City budgets \$140,000 and the Library budgets \$30,000 for contingency. Any usage of contingency funds must be reported to the Finance Committee. A contingency is a budgetary reserve set aside for emergencies.
- Economic Incentive Agreements Policy – The purpose of this policy is to establish instances under which incentives may be offered for business expansion or development. The benefits to the City for offering economic development incentives may include increasing sales tax receipts, improving the property tax base, helping the City to remain economically viable and competitive with surrounding communities, attracting additional retail business into the City, providing additional goods and services to Park Ridge residents, and protecting or increasing the revenue base of the City. The City will require any economic development investments provide a demonstrable quantitative and qualitative return on the City's investment to be realized during a reasonable period of time after such investment.
- Fund Balance – The City's target general fund balance at year-end is a range between four and six months of operating revenues of general, special revenue and debt service (where payment stems from the levying of property taxes) funds on a budgetary basis. Fund balance is defined as the excess of assets over liabilities. Also, at year-end, the City's target is to have cash reserves equal to a range of two to four months of operating expenses. The City Council approved this policy on August 15, 2005. A fund balance policy provides guidance to the City Council and senior staff regarding the appropriate balance between reserves, revenues and expenditures. Adherence to an appropriate policy will help the city maintain and improve its credit rating. Having adequate reserves will help the city maintain operations should unexpected emergencies arise, revenues not be realized or expenditures exceed expectations.
- Investment Policy - Investment income is guided by an investment policy as provided for in Council Policy Statement No. 25. This policy was substantially revised in October 1999. The primary objectives, in priority order, of the City's investment activities are: Preservation of Principal, Liquidity, and Yield. The City invests primarily in collateralized certificates of deposits. The certificates are collateralized at 110% and held at a third party in the City's name. The City may also invest in U. S. Treasuries, Agencies, IPTIP or IMET. One of the more important investment parameters includes that no more than 50% of the City's total investment portfolio may be invested in any one financial institution. At least once per month, the City obtains quotes from seven banks and places the investment with the bank that offers the highest interest rate as long as this investment parameter is met. Staff provides a monthly investment report to elected official that describes the portfolio in terms of investment by institution, by fund, and by type. Collateral by institution is also listed. Next investment rates and maturities are highlighted. This is compared to a benchmark.
- Legal Debt Limit – As a home rule community, the City has no debt limit nor is it required to seek referendum approval for issuance of general obligation debt. The Municipal Code prohibits the debt term from exceeding 40 years. On February 16, 2004, the City Council eliminated a requirement that a

referendum be held if total bonded debt exceeds 2.5% of the assessed valuation of the City's taxable real property, as last equalized.

- Guarantee of Debt – The City is currently not the guarantor of any third party debt. The decision to guarantee third party debt may be done on occasion, after extension deliberation, to spur economic development.
- Number of Years Budgeted - The budget is prepared two years forward. The next budget year is formally adopted by the City Council. Estimates are made for the year following the budget year to determine the impact of budgetary decisions on cash flow and fund balance.
- Purchasing Policies - The City adheres to a number of purchasing policies as outlined in its Purchasing Procedures Manual. Principal policies include:
 Purchases up to \$400: No quotations required, confirming orders allowed with the prior approval of the Department Head. Purchase Order is required.
 Purchases between \$400 and \$1,000: At least 2 telephone or internet quotations required, confirming orders allowed with the prior approval of the Department Head. Purchase Order is required.
 Purchases between \$1,000 and \$3,000: At least 3 telephone or internet quotations required, confirming orders allowed only with the prior approval of the Purchasing Agent. Purchase Order is required.
 Purchases between \$3,000 and \$5,000: At least 3 written quotations required, confirming orders allowed only with the prior approval of the Purchasing Agent. Purchase Order is required.
 Purchases between \$5,000 and 20,000: At least 3 written quotations required. Confirming orders allowed only with the prior approval of the Purchasing Agent. Purchase Order is required. The Purchasing Agent can require that formal bidding procedures be followed for purchases over \$5,000.
 Purchases over 20,000: Formal bidding process is required. Award of contract must be approved by the City Council.
 The City Manager signs all purchase orders.
Note: The dollar limit requiring City Council approval was increased from \$10,000 to \$20,000 in fiscal year 2006/07 to coincide with statutory guidelines.
- Requirements of Budget - Estimated revenues and recommended expenditures by fund must be shown.
- Use of Fund Balance – Reserves of fund balance may be drawn down to finance onetime expenditures. Fund balance may be used as a funding source to supplement the difference between revenues and expenditures.

COMPARISON OF BUDGET DOCUMENTS TO FINANCIAL STATEMENTS

Budget versus GAAP or Accrual versus Modified Accrual

The budget is not prepared on the same basis of accounting as the financial statements. The budget is presented on the Budgetary basis. The audited financial statements are presented in two ways: Budgetary basis and Generally Accepted Accounting Principles (GAAP) basis. The major differences between Budgetary and GAAP are:

- Budgetary Basis – Full Accrual: Property tax revenue is recorded when it is measurable and earned. Essentially, this means that property tax revenue is recognized when the Council levies the tax. Furthermore, debt service expenditures are recorded in the same period as the property taxes used to pay the expenditures.
- GAAP Basis – Modified Accrual: Property tax revenue is recorded when it is measurable and available. Property tax revenue is recognized when it is received by the city. Debt service expenditures are recorded when paid by the city.

The following funds are budgeted on a budgetary basis: Debt Service, General, Illinois Municipal Retirement, Library, and Municipal Waste. Budgetary is the same as GAAP for the following funds: Emergency Telephone, Motor Fuel Tax, Parking, and Water.

The property tax levy shown in the budget will be levied in December 2009 and collected in March and September of 2010. The 1998 debt service, general, IMRF, library, and municipal waste funds receive property taxes.

When presenting financial reports, we report the original budget and the final budget on the financial statements.

Measurement Focus and Basis of Accounting and Financial Statement Presentation -

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds (water and parking funds). Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place. On an accrual basis, revenues from taxes are recognized when the City has a legal claim to the resources. Property taxes are recorded as revenue in the year for which they are levied. Grants, entitlements, State shared revenues and similar items are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been met.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers revenues to be available if they are collected within 60 days of the end of the current fiscal year.

Accrued revenues include property taxes, other taxes, grants, charges for services, and interest. All other revenue sources are considered to be measurable and available only when cash is received.

Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, debt service expenditures, as well as claims and judgments are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in the governmental funds.

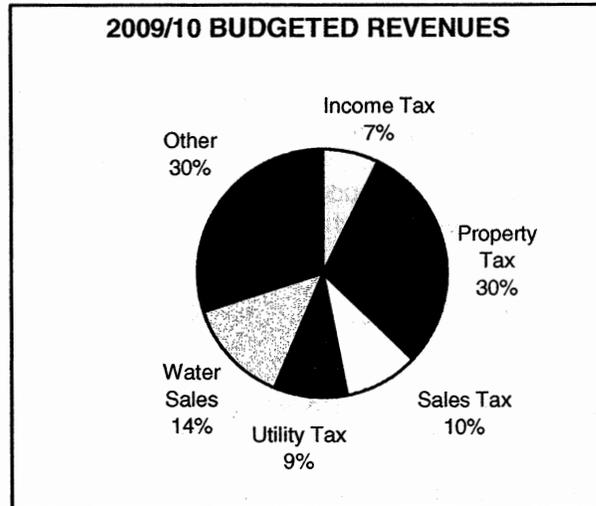
BUDGET CHANGES

The 2009/10 budget includes the following change from the 2008/09 budget:

- The Developmental Review and Business District Support programs were combined with the Planning program and the Environmental Health – Neighborhood and Environmental Health – Business were combined into one Environmental Health program.
- Funding sources were included with the fund descriptions per a GFOA reviewer's comments.
- A new section that lists a cash projection for the Uptown Tax Increment Financing Fund is now included in the budget (pages 300 and 301).
- An analysis of the City's solvency was added to the Budget Message.
- The City added a new enterprise fund, the Sewer Fund.

ANALYSIS OF REVENUE SOURCES

The City has several revenue sources, each representing a different percentage of total revenues.

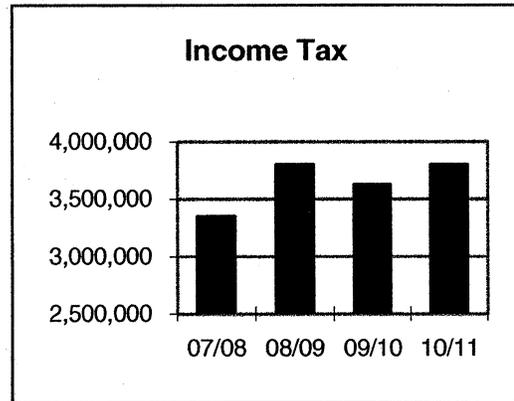


REVENUE OVERVIEW	07/08 Actual	08/09 Budget	08/09 Est Act.	09/10 Budget	10/11 Estimate
Revenues:					
Income	3,559,023	3,800,000	3,700,000	3,626,000	3,800,000
MFT	1,054,593	1,138,900	1,006,000	1,026,000	1,050,000
Property	14,431,000	14,902,500	14,902,500	15,384,000	16,153,200
HR Sales	1,452,305	1,650,000	1,510,000	1,550,000	1,650,000
Sales	3,754,466	3,970,000	3,490,000	3,500,000	3,600,000
Uptown Property Tax	764,238	2,812,700	1,658,700	2,073,200	2,994,500
Utility	4,778,256	4,750,000	4,500,000	4,750,000	4,900,000
Sewer	112,808	348,000	344,300	895,900	895,900
Water	6,138,664	6,929,300	6,500,000	7,000,000	7,255,000
Other	9,497,134	11,704,300	9,544,900	9,501,700	9,642,400
Bond Proceeds	19,400	-	-	-	-
Total	45,561,888	52,005,700	47,156,400	49,306,800	51,941,000
Expenses:					
Personal Services	24,900,787	27,088,100	26,219,500	27,175,600	28,625,200
Contractual Services	12,975,300	12,761,600	13,154,400	13,297,300	14,126,900
Commodities	2,243,897	2,276,000	2,658,100	2,337,900	2,461,000
Debt Service	3,484,799	5,038,700	5,053,200	3,436,400	3,588,500
Capital Budget	<u>4,478,530</u>	<u>5,335,700</u>	<u>5,452,000</u>	<u>4,855,600</u>	<u>5,025,500</u>
Total	48,083,313	52,500,100	52,537,200	51,102,800	53,827,100
Excess (Deficit) of Revenues over Expenses	(2,521,425)	(494,400)	(5,380,800)	(1,796,000)	(1,886,100)

Figures are shown at the budgeted amounts.

Income Tax

	<u>Amount</u>	<u>% Inc (Dec)</u>
2007/08	3,350,000	11.7%
2008/09	3,800,000	13.4%
2009/10	3,626,000	(4.6%)
2010/11	3,800,000	4.8%



The City receives income tax receipts from the state of Illinois monthly. Income tax is distributed based on population.

Budget Assumptions - To prepare the 2009/10 budget for income tax receipts, there are three key elements which we need to make assumptions about:

Population. Income tax receipts are distributed based on the City's population. Park Ridge's population is 37,775 (2000 Census).

Municipality's share of income tax receipts. Under current law, municipalities are entitled to 1/10 of income tax receipts. This percentage allocation is under threat because the State of Illinois is facing its own budget problems.

In December 2008, we received word that the State of Illinois is debating cutting up to 8% shared funding to municipalities. This would cost Park Ridge \$265,200.

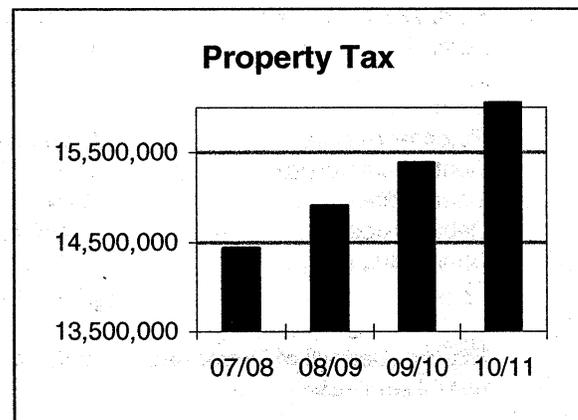
State wide growth in income tax receipts. Actual income tax receipts for fiscal year 2008/09 are expected to come in \$100,000 less than budget. The country is in a recession.

Illinois Governor Quinn has proposed increasing the personal income tax rate from 3 to 4.5% and the corporate rate from 4.8 to 7.2%. This will generate approximately an additional \$6.35 billion for the State. Under the current 1/10 percentage distribution formula, municipalities would receive an additional \$49.60 per capita. However, current proposals do no plan to share the money with municipalities. The money will be used to fund education, environmental protection, energy conservation and economic development components of the proposed \$26 billion capital program.

Summary – The 2009/10 income tax revenue budget is equal to \$95.99 per capita; this is 98% of 2008/09 estimated receipts.

Property Tax

	<u>Amount</u>	<u>% Inc (Dec)</u>
2007/08	14,431,000	5.0%
2008/09	14,902,500	3.3%
2009/10	15,384,000	3.2%
2010/11	16,153,200	5.0%

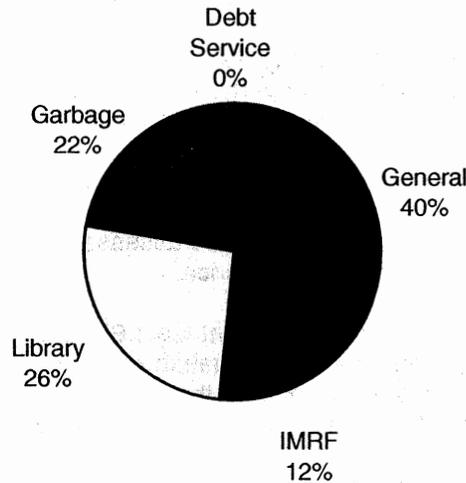


The City's, including the Library, levy represents approximately 13% of a property owner's total property tax bill. The property tax amounts used in this document exclude an additional amount added to the levy for estimated uncollectible taxes. The levy that corresponds to the 2009/10 budget will be levied prior to December 31, 2009. Property owners will pay this tax in two payments during March and November 2010. The "2009/10" property tax levy covers expenses incurred during the fiscal year beginning May 1, 2009 and ending April 30, 2010.

The property tax levy is allocated for several purposes. The largest percentage of the levy is attributed to the general operating fund. The following table and chart itemizes last and this year's tax levy:

Cal. Yr.	Total	General	IMRF	Library	Garbage	1998 Debt
2008	\$14,902,500	\$4,241,500	\$1,638,700	\$4,190,500	\$3,199,000	\$1,632,800
2009	\$15,384,000	\$6,140,300	\$1,798,500	\$4,006,000	\$3,439,200	\$0
Diff.	\$481,500	\$1,898,800	\$159,800	(\$184,500)	\$240,200	(\$1,632,800)

2009 Property Tax Levy



Legislative Developments:

Property Tax Assessments – The assessed value of the property is determined when the property tax assessor does a sales ratio study of home sales over the last three years. Properties in Cook County are reassessed every three years.

Property Tax Reform – Currently, a significant portion of funding for public schools comes from local property taxes. This results in inequities of funding for schools within the state and high property tax bills. The possibility exists that the state Legislature may change the property tax structure and modify other funding sources such as income taxes. If this happens, municipal revenues, particularly those that are jointly shared with the State, may be affected.

Property Tax Caps – Non-home rule units of government in Cook County are subject to property tax caps, which limits property tax levy increases to the lesser of 5% or the percentage change in the Consumer Price Index during the calendar year preceding the levy year. A higher property tax may be levied if the taxing body experiences new construction, mergers or consolidations, or if voters approve a higher levy by referendum. Park Ridge, as a home rule municipality, is exempt from this legislation.

Equalized Assessed Property Valuation

The City's 2007 equalized assessed valuation (EAV) is \$1,852,758,740. This value includes \$33,764,684 of newly developed properties. Several tax relief mechanisms, totaling \$437,523,461, play heavily in the calculation of EAV:

Homeowner Exemption	\$350,087,134	Veterans Exemption	\$125,638
Senior Homestead Exemption	\$13,586,184	Disabled Persons Exemption	\$59,000
Senior Tax Freeze Exemption	\$73,635,505	Disabled Veterans Exemption	\$30,000

Multiplier – Number used to bring Cook County property assessments in line with those elsewhere in the state where property is assessed differently. This year, it is 2.8439.

Equalized Assessed Value (EAV) = Assessed Value x Multiplier

Property Tax Interventions

The local school districts routinely intervene when taxpayers appeal to the Property Tax Appeal Board for a reduction in their equalized assessed valuation of \$100,000 or more if these appeals would be subject to an unreasonably low settlement.

Residential Assessments

Beginning in October 2003, Cook County residential assessment increases were capped at 7% per year for a period of three years. The taxable value of most homes did not increase by more than 7% in any one year. The total amount of taxes due could increase by more than 7% over the previous year because the cap did not limit how much the overall tax bill could increase. A bill to extend the 7% cap another three years narrowly failed in November 2006. While the assessed values determine the share of property taxes owners are required to pay, local taxing bodies determine the overall amount of taxes.

In October 2007, the 7% assessment cap on property tax bills was extended. The legislature overrode the governor's veto. In the future, this tax break may be replaced with a permanent assessment cap for long-term homeowners with limited incomes.

Property Tax Exemptions

Senior Citizen Homestead Exemption – A home's equalized assessed valuation is reduced if the homeowner is at least 65 years old and the home is his/her primary residence.

Senior Citizen Assessment Freeze – If a homeowner is at least 65 years old and his/her total annual household income is \$50,000 or less, the equalized assessed valuation of the home can be frozen at the amount it was during the base year. The base year is the year prior to the taxable year for which he first applied and qualified for the exemption. This exemption freezes the equalized assessed valuation, not the tax bill.

Home Improvement Exemption – This exemption allows the homeowner to make up to \$75,000 worth of home improvements without increasing the property's valuation for up to four years.

7% Expanded Homeowner Exemption – If the home is owner occupied as of January 1 of the taxable year, the equalized assessed valuation is reduced by a minimum of \$5,000 and a maximum of \$20,000 on the equalized assessed value. Started in 2004 and renewed until 2009.

Long-Time Occupant Homeowner Exemption – Homeowners residing in their homes 10 years or more receive property tax relief if the following income requirements are met:

- A homeowner with a total household income of \$75,000 or below, but not exceeding \$100,000, 7% over the prior year's taxable value, with no maximum exemption amount.
- A homeowner with a total household income greater than \$75,000, but not exceeding \$100,000, will have an increase limited to 10% over the prior year's taxable value, with no maximum exemption amount.

The Long-Time Occupant Exemption cannot be received with the 7% Expanded Homeowner Exemption or the Senior Freeze Exemption.

Disabled Persons' Exemption - A home's equalized assessed valuation is reduced by \$2,000 if the homeowner is disabled and liable for the property tax payment.

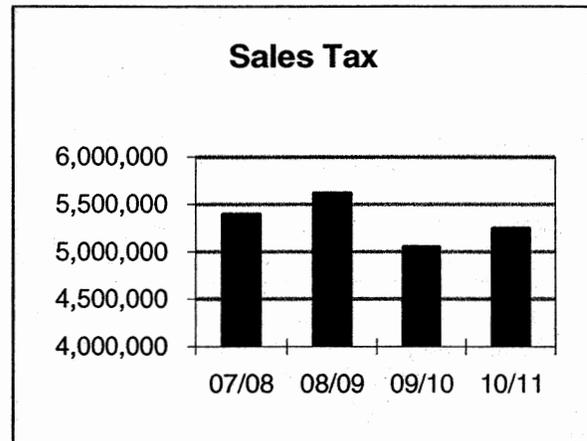
Disabled Veterans' Exemption – Veterans with a service related disability are eligible for this annual exemption. A disability of at least 75 percent is eligible for a \$5,000 exemption in equalized assessed value (EAV). A disability of at least 50 percent, but less than 75 percent, is eligible for a \$2,500 reduction in EAV.

Returning Veterans' Exemption – Veterans returning from active duty in armed conflict are eligible to receive a \$5,000 reduction in the equalized assessed value of their property only for each taxable year in which they return.

Budget Assumptions - The budget includes a 3.2% increase in the property tax levy.

Sales and Home Rule Sales Taxes

	<u>Amount</u>	<u>% Inc (Dec)</u>
2007/08	5,400,000	3.3%
2008/09	5,620,000	4.0%
2009/10	5,050,000	(10.0%)
2010/11	5,250,000	4.0%



Items, except food and drugs, in Park Ridge are subject to a 10% sales tax. The City receives 2% of this 10% for items sold in Park Ridge. The remaining 8% of the 10% is distributed as follows: 5% State, 1.75% Cook County, and 1.25% Regional Transportation Authority. The retailer must remit this money to the state of Illinois monthly. The retailer receives a discount from the state for collecting the tax. The money is credited to our account in the Illinois Public Treasurers' Investment Pool. The City imposes a 1% home rules sales tax; the 10% sales tax includes the 1% home rule sales tax.

Sales tax is sub-divided into three categories: retail sales, auto rental tax, and use tax. The auto rental tax is 1% of the gross receipts from renting automobiles. The use tax applies to the privilege of using in the City tangible personal property purchased at retail from a retailer outside the state of Illinois.

The "retail sales" portion of the City's total sales tax revenues comes from many different types of businesses. Automotive and filling stations contribute 43% of the City's sales tax receipts. This category is followed by food (24%), and drugs and other retail (13%). The "automobile" category includes gas stations and other automotive facilities, besides car dealers. The "food" category includes some restaurants. Categories dominated by a single successful business include: Grocery, Apparel, Pharmacies, and Cards/Stationary.

The following impact sales tax receipts:

Market Characteristics: - The City Council commissioned a retail study by Buxton & Company. The report showed Park Ridge could support 176,000 square feet of additional retail space. This number excludes big box retailers and restaurants. This study helps explain why developers were interested in the Uptown property when it became available. For each potential retailer, Buxton analyzed whether the potential market was residential or workplace.

Park Ridge Retailers – Although Park Ridge has several designated shopping areas, it has no regional malls or big box retailers that are often found in surrounding suburbs. Over half of our sales tax revenue derives from a limited number of car dealers and grocery stores. The City's dependency upon a relatively few number of businesses is a cause of concern and leaves the City vulnerable if one of these major businesses moves or closes. A prime example of this is the City reduced its fiscal year 2008/09 sales tax projection by \$200,000 when the Napleton automobile dealership lost its General Motors franchise.

General Economic Conditions/National Economy – Unemployment in Park Ridge is 4.9% (October 2008). This is modest compared to national and state levels.

Home Rule Sales Tax Rate – The City of Park Ridge imposes a 1% home rule sales tax rate. Surrounding communities impose the following home rule sales tax rates:

- .75% Arlington Heights, Downers Grove, Glenview
- 1.0% Des Plaines, Mount Prospect, Niles, Palatine, Park Ridge, Schaumburg, Skokie

Internet Sales – The state of Illinois collects sales taxes. Illinois residents are required to pay sales tax to the state even when an Internet retailer does not collect the sales tax. This process is referred to as a “use” tax rather than a “sales” tax.

The moratorium on Internet sales expires in November 2014.

Streamlining Legislation – National effort requiring retailers to collect sales tax according to the rate imposed by the municipality to which an item is delivered.

Dempster Development Incentive Agreement Payment - To assist the building of the Dempster and Greenwood auto mall, the City provided an economic sales incentive to the dealership. This agreement was modified in January 2002. This agreement requires the City to retain the first \$150,000 of sales tax receipts, remit the next \$400,000 to the automobile dealership, and keep any excess above \$550,000 on an annual basis. The City made the following payments pursuant to this agreement:

<u>Sales Tax Payments</u>			<u>Property Tax Payments</u>		
For	Paid	Amount	For	Paid	Amount
2002	2/18/2004	\$326,618.26	2002	2/18/2004	\$112,350.92
2003	3/31/2004	\$473,381.74	2003	3/22/2005	\$169,915.64
2004	4/22/2005	\$400,000.00	2004	12/01/2005	\$205,691.25
2005	6/14/2006	\$400,000.00	2005	10/15/2006	\$220,966.46
2006	3/15/2007	\$400,000.00	2006	12/31/2007	\$221,331.36
2007	3/15/2008	\$400,000.00	2007	11/29/2008	\$234,791.51
2008	3/30/2009	\$400,000.00			

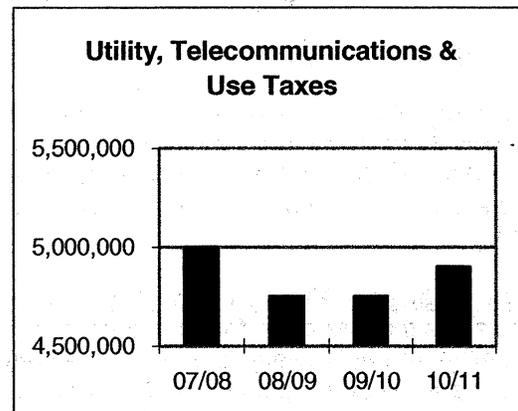
School District 64 Sales Tax Sharing Agreement – The City agreed to share incremental sales taxes derived from Uptown redevelopment with School District 64. This was part of the establishment of the Uptown TIF district. Several stores are operating in Uptown. Payments made to School District 64 are: \$45,598 (FY 2007/08) and \$238,263 (FY 2008/09).

Summary -

Estimated 2009/10 home rule sales tax receipts are \$1,550,000. Estimated 2009/10 sales tax receipts are \$3,500,000. Total estimated sales tax receipts are \$5,050,000. The sales tax revenue is reported net of payments made pursuant to economic incentive agreements; payments are subtracted from the revenue amount.

Utility, Telecommunications & Use Taxes

	<u>Amount</u>	<u>% Inc (Dec)</u>
2007/08	5,000,000	7.0%
2008/09	4,750,000	(5.0%)
2009/10	4,750,000	0.0%
2010/11	4,900,000	3.2%



The City imposes the following taxes:

- **Utility Tax** - 5% tax on gas and water usage.
- **Simplified Municipal Telecommunications Tax Act** – On January 1, 2003, the simplified municipal telecommunications tax act took effect. Under this act, both land-based and wireless service providers remit 6% of their gross sales to the Illinois Department of Revenue. The Illinois Department of Revenue forwards the tax to Park Ridge.
- **Electric Use Tax** – 5% tax on gross receipts of distributing, supplying, furnishing or selling electricity for use or consumption. Rates vary based on kilowatt hours.

Midwestern states have traditionally enjoyed or suffered, depending upon your point of view, hot summers and cold winters. Weather conditions may be changing to where both our winters and summers may be milder. This will affect utility tax revenues.

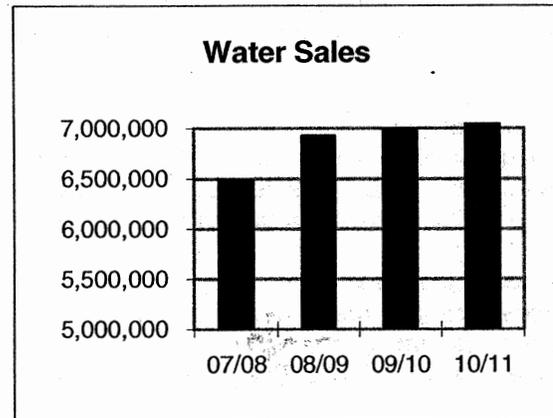
The following table shows the 2009/10 budget for this revenue source:

<u>Source</u>	<u>Budget</u>	
Gas Utility Tax	\$1,175,000	
Water Utility Tax	\$320,000	
Electric Use	<u>\$1,430,000</u>	
Subtotal	\$2,925,000	
Telecommunications Tax	<u>\$1,825,000</u>	Account 100-814000
Total	\$4,750,000	

Budget Assumptions – Due to the complex nature of the utility industry, legislative changes, and changing weather conditions, accurately predicting total revenues is extremely difficult. 2009/10 budgeted revenue is \$4,750,000.

Water Sales

	<u>Amount</u>	<u>% Inc (Dec)</u>
2007/08	6,491,800	(3.1%)
2008/09	6,929,300	6.7%
2009/10	7,000,000	1.0%
2010/11	7,255,000	3.6%



The city of Park Ridge purchases Lake Michigan water from the city of Chicago and maintains water mains that distribute this water to Park Ridge businesses and residences.

Budgeted revenues and expenses are highly dependent upon water usage. Water usage is in turn highly dependent upon weather conditions. For example, if the summer weather is hot and dry, water use increases partially because of lawn watering. In order to stay within state mandated water allocations, the City must impose restrictions upon water usage during the summer months.

Water purchases from the City of Chicago constitute the single largest expense in the water fund. Since January 2000, the city of Chicago has raised water rates annually usually from a range of 3 – 4%. On January 2008 and January 2009, the City of Chicago raised rates 15%. Rates will increase 14% on January 2010.

The City of Park Ridge completed construction on a new water reservoir and transmission line. The cost of this nearly \$17 million project is paid from Uptown incremental tax financing revenues and water revenues.

Current bi-monthly water rates are:

Up to but not exceeding 5,000 gallons	\$25.68
Over 5,000 but not exceeding 30,000 gallons	\$3.97/1,000 gallons
Over 30,000 gallons	\$4.43/1,000 gallons

Staff recommends that we increase water rates 5%. This will allow the City of Park Ridge to pay the City of Chicago for the increased cost of water supply and pay for the other increases in operating and capital (watermains, Potter/Dempster right turn lane). If rates are increased 5%, the new bi-monthly rates will be:

Up to but not exceeding 5,000 gallons	\$26.96
Over 5,000 but not exceeding 30,000 gallons	\$4.17/1,000 gallons
Over 30,000 gallons	\$4.65/1,000 gallons

Budget Assumptions – With a 5% rate increase, fiscal year 2009/10 budgeted revenues are \$7,000,000 and the deficit in the water fund will be \$404,400.

Other Revenue Sources

The City has other revenue sources besides those listed above. These other revenues consist of the following:

Ambulance Fees

Ambulance charges for non-residents are as follows: \$472.00 for basic life support; \$555.00 for advanced life support; \$668.00 for advanced life support with two services and \$8.68 per mile for mileage with a one-mile minimum. Ambulance charges for residents are as follows: \$349.58 for basic life support; \$415.13 for advanced life support; \$600.85 for advanced life support with two services and \$6.55 per mile for mileage with a one-mile minimum. We expect modest growth in this account as the population ages. There is a significant time delay in the collection of ambulance receipts. Total 2009/10 budgeted revenue is \$640,000.

Animal Licenses

Residents must purchase a \$10 dog or cat license annually. Licenses are due June 15; payment is made simultaneously with vehicle licenses. Total 2009/10 budgeted revenue is \$35,000. Rates were last increased in 2006.

Building Permits

Building permits must be purchased prior to construction. Permit fees vary depending upon the nature of the construction. Total 2009/10 budgeted revenue is \$1,000,000. This revenue source functions in the same manner as the economy (if economic conditions are positive, the revenue is positive, and vice versa).

Business Licenses

Business licenses are issued annually and are valid from January 1 through December 31. Business license fees vary depending on the type of business. Rates for retail sales establishments vary depending upon square footage. Total 2009/10 budgeted revenue is \$170,000.

Cable TV

The local cable carrier must remit 5% of total revenues monthly to the City as payment for a franchise agreement. Total 2009/10 budgeted revenue is \$430,000. The City has two cable providers (Comcast of Illinois and AT&T Cable). The City Council approved AT&T Cable in October 2007. The budget includes four quarterly installments from Comcast of Illinois (\$106,000 x 4 = \$424,000) + MFS Telcom Right of Way (\$1,500) + AT&T, T Mobile, Nextel, and Sprint Nextel (\$500/each).

Court Fines

Court fines are received from tickets issued by police officers. These fines are collected by Cook County and remitted to the City monthly. The City employs four full-time police traffic officers and owns a scale to weigh overweight trucks at the Public Works Service Center. In 2005/06, we increased the fine structure. 2009/10 budgeted revenues are \$190,000.

Fines – Adjudication

Three types of fines come before the city's adjudication court. They are: overweight trucks, municipal code violations (examples – underage drinking, improper railroad crossing), and building violations. In fiscal year 2008, the city received \$85,200 in general court fines, \$8,300 in zoning violations, \$3,500 in health violations, and \$57,300 in municipal code violations. Budgeted 2009/10 revenue is \$150,000. The adjudication system began in 2005.

Beginning in May 2009, the City will install a red light camera at Oakton and Northwest Highway. The consultant estimates the City will realize \$86,800 if the camera captures five citations daily and \$134,000 for ten citations daily. Staff added \$110,000 (average) to adjudication fines for this new revenue source.

Emergency Telephone Surcharge

This is a \$1.00 monthly surcharge on telephone bills. The money partially funds the operation of a fully enhanced Emergency 911 telephone system. Total 2009/10 budgeted revenue is \$525,000. To increase the amount of the surcharge, the City would have to successfully pass a referendum. The state imposes an emergency telephone surcharge of \$.75 per cellular phone and remits approximately \$.48 per phone to the City. Besides Park Ridge, Des Plaines, Niles and Morton Grove are members of the Joint Emergency Telephone System Board.

This revenue source is under severe stress. More and more households are eliminating telephone land lines. Approximately 6,200,000 households are wireless (Business Week, October 3, 2005). The city of Park Ridge experiences a delay in receiving E-911 money because the surcharge is first sent to the city of Des Plaines. The state of Illinois is six months behind in remitting the money owed for the cellular phone surcharge. All of this combines to increase the amount of the subsidy from the general operating fund to the E-911 fund.

Annual emergency telephone surcharge averaged \$473,000 for the past three complete fiscal years.

Food & Beverage Tax

This is a 1% tax on the sale at retail of food and alcoholic beverages prepared for immediate consumption. Restaurant customers pay this tax. The restaurant owner remits money to the City monthly. Revenue is deposited to the general operating fund. Total 2009/10 budgeted revenue is \$460,000. We increased projected revenue for 2009/10 due to new restaurants opening in phase 3 of the Uptown redevelopment. However, projections were tempered by the economic recession.

Gasoline Tax

This tax is \$.03 per gallon of gasoline. 2009/10 budgeted revenue is estimated at \$360,000. This income does not necessarily fluctuate with the price of gasoline; only in so far as the price of gasoline affects consumption. The city has nine gasoline stations.

Grant Income

Grant income is projected as follows

	<u>2008/09</u>	<u>2009/10</u>	<u>2010/11</u>
<u>General Fund:</u>			
<u>Other:</u>			
Lutheran Gen. Hosp. – Western	<u>\$250,000</u>		
Turn Signal			
Subtotal - Other	\$250,000		
<u>Federal Grants:</u>			
FEMA Reimburse – August Flood	\$13,000	\$35,000	
FEMA Reimburse – Sept Flood	\$133,900		
Police Vests	\$2,000	<u>\$3,000</u>	
SCBA	\$143,600		
Propane Fueled Fire Ext. Device	<u>\$13,600</u>		
Subtotal - Federal	\$306,100	\$37,000	
<u>State Grants:</u>			
Safe Routes to School		\$400,000	
EMS Grant	\$4,000		
Fire Equipment	\$15,000		
Police Equipment	\$15,000		
Traffic Pre-emption Devices	\$100,000		
Tobacco Inspection	<u>\$2,200</u>	<u>\$2,200</u>	<u>\$2,200</u>
Subtotal - State	\$136,200	\$402,200	\$2,200
Total – General Fund	<u>\$692,300</u>	<u>\$440,200</u>	<u>\$2,200</u>
<u>Library Fund:</u>			
Per Capita Grant	\$46,000	\$46,000	\$46,000
Library Equipment	<u>\$15,000</u>		
Total – Library Fund	<u>\$61,000</u>	<u>\$46,000</u>	<u>\$46,000</u>
Grand Total – All Funds	<u>\$753,300</u>	<u>\$486,200</u>	<u>\$48,200</u>

Interest Earned

The City earns interest income from purchasing U. S. Treasuries and collateralized Certificates of Deposits. Additionally, the City earns interest on money held in checking accounts and the Illinois Public Treasurers' Investment Pool (IPTIP). Also, the City Council invests some money in the Illinois Metropolitan Investment Fund, which is an U. S. Treasury mutual fund intended for intermediate term funds. Total 2009/10 budgeted revenue is \$253,500 and is allocated among the following funds: general - \$100,000; library - \$24,200; MFT - \$5,700; parking - \$23,600; and water - \$100,000. This reflects the new lower interest rates and approximately half the realized interest income in fiscal year 2007/08.

Library Fines

Fines for overdue library materials are credited to the library fund and contribute to the operation of the public library. 2009/10 budgeted income is estimated at \$72,000.

Liquor Licenses

Liquor licenses range from \$1,500 to \$3,500 depending upon classification. This fee is charged annually to all establishments possessing a license to sell liquor. Total 2009/10 budgeted revenue is \$74,000. The revenue account includes money collected as fines for violations such as selling liquor to minors (\$4,500).

Miscellaneous

Total 2009/10 budgeted miscellaneous revenue is \$508,200. Several funds have "miscellaneous" income.

General operating fund miscellaneous income is \$407,200. The major miscellaneous income in the general operating fund is rental income (\$199,000 in 2009/10 and \$79,400 in 2010/11 – account no. 100-873000). The city leases space at the old Public Works Service Center, at the train station, and leases a radio tower. NICOR will vacate their lease at the old Public Works Service Center on October 31, 2009. Other categories that make up miscellaneous income in the general fund include: miscellaneous city clerk (\$6,000 – account no. 100-877001), miscellaneous police (\$12,500 – account no. 100-877002), miscellaneous fire (\$2,000 – account no. 100-877003), miscellaneous zoning (\$20,000 – account no. 100-877004), and miscellaneous streets (\$115,200 ((28,603 x 4) + 800) - account no. 100-877005). Other miscellaneous revenues include: police alarm fines (\$9,000 – account no. 100-852000), alarm registrations (\$15,000 – account no. 100-845000), elevator inspections (\$17,200 – account no. 100-848000), damage to city property (\$5,000 – account no. 100-877015), and oversized vehicle permits (\$6,300 – account no. 100-820900).

Miscellaneous income in the library fund (account no. 201-877000) is \$40,000. This consists of income from non-resident fees (\$12,000), photocopies/printing services (\$22,000), and film insurance (\$6,000). Revenue was reduced by \$30,000 because the Library Board decided to discontinue the practice of charging \$1 to check out DVDs and videos. The Library Board anticipates an increase in overdue fines as a result of more videos and DVDs circulating – overdue fine is \$1 per day.

Miscellaneous income in the water fund is \$61,000 and consists of miscellaneous income (\$10,000 – account no. 502-877000), meters (\$20,000 – account number 502-862000), and \$31,000 – (IEPA – backflow protection program, commercial property owners).

Motor Fuel Tax (MFT)

This income is received monthly from the state and is distributed based on population. The state gets the money from a 19 cents per gallon tax on gasoline and a 21.5 cents per gallon tax on diesel fuel. Distributors keep 1.75% of the tax as a collection fee. After certain deductions are made, the state keeps 45.6% of the motor fuel tax and distributes 54.4% to various local agencies. Municipalities receive 49.1% of the amount allotted for local agencies. The city's share of the total MFT allocation is based upon the ratio of the city's population to the total population of incorporated areas in the state. Park Ridge uses the money to finance capital projects related to streets, sidewalks, or alleys. 2009/10 budgeted revenue is \$1,026,000; this equates to \$27.16 per capita.

Natural Gas Use Tax

This is a \$.02 per therm tax on the use of natural gas purchased from an out-of-state supplier and consumed within Park Ridge. 2009/10 estimated revenue is \$143,100. This revenue is weather dependent with the bulk of the income received during the winter months.

Package Liquor Tax

Purchasers of liquor to be consumed off premises currently pay 4% of the retail price. The retailer remits this tax monthly to the City. 2009/10 budgeted revenue is \$280,000. The tax rate was doubled on May 1, 2005. Five stores (Trader Joes, Jewel, Dominick's, WineStyles, and Morningfields) sell package liquor in Park Ridge. Trader Joes opened in March 2007.

Parking Garage Tax

This revenue comes from a tax on parking privileges in garages located in the City. Lutheran General Hospital operates the only paid parking garages within the City. The City parking garage tax is \$.70 per 24-hour period. The hospital's new parking garage has 307 incremental parking spaces. This tax increased from \$.50 per 24-hour period to \$.70 per 24-hour period effective May 1, 2008. 2009/10 budgeted revenue is \$405,000 based on an average monthly receipt of \$34,000.

Parking Meters

Revenues from parking meter coin deposits are credited to the parking fund. Total 2009/10 budgeted revenue is \$66,000.

Parking Meter Fines

Motorists who violate parking meter time limitations are subject to penalties. Community service officers issue these tickets and the revenues are credited to the general operating fund. Total 2009/10 budgeted revenue is \$50,000.

Parking Penalties

Motorists who violate parking regulations are subject to various penalties. Budgeted 2009/10 revenue is \$250,000.

Parking - Unmetered

The City owns or rents five parking lots. Customers may purchase six-month parking permits for these lots. Total 2009/10 budgeted revenue is \$81,000 and will be credited to the parking fund. Unless the City owns the parking lot, there is a corresponding expense to this revenue as the City pays the owner of the lot rent, sometimes in excess of receipts. Revenue is based on the following estimate:

<u>Lot</u>	<u>Spaces Avail</u>	<u>Permits Sold</u>	<u>Curr 6 Mo Rate</u>	<u>FY 10 Proj</u>	<u>FY 11 Proj</u>
Touhy-Summit (Own)	46	46	\$250	\$23,000	\$23,000
Uptown Court (Own)	17	17	\$175	5,950	5,950
Fairview Ave. (Rent)	42	42	\$250	21,000	21,000
AANA (Rent)	24	24	\$175	8,400	8,400
SBC (Rent)	56	56	\$150	<u>16,800</u>	<u>16,800</u>
Total Spaces/Permits	148	146		\$75,150	\$75,150
Park Enforce Contract				<u>5,850</u>	<u>5,850</u>
Total Dollars				\$81,000	\$81,000

Personal Property Replacement Tax

Many years ago, there was a personal property tax in Illinois. This tax was abolished for individuals by the 1970 Illinois Constitution and phased out for corporations in 1979. This tax "replaces" the original tax. The majority of the money comes from the state of Illinois. Replacement tax revenue comes from a 2.5% corporate income tax, 0.8% invested capital taxes from gas and water utilities and infrastructure maintenance fees from telecommunications companies and electricity deliverers. Total 2009/10 budgeted revenue is \$550,100; receipts are allocated to the general operating, library, and IMRF funds. Budget is as follows: general - \$406,500; police - \$21,900; fire - \$20,700; library - \$81,100; IMRF - \$19,900.

Property Transfer Tax

This tax is a \$2 per \$1,000 of selling price paid by the property seller for the transfer of title of real estate located within Park Ridge. Receipts are credited to the general operating fund. The tax is collected through the use of a property transfer stamp, which must be placed on the deed. State law requires that any future changes in the property transfer tax rate will have to be approved by referendum.

The 2009/10 is \$502,000; this consists of \$490,000 for non-exempt transfers and \$12,000 for exempt transfers. Because the rate is constant, increases in this revenue stem from these sources: increased building sales or new development and increased sales prices. Like building permit revenues, property transfer taxes are a function of general economic conditions.

Road & Bridge Tax

Maine Township government levies the majority of this tax and remits a portion of the proceeds to the City. Total 2009/10 budgeted revenue is \$150,000. Here is a history of this tax: 2003/04 - \$144,300; 2004/05 - \$129,700; 2005/06 - \$145,000; 2006/07 - \$145,000; and 2007/08 - \$157,700.

Service to Other Agencies

This account represents revenues received from other governmental bodies as reimbursement for City services.

	<u>2009/10</u>	<u>2010/11</u>
School Resource Officers – Dist. 207	\$186,500	\$187,800
1 Crossing Guard (full cost) –Dist. 207	7,600	7,600
Sale of Motor Fuel – Dist. 64	13,000	13,000
5 Crossing Guards (half cost) – Dist. 64	17,500	17,500
General Police Service – Park District	135,000	140,000
Traffic Signal Maintenance – Niles	<u>1,000</u>	<u>1,000</u>
Total	\$360,600	\$366,900

Sewer Fee

These sewer projects are included in the FY 2009/10 budget:

Sewer Rehabilitation	\$530,000
Levee 50 – Acquisition and Construction	102,000
Jet Clean and Televiser Sewers	100,000
Sibley Lift Station Cleaning	45,000
State of Illinois Permit Fee	<u>21,000</u>
Total	\$798,000

To pay for these projects, we need to increase the sewer rate. The current rate structure is:

1 – 5,000 gallons	\$1.35
Each 1,000 gallons up to 30,000 gallons	\$.21
Each 1,000 gallons over 30,000 gallons	\$.24

The proposed rate structure is:

1 – 5,000 gallons	\$3.80
Each 1,000 gallons up to 30,000 gallons	\$.59
Each 1,000 gallons over 30,000 gallons	\$.68

This increase will cost a family who uses 97,000 gallons of water a year \$40 more annually.

	<u>Current</u>	<u>Proposed</u>	<u>Difference</u>
Water	\$416.10	\$437.04	\$20.94
Sewer	21.96	61.74	39.74
Utility	<u>20.82</u>	<u>21.90</u>	<u>1.08</u>
Total	\$458.88	\$520.68	\$61.76

Total FY 2009/10 revenue is \$895,900.

Uptown Property Taxes

These are incremental property taxes dedicated to the tax incremental financing district. Total 2009/10 projected revenue is \$2,073,200. The money is used to retire debt, pay operating and capital expenses, and pay School District 207 and the Park District. School District 64 is paid from general operating fund sales taxes. In fiscal year 2009/10, the City paid School District 207 \$170,188 and the Park District \$34,038.

Vehicle Licenses

Vehicle licenses are issued annually and must be displayed by June 15. The current charge for most motor vehicles is \$40. Revenues are credited to the general fund and used to offset the cost of street maintenance. Total 2009/10 budgeted revenue is \$1,200,000.

Fund Deficits

Expenses will exceed revenues in four funds next year.

General Operating Fund

Amount - \$117,600

Library Fund

Amount - \$52,300

This amount is the sum of three amounts: 30% of the training budget (\$9,000), tuition reimbursement (\$12,000), and the amount budgeted for carpeting (\$40,000) less a \$8,700 reduction in the contribution to the technology replacement fund.

Water Fund

Amount - \$404,400

The projected loss of \$404,400 assumes the City of Park Ridge will raise water rates 5% effective May 1, 2009. The City of Chicago increased water rates to the city of Park Ridge and other communities by 15% January 1, 2008 and 2009. Chicago will increase water rates by another 14% on January 1, 2010. The city of Park Ridge raised water rates 6.7% May 1, 2008. This rate increase was not enough to cover increased operating and capital costs. This long-term trend as illustrated on page 70 is worrisome.

Uptown TIF Fund

Amount - \$1,343,800

Expenses will exceed revenues in the Uptown Tax Increment Fund until the property is fully assessed. Even though the Uptown TIF fund is projected to have a surplus at its conclusion, the practice of spending in advance of revenues is problematic in that there is a strain on the general operating fund cash to lend the Uptown TIF fund money. See pages 300 and 301 for more information.

Three funds are projected to have surpluses next year.

Motor Fuel Tax Fund

Amount - \$31,700

The Public Works Department wants to limit on-going Motor Fuel Tax projects to current revenues.

Emergency 911 Fund

Amount - \$38,000

This modest surplus is good news in that the fund currently has a negative fund balance.

Parking Fund

Amount - \$502,400

The City builds up surpluses in the parking fund for when it wants to complete capital projects.

Note Regarding the Sewer Fund.

The Sewer Fund is a newly created enterprise fund. As an enterprise fund it should stand on its own; this means it should have independent revenue sources and expenses from the general operating fund. In fiscal year 2009/10, the first year of operation for the sewer fund, we have shown the fund receiving a \$293,000 transfer from the general operating fund. We have also projected \$895,900 of sewer fees and \$1,188,900 (\$1,052,500 sewer + \$52,000 IMRF + \$84,400 vehicle maintenance) of expenses. Management intends for this fund to become self sufficient in fiscal year 2010/11 and beyond.

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INCOME BY SOURCE

ACCRUAL BASIS

	2007/08	2008/09	2008/09	2009/10	Percent	2010/11	Percent
	Actual	Budget	Estimated Actual	Budget	Change	Budget	Change
Ambulance Fees	554,653	600,000	624,000	640,000	7%	660,000	3%
Animal Licenses	29,531	35,000	35,000	35,000	0%	35,000	0%
Building Permits	1,129,527	2,050,000	900,000	1,000,000	-51%	1,400,000	40%
Business Licenses	164,944	125,000	165,000	170,000	36%	170,000	0%
Cable TV	424,727	475,000	437,100	430,000	-9%	430,000	0%
Commercial Waste Franchise						100,000	
Court Fines	149,957	220,000	150,000	190,000	-14%	200,000	5%
Fines - Adjudication	127,279	200,000	115,000	260,000	30%	260,000	0%
Emerg. Tel. Surcharge	457,778	500,000	566,400	525,000	5%	550,000	5%
Food & Beverage Tax	379,253	540,000	430,000	460,000	-15%	475,000	3%
Gasoline Tax	355,839	385,000	356,000	360,000	-6%	360,000	0%
Grant Income	282,523	458,400	753,300	486,200	6%	48,200	-90%
Income Tax	3,559,023	3,800,000	3,700,000	3,626,000	-5%	3,800,000	5%
Interest Earned	608,270	683,800	341,900	253,500	-63%	296,600	17%
Library Fines	70,785	70,000	71,000	72,000	3%	73,000	1%
Liquor Licenses	68,825	85,000	72,500	74,000	-13%	74,000	0%
Miscellaneous	873,172	697,800	624,500	508,200	-27%	388,600	-24%
Motor Fuel Tax	1,054,593	1,138,900	1,006,000	1,026,000	-10%	1,050,000	2%
Natural Gas Use Tax	138,085	150,000	140,300	143,100	-5%	146,000	2%
Package Liquor Tax	270,178	270,000	275,400	280,000	4%	285,600	2%
Parking Garage Tax	422,769	700,000	395,000	405,000	-42%	405,000	0%
Parking Meters	65,702	70,000	64,200	66,000	-6%	66,000	0%
Parking Meter Fines	32,710	40,000	50,000	50,000	25%	50,000	0%
Parking Penalties	203,332	250,000	203,000	250,000	0%	250,000	0%
Parking - Unmetered	77,509	74,100	78,900	81,000	9%	81,000	0%
Personal Prop. Repl. Tax	563,091	550,100	540,300	550,100	0%	569,500	4%
Property Tax Levy	14,431,000	14,902,500	14,902,500	15,384,000	3.2%	16,153,200	5%
Property Transfer Tax	503,278	825,000	502,000	502,000	-39%	552,000	10%
Road & Bridge Tax	157,668	145,000	150,000	150,000	3%	150,000	0%
Home Rule Sales Tax	1,452,305	1,650,000	1,510,000	1,550,000	-6%	1,650,000	6%
Sales & Use Tax	3,754,466	3,970,000	3,490,000	3,500,000	-12%	3,600,000	3%
Service to Other Agencies	287,242	305,100	304,100	360,600	18%	366,900	2%
Sewer Tax	112,808	348,000	344,300	895,900	157%	895,900	0%
Uptown Property Taxes	764,238	2,812,700	1,658,700	2,073,200	-26%	2,994,500	44%
Utility, Telecomm., Use Taxes	4,778,256	4,750,000	4,500,000	4,750,000	0%	4,900,000	3%
Vehicle Licenses	1,098,507	1,200,000	1,200,000	1,200,000	0%	1,200,000	0%
Water Accounts	6,138,664	6,929,300	6,500,000	7,000,000	1.0%	7,255,000	4%
Note or Bond Proceeds	19,400						
Decrease (Inc) in Fund Balance	2,521,425	494,400	5,380,800	1,796,000	263%	1,886,100	5%
Total Budgeted Revenues	48,083,313	52,500,100	52,537,200	51,102,800	-3%	53,827,100	5%

2009/10 ALLOCATION OF REVENUES BY FUND

Source of Revenue	Total Revenue	Debt Service			Emerg. Tel. Fund
		2004	2005	2006	
Ambulance Fees	640,000				
Animal Licenses	35,000				
Building Permits	1,000,000				
Business Licenses	170,000				
Cable TV	430,000				
Commercial Waste Franchise	-				
Court Fines	190,000				
Fines - Adjudication	260,000				
Emerg. Tel. Surcharge	525,000				525,000
Food & Beverage Tax	460,000				
Gasoline Tax	360,000				
Grant Income	486,200				
Income Tax	3,626,000				777,200
Interest Earned	253,500				
Library Fines	72,000				
Liquor Licenses	74,000				
Miscellaneous	508,200				
Motor Fuel Tax	1,026,000				
Natural Gas Use Tax	143,100				
Package Liquor Tax	280,000				
Parking Garage Tax	405,000				
Parking Meters	66,000				
Parking Meter Fines	50,000				
Parking Penalties	250,000				
Parking - Unmetered	81,000				
Personal Prop. Repl. Tax	550,100				
Property Tax Levy	15,384,000				
Property Transfer Tax	502,000				
Road & Bridge Tax	150,000				
Home Rule Sales Tax	1,550,000				
Sales & Use Tax	3,500,000				
Service to Other Agencies	360,600				
Sewer Tax	895,900				
Uptown Property Tax	2,073,200	1,039,600	321,100	1,103,300	
Utility & Telecomm. Tax	4,750,000				
Vehicle Licenses	1,200,000				
Water Accounts	7,000,000	885,400			
<i>Non Revenue Sources:</i>					
Decrease(Inc) in Fund Balance	1,796,000				(38,000)
Total Budgeted Revenues	51,102,800	1,925,000	321,100	1,103,300	1,264,200

2009/10 ALLOCATION OF REVENUES BY FUND

General Oper. Fund	III. Mun. Retire. Fund	Library Fund	Motor Fuel Tx. Fd.	Municipal Waste Sys. Fd.	Parking Fund	UptownTIF Fund	Sewer Fund	Water Fund
640,000								
35,000								
1,000,000								
170,000								
430,000								
190,000								
260,000								
460,000								
360,000								
440,200		46,000						
2,455,800		100,000					293,000	
100,000		24,200	5,700		23,600			100,000
		72,000						
74,000								
407,200		40,000						61,000
			1,026,000					
143,100								
280,000								
405,000								
	35,300				30,700			
50,000								
					250,000			
					81,000			
449,100	19,900	81,100						
6,140,300	1,798,500	4,006,000		3,439,200				
502,000								
150,000								
1,550,000								
3,500,000								
360,600							895,900	
						(390,800)		
4,750,000								
1,200,000								
800,000	166,100							5,148,500
117,600		52,300	(31,700)		(52,400)	1,343,800		404,400
27,419,900	2,019,800	4,421,600	1,000,000	3,439,200	332,900	953,000	1,188,900	5,713,900

2010/11 ALLOCATION OF REVENUES BY FUND

Source of Revenue	Total Revenue	Debt Service			Emerg. Tel. Fund
		2004	2005	2006	
Ambulance Fees	660,000				
Animal Licenses	35,000				
Building Permits	1,400,000				
Business Licenses	170,000				
Cable TV	430,000				
Commercial Waste Franchise	100,000				
Court Fines	200,000				
Fines - Adjudication	260,000				
Emerg. Tel. Surcharge	550,000				550,000
Food & Beverage Tax	475,000				
Gasoline Tax	360,000				
Grant Income	48,200				
Income Tax	3,800,000				738,700
Interest Earned	296,600				
Library Fines	73,000				
Liquor Licenses	74,000				
Miscellaneous	388,600				
Motor Fuel Tax	1,050,000				
Natural Gas Use Tax	146,000				
Package Liquor Tax	285,600				
Parking Garage Tax	405,000				
Parking Meters	66,000				
Parking Meter Fines	50,000				
Parking Penalties	250,000				
Parking - Unmetered	81,000				
Personal Prop. Repl. Tax	569,500				
Property Tax Levy	16,153,200				
Property Transfer Tax	552,000				
Road & Bridge Tax	150,000				
Home Rule Sales Tax	1,650,000				
Sales & Use Tax	3,600,000				
Service to Other Agencies	366,900				
Sewer Tax	895,900				
Uptown Property Tax	2,994,500	1,194,500	321,100	1,103,300	
Utility & Telecomm. Tax	4,900,000				
Vehicle Licenses	1,200,000				
Water Accounts	7,255,000	885,600			
<i>Non Revenue Sources:</i>					
<i>Decrease (Inc) in Fund Balance</i>	1,886,100				12,000
Total Budgeted Revenues	53,827,100	2,080,100	321,100	1,103,300	1,300,700

2010/11 ALLOCATION OF REVENUES BY FUND

General Oper. Fund	Ill. Mun. Retire. Fund	Library Fund	Motor Fuel Tx. Fd.	Municipal Waste Sys. Fd.	Parking Fund	UptownTIF Fund	Sewer Fund	Water Fund
660,000								
35,000								
1,400,000								
170,000								
430,000								
				100,000				
200,000								
260,000								
475,000								
360,000								
2,200		46,000						
2,961,300		100,000						
140,000		24,700	5,800		24,100			102,000
		73,000						
74,000								
287,600		40,000						61,000
			1,050,000					
146,000								
285,600								
405,000								
	36,800				29,200			
50,000					-			
					250,000			
					81,000			
465,300	19,900	84,300						
6,070,600	1,880,900	4,732,300		3,469,400				
552,000								
150,000								
1,650,000								
3,600,000								
366,900							895,900	
						375,600		
4,900,000								
1,200,000								
800,000	173,100							5,396,300
1,366,800		21,400	44,200		(6,000)	(47,600)	(44,000)	539,300
29,463,300	2,110,700	5,121,700	1,100,000	3,569,400	378,300	328,000	851,900	6,098,600

REVENUE AND EXPENSES BY FUND

FUND BALANCE PROJECTION

As of April 30, 2009

	Estimated April 30,2009 Fund Balance	Budgeted Revenues	Budgeted Expenses	Projected April 30, 2010 Fund Balance
General Fund:				
General Operating	12,042,300	27,302,300	(27,419,900)	11,924,700
Total General Fund	12,042,300	27,302,300	(27,419,900)	11,924,700

Special Revenue Funds:				
Emergency Telephone ^A	(126,400)	1,302,200	(1,264,200)	(88,400)
Illinois Municipal Retirement	50,500	2,019,800	(2,019,800)	50,500
Library	1,846,800	4,369,300	(4,421,600)	1,794,500
Motor Fuel Tax	128,700	1,031,700	(1,000,000)	160,400
Municipal Waste	(327,900)	3,439,200	(3,439,200)	(327,900)
Uptown TIF Fund	(4,133,400)	(390,800)	(953,000)	(5,477,200)
Total Special Revenue Funds	(2,561,700)	11,771,400	(13,097,800)	(3,888,100)

Debt Service Fund:				
Debt Service - 2005A	(3,600)	321,100	(321,100)	(3,600)
Debt Service - 2006A	1,043,400	523,500	(523,500)	1,043,400
Debt Service - 2006B	692,800	579,800	(579,800)	692,800
Debt Service - 2004A	(353,400)	1,039,600	(1,039,600)	(353,400)
Debt Service - 2004B	-	885,400	(885,400)	-
Debt Service - 1998	941,700			941,700
Total Debt Service Funds	2,320,900	3,349,400	(3,349,400)	2,320,900

Enterprise Funds:*				
Parking	1,125,700	385,300	(332,900)	1,178,100
Sewer		1,188,900	(1,188,900)	-
Water	3,921,600	5,309,500	(5,713,900)	3,517,200
Total Enterprise Funds	5,047,300	6,883,700	(7,235,700)	4,695,300

Major funds are highlighted in bold.

*Amount shown is unrestricted net assets. Amount invested in capital assets, net of related debt is \$1,363,076 in the Parking Fund and \$22,313,669 in the Water Fund.

^A Balance includes amount reserved for prepaid ANI/ALI service. ** Includes \$800,000 designation for insurance.

Fund Balance Policy: The City's target general fund balance at year-end is a range between four and six months of operating revenues of general, special revenue and debt service (where payment stems from the levying of property taxes) funds on a budgetary basis. Fund balance is defined as the excess of assets over liabilities. Also, at year-end, the City's target is to have cash reserves equal to a range of two to four months of operating expenses. A fund balance policy provides guidance to the City Council and senior staff regarding the appropriate balance between reserves, revenues and expenditures. Adherence to an appropriate policy will help the city maintain and improve its credit rating. Having adequate reserves will help the city maintain operations should unexpected emergencies arise, revenues not be realized or expenditures exceed expectations.

How will we fare in relation to our policy as of April 30, 2009?

Fund Balance	\$8,978,300
Revenues	\$39,073,700
Percentage	23%

We will be below the minimum of our policy.

REVENUE AND EXPENSES BY FUND

FUND BALANCE PROJECTION

As of April 30, 2010

	Estimated April 30, 2010 Fund Balance	Budgeted Revenues	Budgeted Expenses	Projected April 30, 2011 Fund Balance
General Fund:				
General Operating	11,924,700	28,096,500	(29,463,300)	10,557,900
Total General Fund	11,924,700	28,096,500	(29,463,300)	10,557,900
Special Revenue Funds:				
Emergency Telephone^	(88,400)	1,288,700	(1,300,700)	(100,400)
Illinois Municipal Retirement	50,500	2,110,700	(2,110,700)	50,500
Library	1,794,500	5,100,300	(5,121,700)	1,773,100
Motor Fuel Tax	160,400	1,055,800	(1,100,000)	116,200
Municipal Waste	(327,900)	3,569,400	(3,569,400)	(327,900)
Uptown TIF Fund	(5,477,200)	375,600	(328,000)	(5,429,600)
Total Special Revenue Funds	(3,888,100)	13,500,500	(13,530,500)	(3,918,100)
Debt Service Fund:				
Debt Service - 2005A	(3,600)	321,100	(321,100)	(3,600)
Debt Service - 2006A	1,043,400	523,500	(523,500)	1,043,400
Debt Service - 2006B		579,800	(579,800)	-
Debt Service - 2004A	(353,400)	1,194,500	(1,194,500)	(353,400)
Debt Service - 2004B	-	885,600	(885,600)	-
Debt Service - 1998	941,700		-	941,700
Total Debt Service Funds	1,628,100	3,504,500	(3,504,500)	1,628,100
Enterprise Funds:*				
Parking	1,178,100	384,300	(378,300)	1,184,100
Sewer	-	895,900	(851,900)	44,000
Water	3,517,200	5,559,300	(6,098,600)	2,977,900
Total Enterprise Funds	4,695,300	6,839,500	(7,328,800)	4,206,000

Major funds are highlighted in bold.

*Amount shown is unrestricted net assets. Amount invested in capital assets, net of related debt is \$1,363,076 in the Parking Fund and \$22,313,669 in the Water Fund.

^ Balance includes amount reserved for prepaid automatic number identification and automatic location identification service.

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How will we fare in relation to our policy as of April 30, 2010?

Fund Balance \$7,581,500
 Revenues \$41,597,000
 Percentage 18%

We will be below the minimum of our policy.

REVENUE AND EXPENSES BY FUND

FUND BALANCE PROJECTION

As of April 30, 2011

	Estimated April 30, 2010 Fund Balance	Budgeted Revenues	Budgeted Expenses	Projected April 30, 2011 Fund Balance
General Fund:				
General Operating	11,924,700	28,096,500	(29,463,300)	10,557,900
Total General Fund	11,924,700	28,096,500	(29,463,300)	10,557,900
Special Revenue Funds:				
Emergency Telephone [^]	(88,400)	1,288,700	(1,300,700)	(100,400)
Illinois Municipal Retirement	50,500	2,110,700	(2,110,700)	50,500
Library	1,794,500	5,100,300	(5,121,700)	1,773,100
Motor Fuel Tax	160,400	1,055,800	(1,100,000)	116,200
Municipal Waste	(327,900)	3,569,400	(3,569,400)	(327,900)
Uptown TIF Fund	(5,477,200)	375,600	(328,000)	(5,429,600)
Total Special Revenue Funds	(3,888,100)	13,500,500	(13,530,500)	(3,918,100)
Debt Service Fund:				
Debt Service - 2005A	(3,600)	321,100	(321,100)	(3,600)
Debt Service - 2006A	1,043,400	523,500	(523,500)	1,043,400
Debt Service - 2006B	-	579,800	(579,800)	-
Debt Service - 2004A	(353,400)	1,194,500	(1,194,500)	(353,400)
Debt Service - 2004B	-	885,600	(885,600)	-
Debt Service - 1998	941,700	-	-	941,700
Total Debt Service Funds	1,628,100	3,504,500	(3,504,500)	1,628,100
Enterprise Funds:*				
Parking	1,178,100	384,300	(378,300)	1,184,100
Sewer	-	895,900	(851,900)	44,000
Water	3,517,200	5,559,300	(6,098,600)	2,977,900
Total Enterprise Funds	4,695,300	6,839,500	(7,328,800)	4,206,000

Major funds are highlighted in bold.

*Amount shown is unrestricted net assets. Amount invested in capital assets, net of related debt is \$1,363,076 in the Parking Fund and \$22,313,669 in the Water Fund.

[^] Balance includes amount reserved for prepaid automatic number identification and automatic location identification service.

Fund Balance Policy: The City's target general fund balance at year-end is a range between four and six months of operating revenues of general, special revenue and debt service (where payment stems from the levying of property taxes) funds on a budgetary basis. Fund balance is defined as the excess of assets over liabilities. Also, at year-end, the City's target is to have cash reserves equal to a range of two to four months of operating expenses. A fund balance policy provides guidance to the City Council and senior staff regarding the appropriate balance between reserves, revenues and expenditures. Adherence to an appropriate policy will help the city maintain and improve its credit rating. Having adequate reserves will help the city maintain operations should unexpected emergencies arise, revenues not be realized or expenditures exceed expectations.

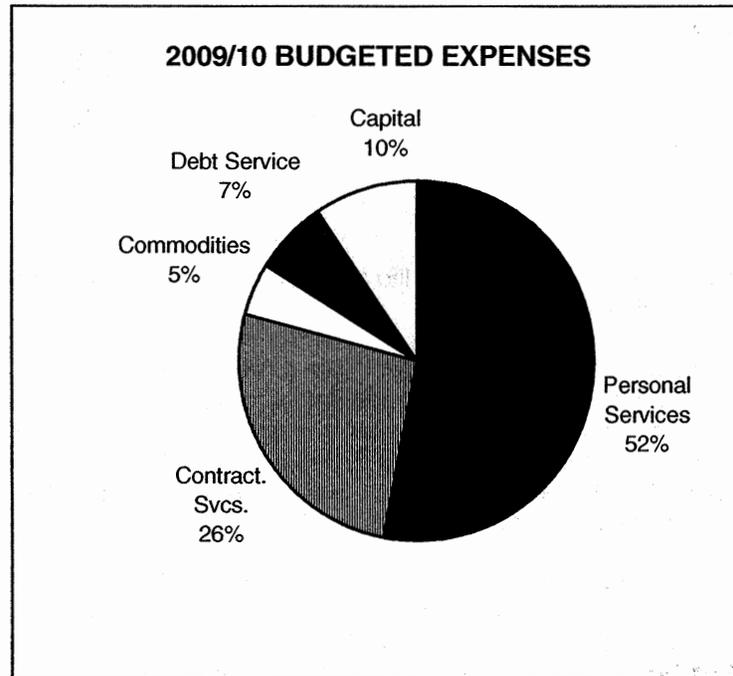
How will we fare in relation to our policy as of April 30, 2011?

Fund Balance \$7,581,500
 Revenues \$41,597,000
 Percentage 18%

We will be below the minimum of our policy.

ANALYSIS OF EXPENSES

There are six major classifications of expenses: Personal Services, Contractual Services, Commodities, Fixed Assets, Debt Service, and Capital Improvements. Each category represents a different percentage of total expenses.



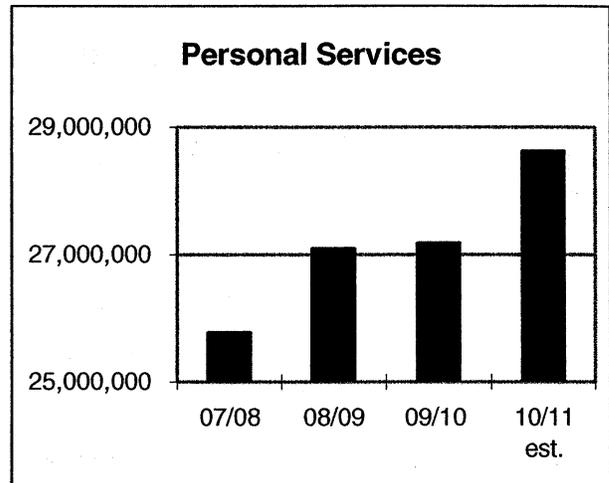
Figures are shown at the budgeted amounts.

EXPENSES BY CLASSIFICATION

	07/08	08/09	08/09	09/10	10/11		
	Actual	Budget	Estimated Actual	Budget	Percent Change	Estimate	Percent Change
Personal Services	24,900,787	27,088,100	26,219,500	27,175,600	0.3%	28,625,200	5.3%
Contractual Services	12,975,300	12,761,600	13,154,400	13,297,300	4.2%	14,126,900	6.2%
Commodities	2,243,897	2,276,000	2,658,100	2,337,900	2.7%	2,461,000	5.3%
Operating Budget Total	40,119,984	42,125,700	42,032,000	42,810,800	1.6%	45,213,100	5.6%
Debt Service	3,484,799	5,038,700	5,053,200	3,436,400	-31.8%	3,588,500	4.4%
Capital Budget	4,478,530	5,335,700	5,452,000	4,855,600	-9.0%	5,025,500	3.5%
Expenditure Total	48,083,313	52,500,100	52,537,200	51,102,800	-2.7%	53,827,100	5.3%

Personal Services

	<u>Amount</u>	<u>% Inc (Dec)</u>
2007/08	25,770,000	5.4%
2008/09	27,088,100	5.1%
2009/10	27,175,600	0.3%
2010/11 est	28,625,200	5.3%



Personal services consists of wages, medical, dental, life and workers compensation insurance, pensions, and other benefits for the City's work force. 5/1/08-4/30/2010

Non-union employees are on a merit based pay plan. The contract with the International Association of Fire Firefighters, AFL-CIO is in effect from May 1, 2006 through April 30, 2010. The contract with the International Union of Operating Engineers, Local 150 representing Public Works employees is in effect from May 1, 2007 through April 30, 2010. The contract with the Fraternal Order of Police (FOP) is in effect from May 1, 2008 through April 30, 2010. The Illinois Council of Police (ICOPS) was certified through secret ballot election as the exclusive bargaining agent for certain white-collar administrative and clerical positions on October 2007.

The employer contribution rate to the Illinois Municipal Retirement Fund (IMRF) increased to 10.67% from 9.49%. The City's contribution to the Illinois Municipal Retirement Fund is determined on a calendar basis. IMRF's aggregate funding was 100% as of January 1, 2008 and 70% as of December 31, 2008. IMRF invests heavily in equities and the decrease is due to the market downturn. Besides the market downturn, the City needs to fund an early retirement incentive (ERI) in 2010. It is estimated that the ERI will cost \$2,000,000; this can be paid over a ten-year period at 7.5% interest. To accommodate the anticipated rate increase in January 2010, staff used an 11.56 (10.67% - 8 months and 12.8% - 4 months) rate for fiscal year 2009/10 and 12.8% for fiscal year 2010/11. The City Council approved the ERI on February 19, 2007.

Police and fire pension costs are high. The city will contribute \$1,424,600 to the fire pension fund and \$1,556,600 to the police pension fund next year; this compares to \$1,135,100 and \$1,418,500 last year respectively. This is a \$289,500 increase for the fire pension fund and a \$138,100 increase for the police pension fund or \$427,600 total.

The insurance line item in the budget shows the cost of employee medical, dental, and life insurance. The City provides employees with the choice of two types of medical insurance coverage: a preferred provider option (PPO) or a health maintenance organization (HMO). PPO costs are expected to remain the same this year, HMO costs are expected to increase 8%, and dental costs are expected to increase 12.6%. Life insurance costs will increase \$.01 per \$1,000 of coverage. The City's PPO plan is partially self-funded and subject to a monthly allotment and yearly cap. The City offers two types of PPO plans. Employees contribute 10% of the total medical insurance premiums. Blue Cross Blue Shield provides the PPO and HMO coverage. Delta is the dental insurance provider and Aetna is the life insurance provider.

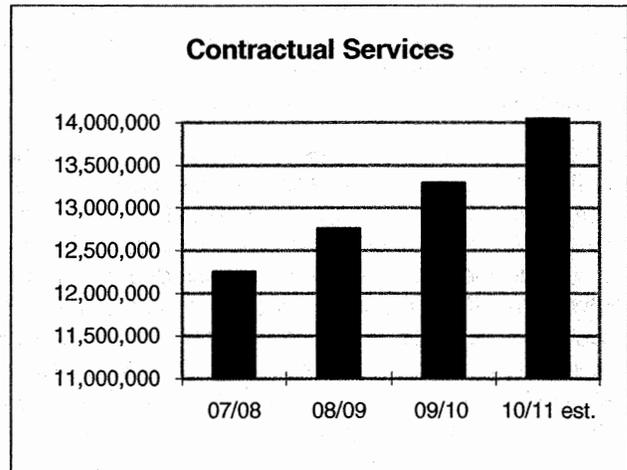
Workers compensation costs are shown as a separate line item in the budget. We have budgeted \$50,900 for the workers compensation insurance policy and \$316,700 for potential claims next year. The self-insured retention for workers compensation is \$400,000, \$500,000 for sworn police officers and fire fighters. These amounts are distributed among the various user departments. The City sponsors an ongoing safety program.

The budget includes \$832,800 of employee wage concessions. When it became clear that we could not balance the 2009/10 budget without wage freezes and/or layoffs, management went to various employee groups and asked for wage concessions.

Full time equivalents will be 284.57 in 2009/10. Due to cost constraints, staff eliminated the Human Resources Director, Assistant Director of Community Preservation and Development, and the Urban Forester positions. Part-time help in the Finance department was reduced. The full-time Fire Inspector was eliminated. The extra-help Fire Inspector was reclassified as a permanent part-time employee.

Contractual Services

	<u>Amount</u>	<u>% Inc (Dec)</u>
2007/08	12,255,800	4.1%
2008/09	12,761,600	4.1%
2009/10	13,297,300	4.2%
2010/11 est.	14,126,900	6.2%



Contractual Services consist of services of outside private and public agencies, contributions to community organizations, and liability insurance. Contractual services are second only to personal services as a percentage of total operating expenses.

Legal fees are allocated among corporate counsel (\$265,000), prosecutor (primarily traffic and housing court - \$25,000), other (Labor - \$30,000), and general contractual services (adjudicator - \$10,500). Pre-employment medical exams are budgeted in the human resources department. Next year, we plan to spend \$25,000 for employee flu shots and police, fire and public works pre-employment testing. We plan to spend \$4,000 on citywide training next year; \$3,000 is for computer software training and \$1,000 is for customer service training. The information technology general contractual services budget includes hardware and software maintenance fees and upgrades.

We have budgeted \$25,000 in the Noise Abatement program to rent monitors from the city of Bensenville that will record the noise level from O'Hare airport.

There is \$10,000 in the planning department's contractual services account to amend the zoning ordinance. The \$156,000 general contractual services account in the planning department is mostly for payments to the geographic information system consultant. The city spends at least \$13,000 per year for animal disposal and bee/wasp treatments.

Liability and property insurance costs are recorded in the contractual services section of the budget. To obtain adequate insurance coverage and administer it's program, the City pays for the following items: liability, property, crime, workers compensation, bond, library fine arts, library Internet, HELP, insurance consultant, insurance broker, and a third party claims administrator. Total city property valuation exceeds \$82,000,000. HELP stands for the High Level Excess Liability Pool and covers liability claims in excess of \$2,000,000. The self-insured retention on the liability policy is \$250,000 and the deductible on the property policy is \$100,000. Most of the insurance costs are charged to the finance department, who administers the insurance program. However, workers compensation costs are allocated to the departments, automobile claims are charged to vehicle maintenance, and the library pays for an allocation of their costs. The finance contractual services budget includes \$4,500 for an actuary to perform a GASB 45 analysis.

Information Technology transferred the cost of the Munis financial and the Ceridian payroll software from their department to Finance in fiscal year 2009/10. Combined, these two financial packages cost \$107,000 annually.

The fire department contractual services budget includes \$12,000 for Northern Illinois Public Safety Training Academy (NIPSTA) membership. Building maintenance expenses for the department's three buildings are charged as contractual services.

We prepaid \$154,400 for automatic number identification/automatic location identification (ANI/ALI) services for the period November 1, 2007 through October 31, 2012. The E-911 budget has \$1,225,600 of general contractual services; this is Park Ridge portion of the North Suburban Emergency Communication Center. Communications personnel dispatch the necessary equipment and manpower to emergencies in Park Ridge, Des Plaines, Niles and Morton Grove. The \$1,225,600 is a 6% increase from last year. The E-911 Center purchased software for a mass notification system in fiscal year 2008/09. The system cost \$23,400; cost was based on number of phone numbers in town and full-time equivalents employed by the City. Annual maintenance costs are estimated at \$21,000 compared to \$9,000 for the existing system.

General contractual services in the police administration department include \$10,200 to NIPSTA (cost is shared with the fire and public works departments) and \$1,200 for police pension actuarial service. Staff expects to reduce the accreditation fee by changing accreditation agencies. Investigations general contractual services include a \$3,000 membership fee to the Major Case Assistance Team (MCAT) and a \$1,500 Information System subscription. Data processing fees in the communications department include \$14,800 of user fees for the Illinois Wireless Information Network (IWIN). General contractual services include \$11,800 for a T1 connection to state server, \$3,100 for access to the County Booking System, \$650 for radio tower generator maintenance, and \$900 for IWIN server maintenance. The patrol contractual services budget includes \$4,500 Northern Illinois Police Alarm System (NIPAS) membership fee and a \$5,400 Northeast Multi-Regional Training (NEMRT) fee. Mileage compensation for the citizen patrollers is charged to general contractual services; this costs the city at least \$1,800 annually.

The engineering contractual services budget includes \$1,000 for the "autocad" maintenance contract. The City spends at least \$55,000 per year for maintenance of traffic controllers. We budget \$35,000 to replace knocked down streetlights and to replace old circuits and junction boxes at various locations. Fortunately, many of these costs are reimbursed to the city. The 2009/10 street maintenance budget includes a \$2,000 membership fee to JULIE; the remainder of the fee is charged to the water main budget.

The City, through the hiring of an outsider contractor, provides garbage pickup to residences once a week. As of May 1, 2008, we paid \$14.29 per month per single family home and \$7.76 per multi-family residence for garbage pickup and recycling services. In 2008/09, we repaired 10 water main valves, 50 main leaks, and 30 service leaks. The water supply contractual services budget includes payments to the city of Chicago for Lake Michigan water. We expect to spend \$3,090,600 for water next year; this is a 15% increase from last year. On January 1, 2009, the city of Chicago raised water rates 15% and they will raise water rates another 14% January 1, 2010. The amount we spend on water is partially dependent upon how much water our customers use. The water supply contractual services budget includes \$10,000 for a Consumer Confidence Report.

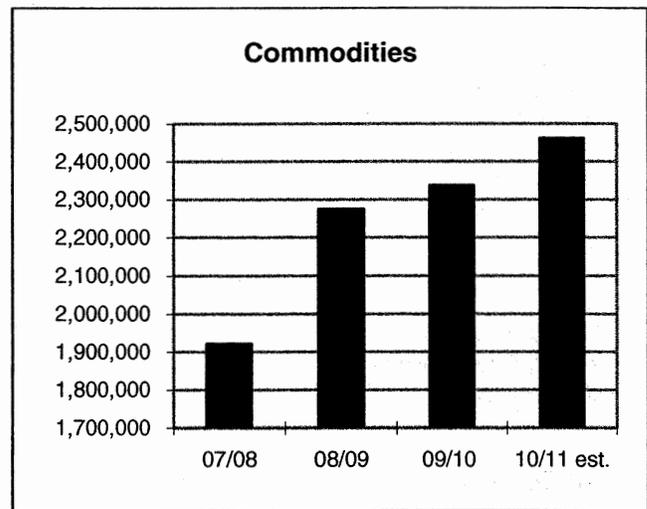
The City spends \$45,000 for a maintenance contract at the Public Works Service Center building. The City plans to spend \$615,000 trimming trees located in the parkways next year; this is a 3% increase from last year. Due to cost constraints, the City will not display holiday lights in Uptown this year; this saved \$45,000. The grounds maintenance general contractual services account is increasing 3% or \$2,000 because there are more areas to care for, namely the new City Commons, in addition to the medians and cul-de-sacs that we normally maintain.

The library public relations contractual service budget includes \$30,600 for a newsletter. Additional costs include \$21,600 for the telephone system, \$17,200 for postage, and \$11,500 for printing. General maintenance costs at the library are \$112,700. This consists of \$10,000 for heating and air conditioning, \$100,800 for general maintenance, and \$1,900 for elevator maintenance.

All vehicle maintenance expenses are allocated to the various user department contractual services budgets.

Commodities

	<u>Amount</u>	<u>% Inc (Dec)</u>
2007/08	1,921,100	(0.7%)
2008/09	2,276,000	18.5%
2009/10	2,337,900	2.7%
2010/11 est.	2,461,000	5.3%



Commodities consist of minor equipment items, supplies and materials. The Public Works commodities budget is increasing 40%. The term "Perfect Storm" explains this below.

Some of the more interesting budgeted commodity purchases are:

Finance plans to spend \$23,000 for vehicle stickers, vehicle forms and business registration forms.

There is \$45,000 budgeted in the Fire emergency response materials budget. All equipment and supplies for the core functions of EMS, fire suppression and rescue are funded through this account. Supplies for maintaining the city's operational readiness to deal with disasters including the emergency operation center and the emergency operations plan are charged to emergency preparedness materials.

Police patrol materials purchases include defensive tactics training equipment supplies (\$500), evidence technician supplies (\$4,500), firearms consumables (\$12,000), fusees (\$1,500), report forms (\$1,500), batteries (\$300), film (\$1,000), seven portable radios (\$7,000), one light bar (\$1,800), range supplies (\$1,500), bicycle unit (\$200), and National Night Out supplies (\$2,000). The total patrol material fiscal year material budget is \$33,500, which is the \$3,500 less than the previous year. The crime prevention \$3,000 materials budget includes \$500 towards the Citizen's Patrol dinner and \$1,500 of supplies for the Citizens' Police Academy.

Traffic control materials are increasing \$1,000 or 4% because material costs are rising and we need two spare traffic control signals. This is on top of last year's 25% increase of \$5,000. We expect to spend \$231,000 on electricity to operate the streetlights next year; in fiscal year 2007/08 we spent \$202,400. \$231,000 is a 10% increase from last year's budget; electricity costs are rising statewide. Commonwealth Edison is increasing their delivery fees by approximately 10%.

Park Ridge has suffered through **Perfect Storms**, not figurately but literally. Last year, we had 52 snow and salt events compared to 19 the previous year. The cost of salt has risen astronomically to \$120.39 per ton from \$38.62 last year. Plus, salt is in short supply. In fiscal year 2008/09, we spent \$697,000 for snow removal supplies. The City's goal is to provide bare pavement on arterial and collector streets when reasonably possible. To achieve this, we plow and salt these streets every four hours during a storm because these streets have a higher volume of traffic and bare pavement is the best way to minimize accidents.

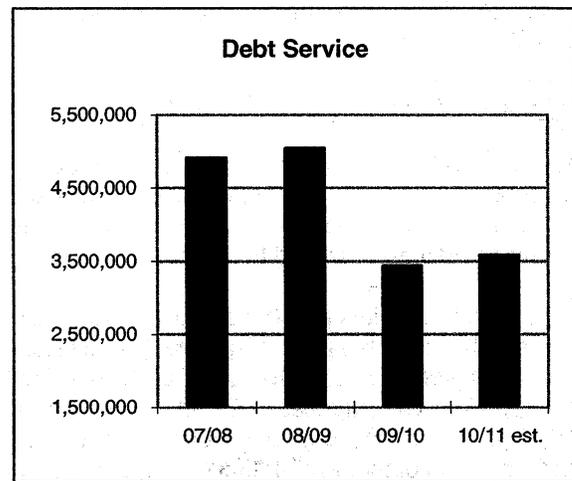
We budgeted \$96,200 for materials in our street maintenance budget. Total material costs are increasing 10% because concrete and asphalt costs are rising. Electricity use for sewer maintenance varies from year-to-year depending upon the amount of rainfall. \$126,000 will be spent on electricity to operate the water supply system; staff is increasing the budget because of the Sibley Lift station. \$10,000 will be spent to repair existing fire hydrants. The \$130,000 water main materials budget includes funding for parts to repair water mains; staff reports we need more and more of these parts; in fact, this line item is increasing 5% after a 20% increase last year. We budgeted \$40,000 to replace water meters. Residential water meters are replaced on a 20-year cycle. In 2007/08, we installed 748 meters; in 2008/09, we installed 391 meters; and in 2009/10, we estimate we will install 1,093 meters.

Library resources are allocated among the following items:

	<u>Adult Reference</u>	<u>Children's Services</u>	<u>Reader Services</u>
Books	\$160,000	\$110,000	\$48,000
Periodicals	\$23,700	\$2,400	
Microfilm	\$7,200		
On-Line Databases	\$138,800		
Recordings		\$11,000	\$27,800
Audio Visual		\$13,400	\$20,600
MWL			\$40,000
CD ROM		\$3,000	
E-Books			\$1,300
Young Adult Books			\$8,300
Young Adult Games			\$3,000
Miscellaneous		\$1,600	\$400

Debt Service

	<u>Amount</u>	<u>% Inc (Dec)</u>
2007/08	4,914,600	24.6%
2008/09	5,038,700	2.5%
2009/10	3,436,400	(31.8%)
2010/11 est	3,588,500	4.4%



This category accounts for all multi-year principal and interest obligations of the City of Park Ridge. The City pays four categories of debt: (1) debt stemming from our participation in the Solid Waste Agency of Northern Cook County, (2) debt from general obligation bonds issued in 2004 for a water reservoir and transmission line, (3) debt from general obligation bonds issued in 2005 for public infrastructure improvements, in target area 2 and (4) debt from general obligation bonds issued in 2006 to finance infrastructure improvements in target area 2.

The last levy for the Series 1998 (Public Works Service Center and alley paving bonds) was in December 2008.

The debt payment for the Municipal Waste Fund pays for the City's portion of the Glenview Transfer Station. Debt service amounts are estimates as actual payments depend upon the City's actual waste disposal and its percentage of usage relative to other Agency members. The 2009/10 estimate for SWANCC debt is \$87,000; it is based on an estimated annual disposal of 17,000 tons of garbage at \$3.62 per ton. Sometimes we overestimate the tonnage to accommodate the "true-up". True up reconciles estimated tonnage to actual tonnage. SWANCC has used some reserves to subsidize members' debt service payments.

In 2004, the City issued general obligation bonds with a par value of \$16,770,000 to finance the pump station and reservoir relocation and expansion project as an improvement to the water supply and distribution system of the city. The bonds were issued in two series. 2004A had a par value of \$4,910,000 and is intended to be paid from Uptown TIF increment; 2004B had a par value of \$11,860,000 and is intended to be paid from water revenues. Total 2009/10 debt service for Series 2004 is \$1,925,000; the debt service for series 2004A is \$1,039,600 and for series 2004B is \$885,400.

In April 2005, the city issued series 2005A to finance infrastructure, roadway, signal improvements, streetscape, landscape, and storm water improvements in target area 2. The bonds had a par value of \$7,005,000. They are general obligation bonds and are intended to be paid from TIF increment. The debt service for series 2005A next year is \$321,112.50.

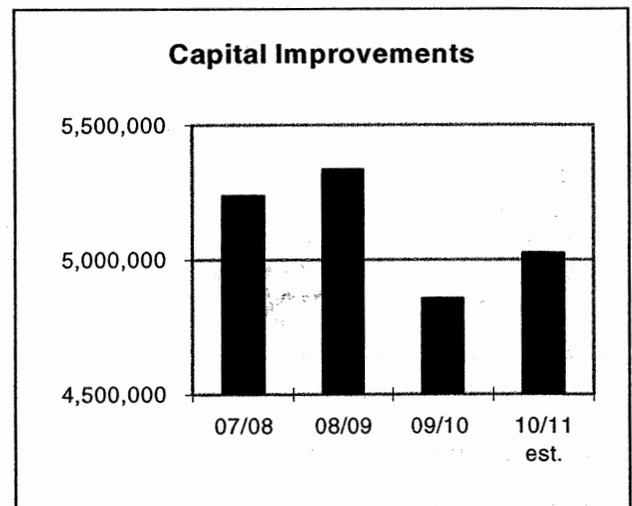
In June 2006, the city issued series 2006A and 2006B. These bonds paid for a parking structure in target area 2, the purchase of a parking lot in an area adjacent to the TIF, and other public improvements. The debt service payments will be paid from incremental property taxes from the uptown TIF district. The par value of tax-exempt series 2006A is \$10,530,000 and the par value of taxable series 2006B is \$10,055,000. The debt service payments are \$523,500 for series 2006A and \$579,815 for series 2006B.

The following is a summary of the City of Park Ridge debt excluding SWANCC and the potential bonds for the police station:

Issue	Principal as of 4/30/10	Debt Service FY 2009/10
Series 2004A – Water Reservoir – TIF	\$3,285,000	\$1,039,600
Series 2004B – Water Reservoir – Water	\$10,190,000	\$885,400
Series 2005A – Uptown TIF	\$7,005,000	\$321,100
Series 2006A – Uptown TIF – Tax – Exempt	\$10,530,000	\$523,500
Series 2006B – Uptown TIF – Taxable	\$10,055,000	\$579,800
Total	\$41,065,000	\$3,349,400

Capital Improvements

	<u>Amount</u>	<u>% Inc (Dec)</u>
2007/08	5,237,700	10.7%
2008/09	5,335,700	1.9%
2009/10	4,855,600	(9.0%)
2010/11 est.	5,025,500	3.5%



Capital improvements are fixed asset expenditures with a value of \$25,000 or more. Capital projects consist of a year-to-year ongoing infrastructure replacement program and one-time programs.

For 2009/10, infrastructure programs consist of \$98,400 for reforestation, \$530,000 for sewer reconstruction, \$75,000 for sidewalk replacement, \$400,000 for sidewalk installation, \$1,000,000 for street resurfacing, and \$725,000 for watermain replacement. Contributions to the City computer replacement fund, library technology replacement fund and motor equipment replacement fund are budgeted at \$166,800, \$66,800 and \$443,200, respectively.

Next year, using general fund money, we plan to remove and replace 25,000 square feet of sidewalk or 1,000 sidewalk squares under the mandatory program. We will also sponsor the voluntary sidewalk replacement program at 100% resident cost. This is a change from past policy; previously the City paid 50% of the voluntary sidewalk program. We plan to replace 365 trees as part of our annual reforestation program. Using our newly created sewer enterprise fund, we plan to construct two new relief sewers at Frances, Greenwood to Grace and Frances, Cumberland to Grace. Routine replacement of sewers directly reduces operating budget expenses for sewer flushing. Next year, we plan to use \$1,000,000 of motor fuel tax funds to resurface 5 miles of streets. Finally, in 2009/10, we plan to replace 2,800 linear feet of water main.

In total, \$3,505,200 will be spent on infrastructure next year.

Normally, the City undertakes several building repair projects each year. The 2009/10 building projects are:

- \$40,000 to re-carpet the Library.
- \$25,000 to improve the air quality at the Public Works Service Center.

Other one-time projects are as follows:

General Fund

- \$20,000 for a Dutch Elm tree protection program. Designed to protect the aging Dutch Elm tree population, the cost of this voluntary program will be shared with residents.
- \$60,000 to spray trees in order to protect against gypsy moth infestation. This is the second year of this program.
- \$55,400 for technology implementation. This includes the following projects: Fire Station security cabinets for domain controller file servers, Fire Zoll EMS software upgrade, and installation of a Web customer service system.

Water Fund

- \$250,000 to relocate the water main and install a right turn lane at Potter and Dempster.

Uptown TIF

- \$900,000 to complete construction of the streetscape on Summit, Touhy to Prospect.

Each capital project is explained in detail in the capital budget section of this document.

EXPENSES BY FUND

	2007/08 Actual	2008/09 Budget	2008/09 Est. Actual	2009/10 Budget	Percent Change	2010/11 Budget	Percent Change
1998 Debt Service							
Debt Service	1,659,200	1,632,800	1,632,800	-		-	
2004A&B Debt Service							
Debt Service	1,769,500	1,920,000	1,920,000	1,925,000	0.26%	2,080,100	8.06%
2005A Debt Service							
Debt Service	-	321,100	321,100	321,100	0.00%	321,100	0.00%
2006 A&B Debt Service							
Debt Service	-	1,103,300	1,103,300	1,103,300	0.00%	1,103,300	0.00%
Emergency Telephone							
Operating	1,130,086	1,184,600	1,208,000	1,257,200	6.13%	1,293,600	2.90%
Capital	10,500	10,500	10,500	7,000	-33.33%	7,100	1.43%
Total	1,140,586	1,195,100	1,218,500	1,264,200	5.78%	1,300,700	2.89%
General Operating							
Operating	25,416,950	26,508,800	25,925,900	26,229,200	-1.05%	27,689,400	5.57%
Capital	1,289,525	2,059,300	2,293,300	1,190,700	-42.18%	1,773,900	48.98%
Total	26,706,475	28,568,100	28,219,200	27,419,900	-4.02%	29,463,300	7.45%
Ill. Mun. Retirement							
Operating	1,723,433	1,849,200	1,849,200	2,019,800	9.23%	2,110,700	4.50%
Library							
Operating	4,374,725	4,560,800	4,508,300	4,314,800	-5.39%	4,456,200	3.28%
Capital	113,735	66,800	66,800	106,800	59.88%	665,500	523.13%
Total	4,488,460	4,627,600	4,575,100	4,421,600	-4.45%	5,121,700	15.83%
Motor Fuel Tax							
Capital	1,434,633	1,401,300	1,401,300	1,000,000	-28.64%	1,100,000	10.00%
Municipal Waste							
Operating	3,114,504	3,127,000	3,198,300	3,337,100	6.72%	3,466,700	3.88%
Debt Service	56,099	61,500	76,000	87,000	41.46%	84,000	-3.45%
Capital	11,300	11,300	11,300	15,100	33.63%	18,700	23.84%
Total	3,181,903	3,199,800	3,285,600	3,439,200	7.48%	3,569,400	3.79%
Parking							
Operating	327,387	267,600	288,000	303,900	13.57%	323,600	6.48%
Capital	102,642	159,200	159,200	29,000	-81.78%	54,700	88.62%
Total	430,029	426,800	447,200	332,900	-22.00%	378,300	13.64%
Sewer Construction							
Capital	19,400	-	-	-		-	
Uptown TIF Fd							
Operating	266,277	122,000	267,600	53,000	-56.56%	53,000	0.00%
Capital	84,818	495,000	893,400	900,000	81.82%	275,000	-69.44%
Total	351,095	617,000	1,161,000	953,000	54.46%	328,000	-65.58%
Sewer							
Operating	-	-	-	636,900		565,900	-11.15%
Capital	-	-	-	552,000		286,000	-48.19%
Total	-	-	-	1,188,900		851,900	-28.35%
Water							
Operating	3,893,804	4,272,700	4,105,300	4,660,900	9.09%	5,256,000	12.77%
Capital	1,284,795	1,365,300	1,297,600	1,053,000	-22.87%	842,600	-19.98%
Total	5,178,599	5,638,000	5,402,900	5,713,900	1.35%	6,098,600	6.73%
Total All Funds	48,083,313	52,500,100	52,537,200	51,102,800	-2.66%	53,827,100	5.33%

EXPENSES BY PROGRAM

The following schedule details operating, capital and debt service expenses by program. Operating expenses are indicated unless otherwise noted.

	2007/08 Actual	2008/09 Budget	2008/09 Est. Actual	2009/10 Budget	Percent Change	2010/11 Budget	Percent Change
Administration:							
Legislative	98,827	169,500	192,000	78,100	-53.92%	80,000	2.43%
City Administration							
Operating	548,148	526,100	532,600	543,700	3.35%	607,800	11.79%
Capital	2,200	1,600	1,600	1,600	0.00%	1,600	0.00%
Total	550,348	527,700	534,200	545,300	3.34%	609,400	11.75%
Legal Counsel	444,200	336,500	355,100	330,500	-1.78%	356,000	7.72%
Records Control							
Operating	117,999	140,400	127,900	117,700	-16.17%	121,900	3.57%
Capital	8,000	5,900	-	4,000	-32.20%	4,000	0.00%
Total	125,999	146,300	127,900	121,700	-16.81%	125,900	3.45%
Human Resources	372,352	381,300	294,800	254,100	-33.36%	210,100	-17.32%
Information Services	140,728	140,800	139,000	137,500	-2.34%	142,300	3.49%
Information Technology							
Operating	563,512	630,400	548,000	505,700	-19.78%	525,500	3.92%
Capital	115,600	202,500	31,400	139,700	-31.01%	184,500	32.07%
Total	679,112	832,900	579,400	645,400	-22.51%	710,000	10.01%
Economic Development							
Operating	179,496	297,900	412,600	206,700	-30.61%	216,700	4.84%
Debt Service	-	1,424,400	1,424,400	1,424,400	0.00%	1,424,400	0.00%
Capital	-	-	-	-	-	-	-
Total	179,496	1,722,300	1,837,000	1,631,100	-5.30%	1,641,100	0.61%
Total Administration	2,591,062	4,257,300	4,059,400	3,743,700	-12.06%	3,874,800	3.50%
Community & Civic Services:							
Community Support	241,650	235,100	224,800	193,400	-17.74%	193,700	0.16%
Noise Abatement	-	-	-	25,000			
Transportation	32,346	30,800	28,400	27,600	-10.39%	28,100	1.81%
Total Commun.&Civ.	273,996	265,900	253,200	246,000	-7.48%	221,800	-9.84%
Community Development:							
Community Development Administration							
Operating	189,748	180,500	156,000	170,500	-5.54%	212,300	24.52%
Capital	300	300	300	300	0.00%	300	0.00%
Total	190,048	180,800	156,300	170,800	-5.53%	212,600	24.47%
Planning							
Operating	648,092	403,500	318,500	320,400	-20.59%	376,000	17.35%
Capital	30,757	33,900	24,000	3,500	-89.68%	3,600	2.86%
Total	678,849	437,400	342,500	323,900	-25.95%	379,600	17.20%
Zoning							
Operating	225,719	241,100	231,800	240,700	-0.17%	255,300	6.07%
Capital	3,000	2,100	2,100	2,100	0.00%	2,100	0.00%
Total	228,719	243,200	233,900	242,800	-0.16%	257,400	6.01%

EXPENSES BY PROGRAM

The following schedule details operating, capital and debt service expenses by program. Operating expenses are indicated unless otherwise noted.

	2007/08 Actual	2008/09 Budget	2008/09 Est. Actual	2009/10 Budget	Percent Change	2010/11 Budget	Percent Change
Community Development (Continued):							
Building Code Enforcement							
Operating	611,234	560,200	544,600	583,900	4.23%	633,900	8.56%
Capital	4,800	3,300	3,300	3,300	0.00%	3,300	0.00%
Total	616,034	563,500	547,900	587,200	4.21%	637,200	8.51%
Environmental Health							
Operating	241,827	263,200	265,400	216,900	-17.59%	235,100	8.39%
Capital	3,300	1,600	1,600	1,600	0.00%	1,600	0.00%
Total	245,127	264,800	267,000	218,500	-17.48%	236,700	8.33%
Total Commun. Dev.	1,958,777	1,689,700	1,547,600	1,543,200	-8.67%	1,723,500	11.68%
Finance:							
Finance Administration							
Operating	962,044	870,700	1,009,400	1,004,900	15.41%	1,053,200	4.81%
Capital	300	300	300	300	0.00%	300	0%
Total	962,344	871,000	1,009,700	1,005,200	15.41%	1,053,500	4.81%
Accounting	403,204	428,200	375,000	415,700	-2.92%	430,600	3.58%
Collections	131,487	161,500	155,600	177,300	9.78%	187,100	5.53%
Purchasing	113,733	122,000	117,000	123,300	1.07%	129,300	4.87%
Total Finance	1,610,768	1,582,700	1,657,300	1,721,500	8.77%	1,800,500	4.59%
Police:							
Emergency 911							
Operating	1,130,086	1,184,600	1,208,000	1,257,200	6.13%	1,293,600	2.90%
Capital	10,500	10,500	10,500	7,000	-33.33%	7,100	1.43%
Total	1,140,586	1,195,100	1,218,500	1,264,200	5.78%	1,300,700	2.89%

EXPENSES BY PROGRAM

The following schedule details operating, capital and debt service expenses by program. Operating expenses are indicated unless otherwise noted.

	2007/08 Actual	2008/09 Budget	2008/09 Est. Actual	2009/10 Budget	Percent Change	2010/11 Budget	Percent Change
Police (Continued):							
Police Administration							
Operating	1,186,256	1,007,200	812,600	1,011,900	0.47%	1,141,100	12.77%
Capital	4,500	46,800	38,200	2,800	-94.02%	2,800	0.00%
Total	1,190,756	1,054,000	850,800	1,014,700	-3.73%	1,143,900	12.73%
Investigation							
Operating	1,227,468	1,420,000	1,370,500	1,530,800	7.80%	1,316,700	-13.99%
Capital	12,800	8,800	8,800	8,800	0.00%	8,800	0.00%
Total	1,240,268	1,428,800	1,379,300	1,539,600	7.75%	1,325,500	-13.91%
Patrol							
Operating	5,646,899	6,235,500	5,960,900	6,070,300	-2.65%	6,541,000	7.75%
Debt Service							
Capital	121,100	85,500	58,800	99,600	16.49%	100,000	0.40%
Total	5,767,999	6,321,000	6,019,700	6,169,900	-2.39%	6,641,000	7.64%
Crime Prevention	109,348	122,100	123,100	127,800	4.67%	132,500	3.68%
Communications							
Operating	362,250	417,400	410,200	421,100	0.89%	441,700	4.89%
Capital	6,800	5,000	-	4,500	-10.00%	4,600	2.22%
Total	369,050	422,400	410,200	425,600	0.76%	446,300	4.86%
Total Police	9,818,007	10,543,400	10,001,600	10,541,800	-0.02%	10,989,900	4.25%
Fire:							
Fire Administration							
Operating	525,305	634,900	789,300	609,700	-3.97%	669,200	9.76%
Capital	3,500	2,600	2,600	2,600	0.00%	42,100	1519.23%
Total	528,805	637,500	791,900	612,300	-3.95%	711,300	16.17%
Fire Prevention							
Operating	291,176	293,400	285,100	188,000	-35.92%	195,900	4.20%
Capital	3,400	2,300	2,300	2,300	0.00%	2,300	0.00%
Total	294,576	295,700	287,400	190,300	-35.64%	198,200	4.15%
Emergency Response							
Operating	5,042,927	6,256,800	5,880,700	6,323,600	1.07%	6,723,700	6.33%
Capital	171,300	118,600	106,400	117,900	-0.59%	118,000	0.08%
Total	5,214,227	6,375,400	5,987,100	6,441,500	1.04%	6,841,700	6.21%
Fire Special Services							
Operating	12,589	21,000	22,000	17,200	-18.10%	17,800	3.49%
Total	12,589	21,000	22,000	17,200	-18.10%	17,800	3.49%
Emergency Prep.	31,210	45,100	41,700	44,100	-2.22%	47,100	6.80%
Total Fire	6,081,407	7,374,700	7,130,100	7,305,400	-0.94%	7,816,100	6.99%

EXPENSES BY PROGRAM

The following schedule details operating, capital and debt service expenses by program. Operating expenses are indicated unless otherwise noted.

	2007/08 Actual	2008/09 Budget	2008/09 Est. Actual	2009/10 Budget	Percent Change	2010/11 Budget	Percent Change
Public Works:							
Public Works Admin.							
Operating	633,457	574,400	606,800	521,700	-9.17%	543,000	4.08%
Capital	3,400	2,300	2,300	2,300	0.00%	2,300	0.00%
Total	636,857	576,700	609,100	524,000	-9.14%	545,300	4.06%
Engineering							
Operating	273,661	300,400	310,700	391,300	30.26%	411,600	5.19%
Capital	4,000	2,800	2,800	2,800	0.00%	62,800	2142.86%
Total	277,661	303,200	313,500	394,100	29.98%	474,400	20.38%
Traffic Control							
Operating	213,776	213,900	153,300	169,300	-20.85%	175,900	3.90%
Capital	10,358	250,000	348,000	-	-	-	-
Total	224,134	463,900	501,300	169,300	-63.51%	175,900	3.90%
Street Lighting							
Operating	242,849	245,000	245,000	266,000	8.57%	271,000	1.88%
Total	242,849	245,000	245,000	266,000	8.57%	271,000	1.88%
Snow, Ice, Storm Ctrl.							
Operating	733,102	669,900	1,164,700	847,400	26.50%	875,000	3.26%
Capital	36,800	25,300	25,300	25,300	0.00%	25,300	0.00%
Total	769,902	695,200	1,190,000	872,700	25.53%	900,300	3.16%
Street Maintenance							
Operating	1,122,398	1,011,900	1,125,700	1,024,800	1.27%	1,090,900	6.45%
Capital	931,187	777,400	777,400	1,077,400	38.59%	1,177,400	9.28%
Total	2,053,585	1,789,300	1,903,100	2,102,200	17.49%	2,268,300	7.90%
Sidewalk Maintenance							
Operating	65,699	74,900	68,000	72,900	-2.67%	79,600	9.19%
Capital	85,615	121,500	121,500	475,000	290.95%	78,800	-83.41%
Total	151,314	196,400	189,500	547,900	178.97%	158,400	-71.09%
Alley Maintenance							
Operating	47,940	53,400	45,700	53,500	0.19%	56,200	5.05%
Debt Service	99,500	98,000	98,000	-	-	-	-
Capital	615,946	701,300	701,300	-	-	398,200	-
Total	763,386	852,700	845,000	53,500	-93.73%	454,400	749.35%
Parking Services							
Operating	399,369	335,900	361,500	377,500	12.38%	400,400	6.07%
Capital	102,642	159,200	159,200	29,000	-81.78%	54,700	88.62%
Total	502,011	495,100	520,700	406,500	-17.90%	455,100	11.96%
Sewer Maintenance							
Operating	829,028	545,100	656,900	773,300	41.86%	708,500	-8.38%
Capital	406,963	370,000	370,000	552,000	49.19%	286,000	-48.19%
Total	1,235,991	915,100	1,026,900	1,325,300	44.83%	994,500	-24.96%

EXPENSES BY PROGRAM

The following schedule details operating, capital and debt service expenses by program. Operating expenses are indicated unless otherwise noted.

	2007/08 Actual	2008/09 Budget	2008/09 Est. Actual	2009/10 Budget	Percent Change	2010/11 Budget	Percent Change
Public Works (Continued):							
Solid Waste Disposal							
Operating	3,141,293	3,150,900	3,224,400	3,362,500	6.72%	3,493,300	3.89%
Debt Service	56,099	61,500	76,000	87,000	41.46%	84,000	-3.45%
Capital	11,300	11,300	11,300	15,100	33.63%	18,700	23.84%
Solid Waste Disposal	3,208,692	3,223,700	3,311,700	3,464,600	7.47%	3,596,000	3.79%
Water Administration	320,427	474,600	368,100	417,500	-12.03%	431,800	3.43%
Water Supply & Treatment							
Operating	2,939,704	3,121,700	3,131,500	3,558,500	13.99%	4,082,300	14.72%
Debt Service	1,769,500	1,920,000	1,920,000	1,925,000	0.26%	2,080,100	8.06%
Capital	241,743	7,700	7,700	7,700	0.00%	7,800	1.30%
Total	4,950,947	5,049,400	5,059,200	5,491,200	8.75%	6,170,200	12.37%
Fire Hydrant Services	132,285	85,700	88,400	110,400	28.82%	116,000	5.07%
Water Main Services							
Operating	627,165	681,800	635,500	684,800	0.44%	730,400	6.66%
Capital	1,043,052	1,357,600	1,289,900	1,045,300	-23.00%	834,800	-20.14%
Total	1,670,217	2,039,400	1,925,400	1,730,100	-15.17%	1,565,200	-9.53%
Water Meter Services	162,809	193,100	184,700	192,400	-0.36%	211,200	9.77%
City Buildings Maintenance							
Operating	502,640	538,700	650,800	555,100	3.04%	579,000	4.31%
Debt Service	1,559,700	1,534,800	1,534,800	-		-	
Capital	-	-	-	25,000		456,100	1724.40%
Total	2,062,340	2,073,500	2,185,600	580,100	-72.02%	1,035,100	78.43%
Forestry							
Operating	752,328	729,900	751,300	735,800	0.81%	790,800	7.47%
Capital	60,614	185,500	162,500	179,600	-3.18%	184,700	2.84%
Total	812,942	915,400	913,800	915,400	0.00%	975,500	6.57%
Grounds Maintenance							
Operating	522,748	574,100	535,900	570,800	-0.57%	602,100	5.48%
Capital	97,018	503,400	901,800	908,400	80.45%	283,400	-68.80%
Total	619,766	1,077,500	1,437,700	1,479,200	37.28%	885,500	-40.14%
Total Public Works	20,798,116	21,664,900	22,818,700	21,042,400	-2.87%	21,684,100	3.05%

EXPENSES BY PROGRAM

The following schedule details operating, capital and debt service expenses by program. Operating expenses are indicated unless otherwise noted.

	2007/08 Actual	2008/09 Budget	2008/09 Est. Actual	2009/10 Budget	Percent Change	2010/11 Budget	Percent Change
Library:							
Library Administration							
Operating	826,352	802,000	799,500	804,000	0.25%	834,900	3.84%
Capital	210,000	260,000	210,000	-		-	
Library Administration	1,036,352	1,062,000	1,009,500	804,000	-24.29%	834,900	3.84%
Library Maintenance							
Operating	333,955	322,200	322,500	332,300	3.13%	343,600	3.40%
Capital	34,935	-	-	40,000		590,000	1375.00%
Total	368,890	322,200	322,500	372,300	15.55%	933,600	150.77%
Technical Services							
Operating	540,522	582,700	582,700	589,600	1.18%	616,100	4.49%
Capital	78,800	66,800	66,800	66,800	0.00%	75,500	13.02%
Total	619,322	649,500	649,500	656,400	1.06%	691,600	5.36%
Adult Reference	932,481	1,001,700	1,001,700	1,011,100	0.94%	1,050,800	3.93%
Children's Services	789,034	842,200	842,200	850,800	1.02%	887,400	4.30%
Circulation							
Operating	548,875	568,300	568,300	580,100	2.08%	605,400	4.36%
Total	548,875	568,300	568,300	580,100	2.08%	605,400	4.36%
Reader Services	656,226	675,600	675,600	684,100	1.26%	712,700	4.18%
Total Library	4,951,180	5,121,500	5,069,300	4,958,800	-3.18%	5,716,400	15.28%
Total All Programs	48,083,313	52,500,100	52,537,200	51,102,800	-2.66%	53,827,100	5.33%

2009/10 CROSSWALK BETWEEN PROGRAMS AND FUNDS

General Operating, Special Revenue, and Debt Service Funds

Program	Total Program	Debt Service			Emerg. Tel.	General Operating	
		2004	2005	2006		General	Veh. Maint.
Legislative	78,100					72,300	
City Admin.	545,300					461,800	8,800
Legal	330,500					330,500	
Records Control	121,700					111,900	
Human Resources	254,100					235,500	
Economic Development	1,631,100		321,100	1,103,300		135,500	
Finance Admin.	1,005,200					958,800	1,500
Accounting	415,700					357,700	
Collections	177,300					161,200	
Purchasing	123,300					106,400	
Information Technology	645,400					594,900	1,500
Emergency 911	1,264,200				1,264,200		
Police Admin.	1,014,700					920,600	16,100
Investigation	1,539,600					1,470,600	50,400
Patrol	6,169,900					5,881,700	200,500
Crime Prevention	127,800					126,600	
Communications	425,600					374,000	
Fire Admin.	612,300					572,700	13,200
Fire Prevention	190,300					168,200	14,100
Emergency Response	6,441,500					6,211,600	173,700
Emergency Preparedness	44,100					44,100	
Public Wrks. Admin.	524,000					454,000	7,800
Engineering	394,100					326,500	14,000
Traffic Control	169,300					148,100	9,700
Street Lighting	266,000					266,000	
Snow, Ice & Storm	872,700					730,800	90,000
Street Maint.	2,102,200					804,000	196,600
Sidewalk Maint.	547,900					538,100	
Alley Maintenance	53,500					39,000	9,700
Parking Service Maint.	35,300						
Sewer & Drnge. Maint.	52,000						
Solid Waste Disposal	3,464,600						
Water Administration	42,400						
Water Supply & Trtmnt.	1,960,500	1,925,000					
Fire Hydrant Services	10,200						
Water Main Services	61,200						
Water Meter Services	16,800						
City Buildings Maintenance	580,100					548,200	
Forestry	915,400					893,700	8,900
Grounds Maint.	1,479,200					489,700	31,400
Comm. Dev. Admin.	170,800					147,700	1,500
Planning	323,900					303,600	
Zoning Administration	242,800					198,300	11,500
Building Code Enfor.	587,200					506,100	13,000
Environmental Health	218,500					186,100	6,300
Library Administration	804,000						
Library Maintenance	372,300						
Technical Services	656,400						
Adult Reference	1,011,100						
Children's Services	850,800						
Circulation	580,100						
Reader Service	684,100						
Community Support	193,400					192,400	
Information Services	137,500					124,700	
Noise Abatement	25,000					25,000	
Transportation	27,600					26,500	
Total All Programs	43,607,800	1,925,000	321,100	1,103,300	1,264,200	26,262,300	880,200

2009/10 CROSSWALK BETWEEN PROGRAMS AND FUNDS

General Operating, Special Revenue, and Debt Service Funds

Conting.	Ill. Mun.	Library		Motor	Uptown	Solid Waste	
	Retire.	Library	Veh. Maint.	Fuel	TIF	Waste	Veh. Maint.
	5,800						
	74,700						
	-						
	9,800						
	18,600						
	20,700						
	44,900				50,500		
-	58,000						
	16,100						
	16,900						
	49,000						
	78,000						
	18,600						
-	87,700						
	1,200						
	51,600						
	26,400						
	8,000						
-	56,200						
	62,200						
	53,600						
	11,500						
-	51,900						
	101,600			1,000,000			
	9,800						
	4,800						
	35,300						
-	52,000						
	9,800					3,439,200	15,600
	42,400						
	35,500						
	10,200						
	61,200						
	16,800						
	29,400				2,500		
	12,800						
	58,100				900,000		
	21,600						
-	20,300						
	33,000						
	68,100						
	26,100						
	77,900	726,100					
	25,000	344,800	2,500				
	77,000	579,400					
	103,300	907,800					
	102,400	748,400					
	72,100	508,000					
	77,000	607,100					
	1,000						
	12,800						
	1,100						
-	2,019,800	4,421,600	2,500	1,000,000	953,000	3,439,200	15,600

2009/10 CROSSWALK BETWEEN PROGRAMS AND FUNDS
Enterprise Funds

Program	Total	Parking		Sewer			Water	
	Program	Parking	Veh. Maint.	Sewer	Veh. Maint.	Conting.	Water	Veh. Maint.
Legislative	-							
City Admin.	-							
Legal	-							
Records Control	-							
Human Resources	-							
Economic Development	-							
Finance Admin.	-							
Accounting	-							
Collections	-							
Purchasing	-							
Information Technology	-							
Emergency 911	-							
Police Admin.	-							
Investigation	-							
Youth & Fam. Serv.	-							
Patrol	-							
Crime Prevention	-							
Communications	-							
Fire Admin.	-							
Fire Prevention	-							
Emergency Response	-							
Fire Special Services	-							
Emergency Preparedness	-							
Public Wrks. Admin.	-							
Engineering	-							
Traffic Control	-							
Street Lighting	-							
Snow, Ice & Storm	-							
Street Maint.	-							
Sidewalk Maint.	-							
Alley Maintenance	-							
Parking Service Maint.	371,200	332,900	38,300					
Sewer & Drnge. Maint.	1,273,300			1,188,900	84,400			
Solid Waste Disposal	-							
Water Administration	375,100						375,100	
Water Supply & Trtmnt.	3,530,700						3,524,300	6,400
Fire Hydrant Services	100,200						100,200	
Water Main Services	1,668,900						1,547,100	121,800
Water Meter Services	175,600						167,200	8,400
City Buildings Maintenance	-							
Forestry	-							
Grounds Maint.	-							
Comm. Dev. Admin.	-							
Planning	-							
Development Review	-							
Zoning Administration	-							
Building Code Enfor.	-							
Environmental Health	-							
Noise Abatement	-							
Env. Health-Business	-							
Business Dist. Support	-							
City Hall Maintenance	-							
Library Administration	-							
Library Maintenance	-							
Technical Services	-							
Adult Reference	-							
Children's Services	-							
Circulation	-							
Reader Service	-							
Community Support	-							
Information Services	-							
Noise Abatement	-							
Transportation	-							
Total All Programs	7,495,000	332,900	38,300	1,188,900	84,400	-	5,713,900	136,600

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2010/11 CROSSWALK BETWEEN PROGRAMS AND FUNDS

General Operating, Special Revenue, and Debt Service Funds

Program	Total Program	Debt Service			Emerg. Tel.	General Operating	
		2004	2005	2006		General	Veh. Maint.
Legislative	80,000					73,900	
City Admin.	609,400					523,000	9,200
Legal	356,000					356,000	
Records Control	125,900					115,800	
Human Resources	210,100					190,800	
Economic Development	1,641,100		321,100	1,103,300		144,900	
Finance Admin.	1,053,500					1,005,300	1,600
Accounting	430,600					371,500	
Collections	187,100					170,300	
Purchasing	129,300					111,800	
Information Technology	710,000					657,700	1,600
Emergency 911	1,300,700				1,300,700		
Police Admin.	1,143,900					1,055,900	16,800
Investigation	1,325,500					1,256,800	52,600
Patrol	6,641,000					6,344,100	209,400
Crime Prevention	132,500					131,300	
Communications	446,300					393,100	
Fire Admin.	711,300					670,600	13,800
Fire Prevention	198,200					175,000	14,800
Emergency Response	6,841,700					6,607,000	181,400
Emergency Preparedness	47,100					47,100	
Public Wrks. Admin.	545,300					480,500	8,100
Engineering	474,400					403,400	14,700
Traffic Control	175,900					153,800	10,100
Street Lighting	271,000					271,000	
Snow, Ice & Storm	900,300					751,900	94,000
Street Maint.	2,268,300					856,200	205,600
Sidewalk Maint.	158,400					148,100	
Alley Maintenance	454,400					439,200	10,100
Parking Service Maint.	36,800						
Sewer & Drnge. Maint.	54,500						
Solid Waste Disposal	3,596,000						
Water Administration	43,600						
Water Supply & Trtmnt.	2,117,000	2,080,100					
Fire Hydrant Services	10,700						
Water Main Services	64,300						
Water Meter Services	17,600						
City Buildings Maintenance	1,035,100					1,002,000	
Forestry	975,500					952,900	9,300
Grounds Maint.	885,500					517,000	32,800
Comm. Dev. Admin.	212,600					188,200	1,600
Planning	379,600					358,500	
Zoning Administration	257,400					210,000	12,000
Building Code Enfor.	637,200					551,700	13,500
Environmental Health	236,700					201,600	6,500
Library Administration	834,900						
Library Maintenance	933,600						
Technical Services	691,600						
Adult Reference	1,050,800						
Children's Services	887,400						
Circulation	605,400						
Reader Service	712,700						
Community Support	193,700					192,600	
Information Services	142,300					128,900	
Noise Abatement	-						
Transportation	28,100					27,000	
Total All Programs	46,227,600	2,080,100	321,100	1,103,300	1,300,700	28,254,200	919,500

2010/11 CROSSWALK BETWEEN PROGRAMS AND FUNDS

General Operating, Special Revenue, and Debt Service Funds

Conting.	Ill. Mun.	Library		Motor	Uptown	Solid Waste	
	Retire.	Library	Veh. Maint.	Fuel	TIF	Waste	Veh. Maint.
	6,100						
	77,200						
	-						
	10,100						
	19,300						
	21,300						
	46,600				50,500		
-	59,100						
	16,800						
	17,500						
	50,700						
	71,200						
	16,100						
-	87,500						
	1,200						
	53,200						
	26,900						
	8,400						
-	53,300						
	56,700						
	56,300						
	12,000						
-	54,400						
	106,500			1,100,000			
	10,300						
	5,100						
	36,800						
-	54,500						
	10,300					3,569,400	16,300
	43,600						
	36,900						
	10,700						
	64,300						
	17,600						
	30,600				2,500		
	13,300						
	60,700				275,000		
	22,800						
-	21,100						
	35,400						
	72,000						
	28,600						
	86,300	748,600					
	27,700	903,300	2,600				
	85,300	606,300					
	114,300	936,500					
	113,400	774,000					
	79,800	525,600					
	85,300	627,400					
	1,100						
	13,400						
	-						
	1,100						
-	2,110,700	5,121,700	2,600	1,100,000	328,000	3,569,400	16,300

2010/11 CROSSWALK BETWEEN PROGRAMS AND FUNDS

Enterprise Funds

Program	Total	Parking		Sewer			Water	
	Program	Parking	Veh. Maint.	Sewer	Veh. Maint.	Conting.	Water	Veh. Maint.
Legislative	-							
City Admin.	-							
Legal	-							
Records Control	-							
Human Resources	-							
Economic Development	-							
Finance Admin.	-							
Accounting	-							
Collections	-							
Purchasing	-							
Information Technology	-							
Emergency 911	-							
Police Admin.	-							
Investigation	-							
Youth & Fam. Serv.	-							
Patrol	-							
Crime Prevention	-							
Communications	-							
Fire Admin.	-							
Fire Prevention	-							
Emergency Response	-							
Fire Special Services	-							
Emergency Preparedness	-							
Public Wrks. Admin.	-							
Engineering	-							
Traffic Control	-							
Street Lighting	-							
Snow, Ice & Storm	-							
Street Maint.	-							
Sidewalk Maint.	-							
Alley Maintenance	-							
Parking Service Maint.	418,300	378,300	40,000					
Sewer & Drnge. Maint.	940,000			851,900	88,100			
Solid Waste Disposal	-							
Water Administration	388,200						388,200	
Water Supply & Trtmnt.	4,053,200						4,046,500	6,700
Fire Hydrant Services	105,300						105,300	
Water Main Services	1,500,900						1,373,800	127,100
Water Meter Services	193,600						184,800	8,800
City Buildings Maintenance	-							
Forestry	-							
Grounds Maint.	-							
Comm. Dev. Admin.	-							
Planning	-							
Development Review	-							
Zoning Administration	-							
Building Code Enfor.	-							
Environmental Health	-							
Noise Abatement	-							
Env. Health-Business	-							
Business Dist. Support	-							
City Hall Maintenance	-							
Library Administration	-							
Library Maintenance	-							
Technical Services	-							
Adult Reference	-							
Children's Services	-							
Circulation	-							
Reader Service	-							
Community Support	-							
Information Services	-							
Noise Abatement	-							
Transportation	-							
Total All Programs	7,599,500	378,300	40,000	851,900	88,100	-	6,098,600	142,600

ADMINISTRATION DEPARTMENT

Departmental Page References

Program	Page Number
Legislative	100
City Administration	101
Legal Counsel	102
Records Control	103
Human Resources	104
Information Services	105
Information Technology	106
Economic Development	107

MISSION STATEMENT

The overall mission of the Administration Department is to interpret and define the needs of the community, to establish policies to meet those needs and to provide supportive services to administer those policies. The missions of the programs within the Administration Department are as follows:

Legislative: The City Council serves as the legislative and policy making body of the City; it takes the leadership role in interpreting the wishes of the community and providing for the general welfare of the community through programs, services and activities.

City Administration: To plan, coordinate, staff and direct municipal activities to accomplish the City-wide goals of the Mayor and City Council.

Legal Counsel: To provide legal counsel to the Mayor and City Council, City Manager and all City departments relating to their official duties and to prosecute and defend all lawsuits on behalf of the City.

Records Control: To keep a complete and accurate record of City Council proceedings, maintain official City files, conduct voter registration, absentee balloting, act as early voting site and to service all resident and governmental agency requests pertaining to the same.

Human Resources: To hire well qualified employees and to establish policies and procedures that encourage employees to maximize their contributions to the achievement of City objectives.

Information Services: To provide effective, accurate and comprehensive communications between the citizens and the City, including elected officials and staff. Information shall be provided in multiple forms and shall include City policies, procedures, programs, issues and progress.

Information Technology: To coordinate the implementation and operation of the city wide technology systems, to manage and administer City WAN (Wide Area Network) and provide training and support for those systems.

Economic Development: To promote economic development within the business community by encouraging business retention, business attraction which should result in an increased property and sales tax revenue, lower unemployment rates, and a stable economic base.

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ADMINISTRATION DEPARTMENT

BUDGET SUMMARY

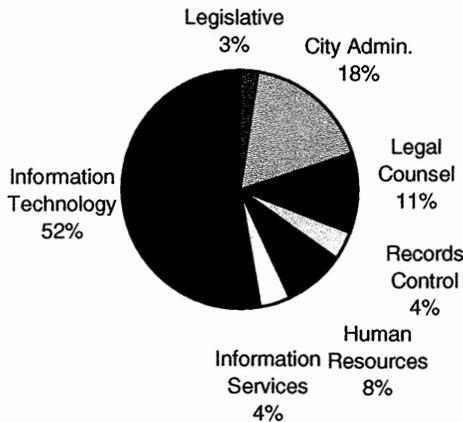
NOTES

Overview:

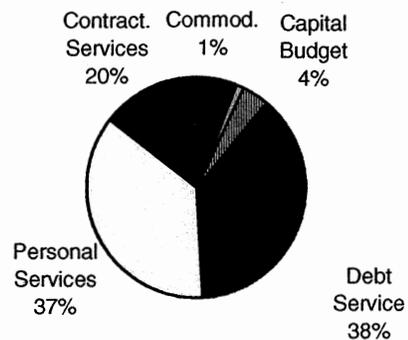
The 2009/10 budget for the Administration Department is \$3,743,700. This represents 7% of the total City budget a 12% decrease from last year's budget.

	07/08	08/09	08/09 Estimated	09/10	Percent Change From	10/11 Estimate
PROGRAMS	Actual	Budget	Actual	Budget	Budget	
Legislative	98,827	169,500	192,000	78,100	-54%	80,000
City Admin.	550,348	527,700	534,200	545,300	3%	609,400
Legal Counsel	444,200	336,500	355,100	330,500	-2%	356,000
Records Control	125,999	146,300	127,900	121,700	-17%	125,900
Human Resources	372,352	381,300	294,800	254,100	-33%	210,100
Information Services	140,728	140,800	139,000	137,500	-2%	142,300
Information Technology	679,112	832,900	579,400	645,400	-23%	710,000
Economic Develop.	179,496	1,722,300	1,837,000	1,631,100	-5%	1,641,100
Programs Total	2,591,062	4,257,300	4,059,400	3,743,700	-12%	3,874,800
EXPENDITURE CLASSIFICATION						
Personal Services *	1,402,394	1,440,200	1,349,500	1,367,700	-5%	1,410,200
Contractual Services	1,012,900	1,123,100	1,202,000	760,200	-32%	803,000
Commodities	49,968	59,600	50,500	46,100	-23%	47,100
Operating Budget Total	2,465,262	2,622,900	2,602,000	2,174,000	-17%	2,260,300
Debt Service	-	1,424,400	1,424,400	1,424,400	0%	1,424,400
Capital Budget	125,800	210,000	33,000	145,300	-31%	190,100
Expenditure Total	2,591,062	4,257,300	4,059,400	3,743,700	-12%	3,874,800
SOURCE OF FUNDS						
General Fund	2,383,873	2,527,800	2,185,800	2,077,400	-18%	2,201,800
2005A Debt Service Fd	-	321,100	321,100	321,100	0%	321,100
2006A&B Debt Serv Fd	-	1,103,300	1,103,300	1,103,300	0%	1,103,300
Uptown TIF Fund	41,680	122,000	266,100	50,500	-59%	50,500
Ill. Mun. Retirement Fund	165,509	183,100	183,100	191,400	5%	198,100
Source of Funds Total	2,591,062	4,257,300	4,059,400	3,743,700	-12%	3,874,800
* Regular Salaries	1,043,669	1,039,000	977,800	989,300	-5%	1,069,600
Other Personal Services	358,725	401,200	371,700	378,400	-6%	340,600

**PROGRAMS
09/10 BUDGET**



**EXPENDITURE CLASSIFICATION
09/10 BUDGET**



ADMINISTRATION DEPARTMENT
ADMINISTRATION DEPARTMENT STAFF

	08/09	09/10	10/11
<i>By Position:</i>	<i>FTE</i>	<i>FTE</i>	<i>FTE</i>
Mayor	NA	NA	NA
Aldermen	NA	NA	NA
City Clerk	NA	NA	NA
Total Elected Officials	NA	NA	NA
City Manager	1.00	1.00	1.00
Deputy City Manager	1.00	1.00	1.00
Assistant to the City Manager	1.00	1.00	1.00
Economic Development Director	1.00	1.00	1.00
Human Resources Director	1.00		
Director of Information Technology	1.00	1.00	1.00
Public Information Coordinator	1.00	1.00	1.00
Information Systems Coordinators	2.00	2.00	2.00
Senior Administrative Assistants	2.00	2.00	2.00
Human Resources Administrator	1.00	1.00	1.00
Secretary-Police & Fire Commission	NA	NA	NA
Total Employees	12.00	11.00	11.00
Total Administration Department	12.00	11.00	11.00

Salary Expense:

Regular salaries in the Administration department are expected to equal \$989,300 for fiscal year 2009/10.

Staffing Changes:

Total full-time equivalents have decreased by one. The position of Human Resources Director was eliminated in fiscal year 2008/09. A new City Manager started employment with the City on July 14, 2008.

Performance Measurements

Mission: Provide leadership that serves the needs of the community and enhances city operations.

	2005/06	2006/07	2007/08	2008/09	2009/10 est.
<u>Administrative Adjudication*</u> :					
Number of Cases Prosecuted	583	950	891	910	900
Value of Fines Collected	\$89,960	\$200,000*	\$162,500	\$150,000	\$150,000
Average Cost per Cases to Process	\$40.00	\$30.40	\$48.75**	\$50.00	\$50.00
Revenue over Expenditures Collected	\$70,130.97	\$198,873.58	\$124,400	\$142,500	\$160,000
<u>Liquor Licenses:</u>					
Number of Violations	6	5	3	2	3
Number of Licenses Applied For	25	41	35	38	41
Number of Licenses Issued	25	41	35	40	41
Revenue Collected for Licenses	\$68,050	\$64,000	\$68,825	\$68,000	\$69,000
Revenue Collected for Fines	\$6,700	\$2,600	\$3,000	\$4,500	\$5,000
<u>Voter Registration:</u>					
Number of Registered Voters	25,000	25,272	25,300	26,085	26,150
Number of Early Ballots	822	1,381	1,500	5,345	
Percent of Eligible Voters Registered	88%	89%	90%	90%	90%
<u>City's Website^^:</u>					
Number of Inquiries	190	520	540	550	600
Number of Hits	2,356,379	5,520,298	6,766,575	7,584,565	
Percent of Inquiries that are Responded to in 48 Hours	Over 90%	Over 90%	Over 90%	Over 90%	Over 90%
Number of Visits			135,095	150,000	165,000
<u>Information Technology</u>					
<u>Workorders</u>					
Number of requests for assistance in 12 months	748^	1261	1300	1200++	1200++
Percent of requests completed in 48 hours	93%	94%	94%	94%	95%
<u>Other</u>					
Vehicular Accidents			1	1	0
<u>Efficiency Measure:</u>					
Departmental budget per capita	\$137.24	\$119.19	\$68.59	\$107.46	\$99.11

* Administrative Adjudication –Added overweight truck violations to program in 2006/07.

** During 2007/08, all legal expenses for adjudication were added into these expenses, not just the cost of the actual hearings as previously calculated.

^ IT Workorders – represent 23 weeks since implementation.

++ IT Workorders – slight decrease since tracking issues has permitted preventative measures to result in fewer work orders

^^ City's Website – Website went live July 2005.

Commentary

Park Ridge continues to serve as a site for early voting. This year 5,345 voters voted early. Feedback on the process continues to be favorable. There was a record response throughout Cook County.

There is a new reporting system for our website which focuses on visitors instead of over-all hits. This should help us to better measure and improve the use of our website. We continue to look for ways to communicate information to the public using the website and have sought to upgrade the way it works.

ADMINISTRATION DEPARTMENT**OVERALL ACCOMPLISHMENTS AND OBJECTIVES****GENERAL SUMMARY****GOAL – Provide leadership that serves the needs of the community.****2008/09 Accomplishments:**

- Provided support for the Mayor and City Council and assisted with changes to a committee of the whole structure.
- Continued to implement redevelopment agreement for Target Area 2.
- Implemented City Commons Project around the Library.
- Respond to inquiries about potential development outside of Target Area 2.
- Conducted Strategic Planning session with the City Council.
- Facilitated the hiring of a new City Manager and for his smooth transition.
- Worked with PRC on final completion of Target Area 2 – Phase 3.
- Modified Zoning Ordinance regarding Homeless Shelters.

2009/10 Objectives:

- Work with PRC on final completion of Target Area 2 – Phase 3
- Work towards implementation of the Strategic Plan.
- Begin Vision 2025 process.

GOAL – Provide leadership that enhances city operations and promotes the accomplishment of citywide goals.**2008/09 Accomplishments:**

- Conducted monthly department head planning sessions to plan, provide information and to answer questions.
- Processed 38 annual liquor licenses.
- Continued implementation and enhancement of Administrative Adjudication Hearing Process (hired new hearing officer, addition of collections process; heard 950 cases).
- Hired new Fire Chief and Community Development Director and several other positions that were the result of the early retirement incentive offered. Reorganized the Human Resources Department.
- Created Historic Preservation Task Force and facilitated regular meetings.

2009/10 Objectives:

- Facilitate input from city employees on improvements to the organization and provide regular opportunities for communication and for providing information.
- Work with City Council on reviewing the results of the strategic planning process and setting clear direction for the organization.
- Provide City Council with a recommendation from the Historic Preservation Task Force.

GOAL – Augment record keeping procedures of City Council proceedings and official documents.**2008/09 Accomplishments:**

- Served residents through voter registration early voting and absentee voting. Served as one of 32 early voting sites using electronic voting machines for a record number of early voters.
- Maintained City Code of Ordinances on the city's web site.
- Made adjustments for new configuration and size of City Council.

2009/10 Objectives:

- Provide high quality voter education and services including early voting.
- Maintain official City files and index for easy retrieval.
- Respond to resident inquiries in a resourceful and solicitous manner.

GOAL – Human Resources – To Enhance Employee Experience.**2008/09 Accomplishments:**

- Successfully negotiated a 4-year union contract with the IAFF and Commenced negotiations with IUOE Local 150 for a successor union contract in Public Works.
- Coordinated the recruitment and hiring process for a Director of Community Preservation and Development and Police Chief.
- Coordinated and commenced a third-party independent compensation and classification study to address unrepresented employees to be completed in May of 2010.
- Coordinated the process to develop new two-year promotional lists for the positions of Police Sergeant, Fire Lieutenant and Fire Battalion Chief.

2009/10 Objectives:

- Coordinate customer service training citywide to provide the best service level possible to internal and external customers.
- Complete an independent comprehensive classification and compensation study to ensure internal and external integrity of the pay plan, and implement recommendations in conjunction with the 2009/10 salary plan.

ADMINISTRATION DEPARTMENT**OVERALL ACCOMPLISHMENTS AND OBJECTIVES****GENERAL SUMMARY**

GOAL – Information Services - To provide effective, accurate and comprehensive communications between elected officials, citizens, the business community, news media and city staff. Information sharing should be external and internal and provided in multiple forms.

2008/09 Accomplishments:

- Communicated with City Council, staff, and residents on the progress of Target Area 2 and other projects relating to economic development.
- Produced 6 issues of the Spokesman and a special issue on Target Area 2 and economic development.
- Provided support to the Public Arts Commission.
- Handled intergovernmental projects, including the Clinical Government class.
- Actively participated in the NWMC Government Communicators Committee and 3CMA.

2009/10 Objectives:

- Communicate with City Council, staff, and residents regarding current issues of concern including understanding of new Committee of the Whole format, and involvement with such groups as ONCC
- Produce 6 issues of the Spokesman.
- Work with the Public Arts Commission in development of art for Target Area 2.
- Assist in making our government even more user-friendly and in developing employee courtesy program

GOAL – Information Technology - Maintain high level of internal/external customer service.

2008/09 Accomplishments:

- Worked with the Police/Finance/PW Departments to evaluate and implement digital camera network at city hall & train stations.
- Worked on the Parking Ticket system implementation.
- Worked with CP&D on the development and installation of a Business License system.

2009/10 Objectives:

- Work with Community Development to digitize records
- Work with Public Information & Administration Departments in upgrading the city web site to make it more interactive.
- Work with other departments on the development of a customer service system, online and locally.

GOAL – Economic Development

2008/09 Accomplishments:

- Distributed the Annual Business Retention Report utilizing interviews from over 60 businesses.
- Retained consultants who provided a Higgins Corridor Plan.
- Continue to work with state and federal officials in locating new funding sources for improved transportation of our workforce
- Hosted a Familiarization Tour targeted to the Rosemont Hospitality Industry

2009/10 Objectives:

- Finalize plans and begin implementation specific to the Higgins Corridor and Dee Park areas.
- Determine strategy for redevelopment of Target Area 4.
- Continue pursuing transportation funding resources through IDOT and FHA
- Develop a Campaign to attract visitors targeting the Rosemont hospitality industry

**ADMINISTRATION DEPARTMENT
LEGISLATIVE**

NOTES	07/08		08/09		08/09		09/10		Percent	
	Actual	Budget	Budget	Estimated	Actual	Budget	Budget	Estimate	Change From Budget	10/11
<p>Salaries: The Mayor is paid \$1,000/month, the Clerk is paid \$750/month, and the aldermen are paid \$100/month.</p> <p>Membership Dues: Illinois Municipal League (\$2,000) and Northwest Municipal Conference (\$18,200).</p> <p>Materials: Includes copier (\$1,200) and copy paper (\$1,000).</p>	Personal Services									
	1001011910000	Regular Salaries	27,894	32,500	32,000	34,700	7%	35,300		
	1001011915200	Overtime	280	500	700	700	40%	700		
	1001011921000	Insurance	2,925	3,400	2,600	3,200	-6%	3,300		
	2066050949100	FICA & IMRF Pmts.	3,833	5,100	5,100	5,800	14%	6,100		
	Personal Services Total		34,932	41,500	40,400	44,400	7%	45,400		
	Contractual Services									
	1001011947400	Membership Dues	21,045	21,400	22,000	22,000	3%	22,500		
	1001011943100	Recruiting & Testing	21,817							
	1001011943700	Training	2,410	5,000	5,000	3,500	-30%	3,500		
	1001011948500	Gen. Contract. Svcs.	10,136	95,600	120,600	3,600	-96%	4,000		
	Contractual Services Total		55,408	122,000	147,600	29,100	-76%	30,000		
	Commodities									
	1001011952000	Materials	8,487	6,000	4,000	4,600	-23%	4,600		
	Commodities Total		8,487	6,000	4,000	4,600	-23%	4,600		
Operating Budget Total		98,827	169,500	192,000	78,100	-54%	80,000			
Legislative Total		98,827	169,500	192,000	78,100	-54%	80,000			

Ongoing Programs:

- Hold City Council meetings on the first and third Monday and Committee of the Whole meetings on the second and fourth Monday of each month to determine City policies and enact ordinances.
- Discuss policy decisions in depth at regularly scheduled meetings.
- Establish basic objectives for the City and evaluate accomplishments.
- Appropriate and adopt the City's annual budget.

**ADMINISTRATION DEPARTMENT
CITY ADMINISTRATION**

<u>NOTES</u>		07/08	08/09	08/09	09/10	Percent	10/11
		Actual	Budget	Estimated	Budget	Change From Budget	Estimate
	Personal Services						
	1001021910000 Regular Salaries	397,361	374,300	385,800	382,800	2%	440,000
	1001021915200 Overtime	467	1,500	1,500	1,800	20%	1,800
	1001021921000 Insurance	42,896	39,100	29,100	39,600	1%	41,000
	1001021921099 Workers Comp	1,967	2,100	1,200	1,200	-43%	1,300
	2066050949100 FICA & IMRF Pmts.	58,844	62,800	62,800	74,700	19%	77,200
	Personal Services Total	501,535	479,800	480,400	500,100	4%	561,300
	Contractual Services						
	1001021940100 Telecommunications	13,442	9,000	10,700	10,600	18%	11,600
	1001021943700 Training	9,463	11,500	11,500	8,100	-30%	8,100
	1001021948500 Gen. Contract. Svcs.	8,001	10,000	13,000	10,000	0%	11,000
	Vehicle Maintenance	9,587	8,300	9,500	8,800	6%	9,200
	Contractual Services Total	40,493	38,800	44,700	37,500	-3%	39,900
	Commodities						
	1001021952000 Materials	6,120	7,500	7,500	6,100	-19%	6,600
	Commodities Total	6,120	7,500	7,500	6,100	-19%	6,600
	Operating Budget Total	548,148	526,100	532,600	543,700	3%	607,800
	Capital						
	1001021990400 Motor Equipment	2,200	1,600	1,600	1,600	0%	1,600
	Capital Budget Total	2,200	1,600	1,600	1,600	0%	1,600
	City Administration Total	550,348	527,700	534,200	545,300	3%	609,400

Gen. Cont. Svcs:
Includes various items such as postage, copier and membership dues.

Materials:
Includes copier usage expense and portion of the copier lease payment.

Ongoing Programs:

- Supply the City Council with relevant data needed to make policy decisions.
- Assure that necessary follow up of Council policies is provided.
- Provide direction to the operating departments so that their activities are in harmony with the expectations of the City Council and residents.
- Encourage innovative approaches in management of departmental activities, and seek to reduce costs of services by improving productivity.
- Respond to input from individuals and groups in such a manner as to develop and maintain cooperative relationships between the City organization and the community.
- Encourage continuous change, promote teamwork, and provide quality service.

**ADMINISTRATION DEPARTMENT
LEGAL COUNSEL**

<u>NOTES</u>		07/08	08/09	08/09	09/10	Percent	10/11
		Actual	Budget	Estimated Actual	Budget	Change From Budget	Estimate
<p><u>Special Counsel:</u> This account provides funds for outside legal services to all departments for continuing representation in certain areas such as labor and employment matters, traffic and housing court prosecution and for limited representation and consultation on specific cases, such as annexation, election matters, and condemnation.</p> <p><u>Gen. Contract. Svs.</u> Includes \$10,000 for Adjudicator</p>	Contractual Services						
	1001022942500 Spec Counsel-Corp.	298,741	250,000	261,100	265,000	6%	270,000
	1001022942501 Spec Counsel-Prosec.	23,897	24,000	24,000	25,000	4%	25,000
	1001022942502 Spec Counsel-Other	109,427	50,000	60,000	30,000	-40%	50,000
	1001022948500 Gen. Contract. Svcs.	12,108	12,000	10,000	10,500	-13%	11,000
	Contractual Services Total	444,173	336,000	355,100	330,500	-2%	356,000
	Commodities						
	1001022952000 Materials	27	500				
	Commodities Total	27	500	-	-		-
	Operating Budget Total	444,200	336,500	355,100	330,500	-2%	356,000
Legal Counsel Total	444,200	336,500	355,100	330,500	-2%	356,000	

Ongoing Programs:

- Represent the City in all legal matters including litigation.
- Advise the Mayor, City Council, City Manager, department heads and police officers on actions that could involve legal questions.
- Prosecute cases for the City in traffic court and City adjudication.
- Provide special counsel when needed to assist the City Attorney on cases of specialized law such as labor relations and condemnation.

**ADMINISTRATION DEPARTMENT
RECORDS CONTROL**

NOTES

Extra Help:
Help need for early voting.

Training:
Includes Deputy Clerk attendance at IIMC conference in Chicago.

Gen. Contract.

Svcs.:
Sister City Expenses (\$1,000), Municipal Clerks of Illinois (\$100), Municipal Clerks N/NW (\$100), Inter. Institute of Municipal Clerks (\$200).

Materials:

Acid free paper for minute books (\$300), ordinance books (\$200).

Computer

Replacement Fd.:
Annual funding for replacement of the City Hall main copier.

	07/08	08/09	08/09 Estimated	09/10	Percent Change From	10/11 Estimate
Personal Services	Actual	Budget	Actual	Budget	Budget	
1001023910000 Regular Salaries	48,725	53,000	53,400	46,000	-13%	47,500
1001023915000 Extra Help		2,200	300	500	-77%	500
1001023915200 Overtime	4,978	4,000	5,400	5,000	25%	5,000
1001023921000 Insurance	9,612	11,200	8,400	8,600	-23%	8,900
2066050949100 FICA & IMRF Pmts.	9,200	10,500	10,500	9,800	-7%	10,100
Personal Services Total	72,515	80,900	78,000	69,900	-14%	72,000
Contractual Services						
1001023940100 Telecommunications	15,741	16,000	15,300	15,500	-3%	15,500
1001023940101 Telecomm. Maint.	7,686	11,500	11,500	11,500	0%	11,500
1001023942400 Microfilming		500				
1001023943700 Training	2,741	2,500	2,000	1,800	-28%	1,800
1001023947200 Postal Charges	5,050	13,600	7,600	8,000	-41%	8,000
1001023947300 Printing	3,233	2,200	300	-	-100%	2,000
1001023947500 Legal Notices	3,138	4,000	4,000	4,000	0%	4,100
1001023948500 Gen. Contract. Svcs.	4,741	4,200	4,200	3,000	-29%	3,000
Contractual Services Total	42,330	54,500	44,900	43,800	-20%	45,900
Commodities						
1001023952000 Materials	3,154	5,000	5,000	4,000	-20%	4,000
Commodities Total	3,154	5,000	5,000	4,000	-20%	4,000
Operating Budget Total	117,999	140,400	127,900	117,700	-16%	121,900
Capital						
1001023990800 Computer Equipment	8,000	5,900		4,000	-32%	4,000
Capital Budget Total	8,000	5,900	-	4,000	-32%	4,000
Records Control Total	125,999	146,300	127,900	121,700	-17%	125,900

Ongoing Programs:

- Record and transcribe minutes of all City Council proceedings.
- Microfilm records for permanent retention and maintain off-site storage for security.
- Maintain official City files of ordinances, deeds and agreements, etc. accurately indexed for retrieval.
- Register voters and conduct absentee balloting services and early voting in City Hall for convenience of residents.
- Provide voter education with new systems.
- Update Ordinance Books with all new Ordinances and Resolutions.
- Update the Municipal Code.
- Research restoration of historic minute books. This project began in 1989 with Book I (1873); planned restoration through Book XIX.
- Prepare all proclamations and resolutions bestowed by Mayor and City Council.
- Conduct tours and information sessions for Scout Troops and other visitors, international and local.
- Continue direction of Sister Cities Commission and all related activities.
- Collaborate with Public Information Officer regarding printing of City Council and resident information.
- Maintain variety of City recognition materials for Public Relations purposes.
- Maintain raffle Licenses and Solicitation Permits.

**ADMINISTRATION DEPARTMENT
HUMAN RESOURCES**

NOTES

Early Retire Program:
Cost of two years City provided medical insurance for three firefighters and two police officers.

Medical Exams:
Includes flu shots, police, fire and public works pre-employment physicals.

Recruiting & Testing:
Recruitment and selection process for the city, including fire and police positions.

Citywide Training:
Computer Training (\$3,000); Customer Service (\$1,000).
Gen. Contract Svcs.
Includes Board of Fire & Police Comm. annual membership.

Materials:
General office supplies and service recognition awards.
Employee Recognition events cancelled as part of budget cutbacks..

	07/08	08/09	08/09	09/10	Percent Change	10/11
	Actual	Budget	Estimated	Budget	From Budget	Estimate
Personal Services						
1001024910000 Regular Salaries	167,902	170,500	90,800	93,400	-45%	97,200
1001024915000 Extra Help		2,000		8,000	300%	8,000
1001024921000 Insurance	26,951	22,400	16,600	10,700	-52%	11,100
1001024921010 Early Retire. Program	50,797	69,000	76,700	48,900	-29%	
2066050949100 FICA & IMRF Pmts.	27,888	31,200	31,200	18,600	-40%	19,300
Personal Services Total	273,538	295,100	215,300	179,600	-39%	135,600
Contractual Services						
1001024940100 Telecommunications	645	1,500	800	400	-73%	400
1001024942700 Medical Exams	20,908	25,000	20,000	25,000	0%	25,000
1001024943100 Recruiting & Testing	46,555	25,000	25,000	25,000	0%	25,000
1001024943200 Tuition Reimbursemnt	(700)					
1001024943700 Training	2,534	6,000	5,000	2,100	-65%	2,100
1001024943701 Citywide Training	7,000	3,000	3,000	4,000	33%	4,000
1001024948500 Gen. Contract. Svcs.	7,648	10,700	10,700	10,700	0%	10,700
Contractual Services Total	84,590	71,200	64,500	67,200	-6%	67,200
Commodities						
1001024952000 Materials	14,224	15,000	15,000	7,300	-51%	7,300
Commodities Total	14,224	15,000	15,000	7,300	-51%	7,300
Operating Budget Total	372,352	381,300	294,800	254,100	-33%	210,100
Human Resources Total	372,352	381,300	294,800	254,100	-33%	210,100

Ongoing Programs:

- Monitor group health coverage and plan design. Communicate and educate employees regarding benefit plans.
- Evaluate and enhance performance evaluation system and compensation programs for non-union employees, focusing on internal and external equity considerations.
- Maintain employee manual and supervisors' operating guidelines.
- Provide professional development opportunities for employees through ongoing training efforts.

**ADMINISTRATION DEPARTMENT
INFORMATION SERVICES**

NOTES	07/08	08/09	08/09	09/10	Percent	
	Actual	Budget	Estimated	Budget	Change	10/11
Membership Dues:					From	Estimate
Membership in 3CMA, the City-County Commun. & Mrktg. Assoc.						
Training:						
3CMA Annual Conf.; technical seminars.						
Postal Charges:						
Includes 6 issues of <i>Spokesman</i> and special mailings at the bulk rate						
Gen. Contract Svcs.: 6 issues of the <i>Spokesman</i> (\$17,500). Web site maintenance (\$2,000), site improvements (\$1,600), hosting & licensing fees (\$2,100).						
Materials: Includes newspaper subscriptions, paper, film, film developing, and color printer cartridges.						
	Personal Services					
	1001026910000 Regular Salaries	60,925	62,800	63,000	65,500	4% 68,100
	1001026915200 Overtime	1,198	200	1,200	1,200	500% 1,300
	1001026921000 Insurance	11,493	13,400	10,100	12,800	-4% 13,200
	2066050949100 FICA & IMRF Pmts.	10,254	11,400	11,400	12,800	12% 13,400
	Personal Services Total	83,870	87,800	85,700	92,300	5% 96,000
	Contractual Services					
	1001026940100 Telecommunications		-		800	800
	1001026947400 Membership Dues	450	500	500	500	0% 500
	1001026943700 Training	1,640	1,900	1,900	1,300	-32% 1,300
	1001026947200 Postal Charges	14,335	14,000	17,000	12,000	-14% 12,600
	1001026948500 Gen. Contract. Svcs.	39,785	35,200	32,500	29,500	-16% 30,000
	Contractual Services Total	56,210	51,600	51,900	44,100	-15% 45,200
	Commodities					
	1001026952000 Materials	648	1,400	1,400	1,100	-21% 1,100
	Commodities Total	648	1,400	1,400	1,100	-21% 1,100
	Operating Budget Total	140,728	140,800	139,000	137,500	-2% 142,300
	Information Services Total	140,728	140,800	139,000	137,500	-2% 142,300
Ongoing Programs:						
<ul style="list-style-type: none"> • Produce six issues of the Spokesman plus a special issue on Uptown and other developments. • Provide communications support to the Uptown and other redevelopment projects. • Continuously improve and update the City Web site, offering government information 24/7. • Provide timely information for citizens in multiple forms, such as town meetings, open houses, the Listening Post, publications, and the Internet including e-mail news subscriptions. • Participate in NWMC Government Communications Committee; 3CMA (City-County Communications and Marketing Association). • Promote internal communications through support of a City Intranet. 						

**ADMINISTRATION DEPARTMENT
INFORMATION TECHNOLOGY**

NOTES		07/08	08/09	08/09	09/10	Percent	10/11
		Actual	Budget	Estimated	Budget	Change from Budget	Estimate
<p>Extra Help: Intern – have shifted some work formerly outsourced</p> <p>Telecommun.: Includes T1 lines for WAN support</p> <p>Gen. Contract Svcs.: Reduction due to reallocation of maintenance to owning departments</p> <p>Computer Equipment: 09/10: Capital project and contribution to the Computer Replacement Fund. See p. 264 and 292 for more information.</p>	Personal Services						
	1001025910000 Regular Salaries	239,745	241,600	248,500	258,400	7%	268,700
	1001025915000 Extra Help	1,412	2,400	1,400	2,000	(17%)	2,100
	1001025921000 Insurance	28,628	33,500	25,000	32,100	(4%)	33,200
	2066050949100 FICA & IMRF Pmts.	38,814	43,300	43,300	49,000	13%	50,700
	Personal Services Total	308,599	320,800	318,200	341,500	6%	354,700
	Contractual Services						
	1001025940100 Telecommunications	25,540	12,000	15,000	11,400	(5%)	12,400
	1001025941100 Consulting Services		5,000				5,000
	1001025943700 Training	5,753	6,000	6,000	4,200	(30%)	4,200
	Vehicle Maintenance	1,579	1,400	1,600	1,500	7%	1,600
	1001025948500 Gen. Contract. Svcs.	162,629	214,000	190,000	130,000	(39%)	130,000
	Contractual Services Total	237,668	292,400	212,600	147,100	(50%)	153,200
	Commodities						
	1001025952000 Materials	17,245	17,200	17,200	17,100	(1%)	17,600
	Commodities Total	17,245	17,200	17,200	17,100	(1%)	17,600
	Operating Budget Total	563,512	630,400	548,000	505,700	(20%)	525,500
	Capital						
	1001025990400 Motor Equipment	300	300	300	300	0%	300
	1001025990800 Computer Equipment	115,300	202,200	31,100	139,400	(31%)	184,200
	Capital Budget Total	115,600	202,500	31,400	139,700	(31%)	184,500
	Information Tech. Total	679,112	832,900	579,400	645,400	(23%)	710,000

Ongoing Programs:

- Upgrade the City's web site to make it more interactive.
- Help develop a customer service system, online and locally in order to improve customer service.
- Manage and administer city WAN (Wide Area Network).
- Oversee the maintenance and security of the computer systems.
- Provide computer training for employees.
- Monitor the service and performance of the computer systems.
- Maintain the city network hardware and software according to the information technology plan and replacement policy.
- Evaluate and implement new technology, where appropriate.
- Ensure that all computer hardware and software additions and modifications are in conformance with the city information technology plan.
- Oversee compliance with the city's computer policy and procedures.

**ADMINISTRATION DEPARTMENT
ECONOMIC DEVELOPMENT**

	07/08	08/09	08/09 Estimated	09/10	Percent Change From Budget	10/11 Estimate
Personal Services	Actual	Budget	Actual	Budget		
1001027910000 Regular Salaries	101,117	104,300	104,300	108,500	4%	112,800
1001027921000 Insurance	9,612	11,200	8,400	10,700	(4%)	11,100
2066050949100 FICA & IMRF Pmts.	16,676	18,800	18,800	20,700	10%	21,300
Personal Services Total	127,405	134,300	131,500	139,900	4%	145,200
Contractual Services						
1001027940100 Telecommunications	891	1,200	1,200	900	(25%)	900
1001027943700 Training	2,931	4,000	4,000	2,800	(30%)	2,800
1001027943704 Conf - Mktg/Promotion:	3,485	5,900	3,200	3,300	(44%)	6,000
2041027943704 Conf - Mktg/Promotion:	278	17,000	1,100			
1001027947200 Postal Charges		500	200	200	(60%)	200
1001027947400 Membership Dues	1,519	3,000	3,000	3,200	7%	3,200
1001027948504 Marketing Promotions	1,320	20,000	2,500	5,000	(75%)	7,000
1001027948500 Gen. Contract. Svcs.	202	5,000	500			
2041027948500 Gen. Contract. Svcs.	41,402	100,000	265,000	45,500	(55%)	45,500
Contractual Services Total	52,028	156,600	280,700	60,900	(61%)	65,600
Commodities						
1001027952000 Materials	63	2,000	400	900	(55%)	900
2041027952000 Materials		5,000		5,000	0%	5,000
Commodities Total	63	7,000	400	5,900	(16%)	5,900
Operating Budget Total	179,496	297,900	412,600	206,700	(31%)	216,700
Debt Service						
3066110981000 Bond Prin. & Int.		321,100	321,100	321,100	0%	321,100
xxx6110983000 Bond Prin. & Int.		1,103,300	1,103,300	1,103,300	0%	1,103,300
Debt Service Total	-	1,424,400	1,424,400	1,424,400	0%	1,424,400
Economic Development Total	179,496	1,722,300	1,837,000	1,631,100	(5%)	1,641,100

09/10 -
Electricity in
Uptown TIF
Garage
Uptown TIF
Expense - Started
in FY 08/09.

Debt Service:
09/10: \$321,100
for series 2005A
and \$1,103,300
for series 2006 A
& B (funds 308 &
309. See pages
296 - 299.

Ongoing Programs:

- Continue with the façade improvement program.
- Act as the City's liaison to the Chamber of Commerce, Chicago Metropolitan Area Planning Organization (CMAP), Lambda Alpha, PROUD, and South Park Association.
- Coordinate Familiarization Tour with local Partners.
- Continue and expand business development retention program.
- Maintain an up-to-date database of available space in Park Ridge.

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COMMUNITY AND CIVIC SERVICES DEPARTMENT***Departmental Page References***

Program	Page Number
Community Support	113
Noise Abatement	114
Transportation	115

MISSION STATEMENT

The overall mission of the Cultural and Civic Services program is to provide educational and recreational services reflective of the needs and desires of the citizens of Park Ridge.

Community Support: To assure that youth and adult citizens of Park Ridge have adequate services and activities, to assist in providing an annual summer concert series and to assist in providing a facility to learn about the history of the community.

Noise Abatement: To control excessive airplane noise thereby enabling residents to fully enjoy the community.

Transportation: To provide public transportation alternatives for all citizens and to provide subsidized personal transportation for senior citizens.

COMMUNITY AND CIVIC SERVICES

COMMUNITY AND CIVIC SERVICES STAFF

	08/09	09/10	10/11
<i>By Position:</i>	<i>FTE</i>	<i>FTE</i>	<i>FTE</i>
Social Worker	0.10	0.10	0.10
Community Service Officer	0.10	0.10	0.10
Total Community & Civic Services	0.20	0.20	0.20

Salary Expense:

Regular salaries for Community Services are expected to equal \$10,700 for fiscal year 2009/10.

Staffing Changes:

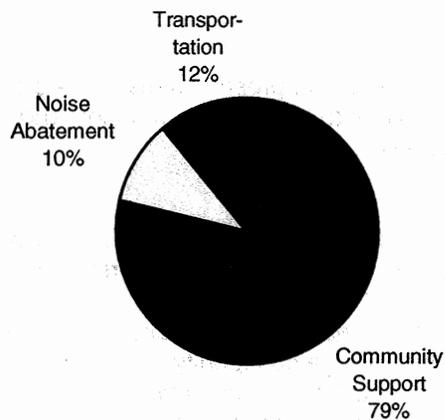
Total full-time equivalents will remain the same.

COMMUNITY AND CIVIC SERVICES DEPARTMENT

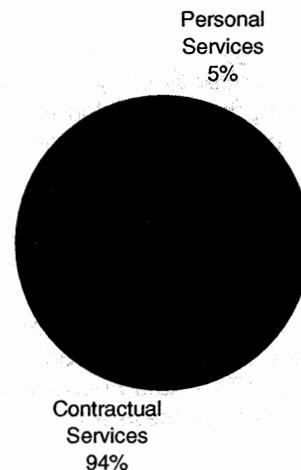
BUDGET SUMMARY

NOTES	07/08	08/09	08/09	09/10	Percent	10/11	
	Actual	Budget	Estimated	Budget	Change From Budget	Estimate	
Overview: The 09/10 budget for Community and Civic Services is \$246,000. This is less than 1% of the total City budget and a 7% decrease from the previous year.	PROGRAMS						
	Community Support	241,650	235,100	224,800	193,400	-18%	193,700
	Noise Abatement	-	-	-	25,000	0%	-
	Transportation	32,346	30,800	28,400	27,600	-10%	28,100
	Programs Total	273,996	265,900	253,200	246,000	-7%	221,800
	EXPENDITURE CLASSIFICATION						
	Personal Services *	17,927	13,900	13,900	13,900	0%	14,700
	Contractual Services	256,069	252,000	239,300	232,100	-8%	207,100
	Commodities	-	-	-	-	-	-
	Fixed Assets	-	-	-	-	-	-
	Operating Budget Total	273,996	265,900	253,200	246,000	-7%	221,800
	Debt Service	-	-	-	-	-	-
	Capital Budget	-	-	-	-	-	-
	Expenditure Total	273,996	265,900	253,200	246,000	-7%	221,800
	SOURCE OF FUNDS						
General Fund	271,696	264,000	251,300	243,900	-8%	219,600	
Ill. Mun. Retirement Fund	2,300	1,900	1,900	2,100	11%	2,200	
Source of Funds Total	273,996	265,900	253,200	246,000	-7%	221,800	
* Regular Salaries	14,582	10,900	11,100	10,700	-2%	11,400	
Other Personal Services	3,345	3,000	2,800	3,200	7%	3,300	

**PROGRAMS
09/10 BUDGET**



**EXPENDITURE CLASSIFICATION
09/10 BUDGET**



COMMUNITY AND CIVIC SERVICES DEPARTMENT

OVERALL ACCOMPLISHMENTS AND OBJECTIVES

GENERAL SUMMARY

GOAL – To support various civic, cultural and social service activities within Park Ridge.

To accomplish this goal, funding is provided to the following organizations:

Concerts:

Civic Orchestra: The Park Ridge Civic Orchestra conducts five classical music concerts at the Pickwick Theatre each season. The concerts acquaint patrons with the great composers and present them in a local venue.

Fine Arts Society: The Park Ridge Fine Arts Society holds summer concerts scheduled weekly beginning the last Friday in June. The programs cover the entire musical gamut including a big band sound, jazz, opera, Viennese waltz, and Broadway show tunes.

Youth Services:

Teen Center: The Teen Center provides a positive and unstructured recreation experience for youth, while at the same time putting very clear limits on their behavior.

Youth Commission: The Youth Commission provides a forum for public discussion of topics related to youth activities; recommends appropriate action to elected officials for services and activities relating to youth; acts as an ombudsman for youth; and facilitates the coordination of various youth groups.

Maine Center for Mental Health: Behavioral health center offering mental health and substance abuse services.

Adult Services:

Center of Concern: The Center is a non-profit, multi-purpose social service agency that assists those in crisis and follow up with beneficial services.

Park Ridge Senior Center: This seven days a week drop in Center provides a variety of activities and services for older adults in the Park Ridge area. The Center provides social, recreational and educational opportunities, encourages volunteer participation, addresses matters of personal health and wellbeing, and offers social service assistance.

Rainbow Hospice: Rainbow Hospice enables people to live with dignity and hope while coping with loss and the end of life.

Meals on Wheels: This organization delivers meals to elderly and disabled persons who are unable to prepare their own meals.

Historical Services:

Park Ridge Historical Society: The Park Ridge Historical Society collects and preserves materials and relics of history concerning the Park Ridge area, disseminates and provides access to historical information and promotes knowledge and pride in the accomplishments and heritage of our citizens.

Cultural Arts:

Brickton Gallery and Art Center: The mission of the Brickton Gallery and Art Center is to support and enhance art education, art appreciation and opportunities for artistic expression in the community, thereby enriching the quality of life in the community.

Cultural Arts Council: The Cultural Arts Council's mission is to serve as a creative resource for the active promotion, coordination and support of cultural arts activities for the Park Ridge community.

Kalo Foundation: The Kalo Foundation sponsors educational seminars, exhibits, tours, publications, and special events to increase awareness and appreciation of the arts and crafts created in Park Ridge.

**COMMUNITY AND CIVIC SERVICES DEPARTMENT
COMMUNITY SUPPORT**

<u>NOTES</u>		07/08	08/09	08/09	09/10	Percent	10/11
		Actual	Budget	Estimated	Budget	Change From Budget	Estimate
Youth Services: 08/09: Maine Center for Mental Health new recipient organization.	Personal Services						
	1001041910000 Regular Salaries	4,466	5,200	4,600	5,300	2%	5,500
	2066050949100 FICA & IMRF Pmts.	767	900	900	1,000	11%	1,100
	Personal Services Total	5,233	6,100	5,500	6,300	3%	6,600
Cultural Arts: 08/09: Kalo Foundation new recipient organization.	Contractual Services						
	1001041945200 Real Property Rental	23,646		(6,700)			
	1001041946100 Concerts	30,000	30,000	30,000	25,600	-15%	25,600
	1001041948600 Youth Services	32,793	47,500	47,500	32,700	-31%	32,700
	1001041948700 Adult Services	115,500	115,500	115,500	100,700	-13%	100,700
	1001041948800 Historical Services	10,000	10,000	10,000	8,500	-15%	8,500
	1001041948801 Cultural Arts	24,478	23,000	23,000	19,600	-15%	19,600
	1001041948802 Special Events		3,000				
	Contractual Services Total	236,417	229,000	219,300	187,100	-18%	187,100
	Operating Budget Total	241,650	235,100	224,800	193,400	-18%	193,700
	Community Services Total	241,650	235,100	224,800	193,400	-18%	193,700

<u>Account</u>	<u>Organization</u>	<u>Amount</u>
Concerts	Fine Arts Society	\$12,800
Concerts	Civic Orchestra	\$12,800
Youth Services	Teen Center	\$21,300
Youth Services	Youth Commission	\$ 5,000
Youth Services	Maine Center for Mental Health	\$ 6,400
Adult Services	Senior Center	\$34,000
Adult Services	Center of Concern	\$55,600
Adult Services	Rainbow Hospice	\$ 4,300
Adult Services	Meals on Wheels	\$ 6,800
Historical Services	Historical Society	\$ 8,500
Cultural Arts	Cultural Arts Council	\$ 4,700
Cultural Arts	Kalo Foundation	\$ 4,300
Cultural Arts	Brickton Arts Center	\$10,600

**COMMUNITY AND CIVIC SERVICES DEPARTMENT
NOISE ABATEMENT**

NOTES		07/08	08/09	08/09	09/10	Percent	10/11
		Actual	Budget	Estimated Actual	Budget	Change From Budget	Estimate
This is a reinstatement of a former program. \$25,000 is to rent noise monitors.	Contractual Services						
	1001042948500 Gen. Contract. Svcs.	-	-	-	25,000	0%	-
	Contractual Services Total	-	-	-	25,000	0%	-
	Operating Budget Total	-	-	-	25,000	0%	-
	Noise Abatement Total	-	-	-	25,000	0%	-

**COMMUNITY AND CIVIC SERVICES DEPARTMENT
TRANSPORTATION**

NOTES			07/08	08/09	08/09	09/10	Percent	10/11
			Actual	Budget	Estimated	Budget	Change From Budget	Estimate
Regular Salaries: 08/09: Different employee assigned to these duties.	Personal Services							
	1001044910000	Regular Salaries	10,116	5,700	6,500	5,400	-5%	5,900
	1001044921000	Insurance	1,045	1,100	900	1,100	0%	1,100
	2066050949100	FICA & IMRF Pmts	1,533	1,000	1,000	1,100	10%	1,100
	Personal Services Total		12,694	7,800	8,400	7,600	-3%	8,100
	Contractual Services							
	1001044945400	Taxi Subsidy	19,652	23,000	20,000	20,000	-13%	20,000
	Contractual Services Total		19,652	23,000	20,000	20,000	-13%	20,000
	Operating Budget Total		32,346	30,800	28,400	27,600	-10%	28,100
	Transportation Total		32,346	30,800	28,400	27,600	-10%	28,100
Ongoing Program:								
<ul style="list-style-type: none"> A City taxi subsidy of \$1.50 per ride is offered through the local taxicab company for all disabled residents and senior citizens. Taxi subsidy excludes rides to airports. 								

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COMMUNITY PRESERVATION & DEVELOPMENT

Departmental Page References

Program	Page Number
CPD Administration	124
Planning	125
Zoning	126
Building	127
Environmental Health	128

MISSION STATEMENT

The overall mission of the Community Preservation and Development department is to preserve and develop the physical and economic environment of the City, so as to enhance its character as an attractive, well-planned, and high quality residential community.

Administration: To oversee the various functions within the Community Preservation and Development Department so as to preserve and enhance the character of the City.

Planning: To preserve and enhance the character of the City through the maintenance and administration of the Comprehensive Plan. To prepare planning studies. To evaluate development proposals to ensure conformance with City standards. To enhance the local business environment consistent with maintaining the economic and fiscal vitality of the City.

Zoning: To ensure compliance with the City's Zoning Ordinance in order to control the use of land and maintain community development standards. To continue to administer the property transfer program.

Building: To ensure compliance with the Building Code, in order to maintain quality construction, ensure building safety and improve property values.

Environmental Health: To protect and maintain the health, safety, comfort and well-being of the City's residents, workers and visitors by maintaining environmental quality in Park Ridge. To prevent disease and injury from the operation of businesses and institutions, and from the use of the products and services provided by these entities.

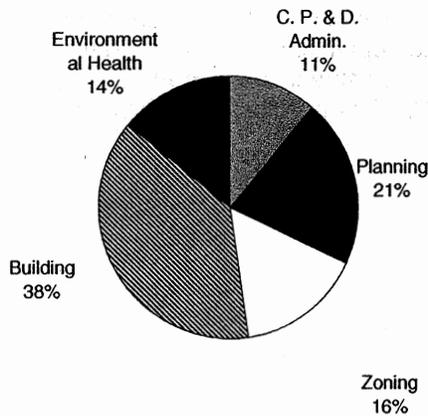
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COMMUNITY PRESERVATION & DEVELOPMENT

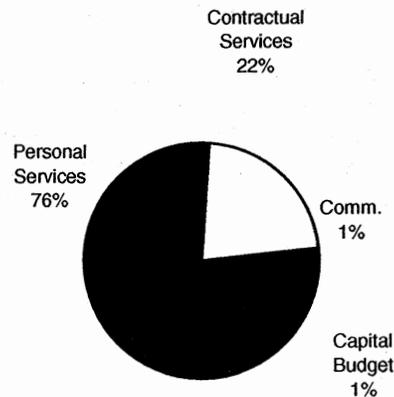
BUDGET SUMMARY

NOTES	07/08	08/09	08/09	09/10	Percent	10/11
	Actual	Budget	Estimated	Budget	Change From Budget	Estimate
Overview:						
The 2009/10 budget for Community Preservation and Development is \$1,543,200. This represents 3% of the total City budget and a 9% decrease from last year's budget.						
The Community Preservation and Development budget was reorganized in the 2009/10 fiscal year to simplify the budget.						
PROGRAMS						
C. P. & D. Admin.	190,048	180,800	156,300	170,800	-6%	212,600
Planning	678,849	437,400	342,500	323,900	-26%	379,600
Zoning	228,719	243,200	233,900	242,800	0%	257,400
Building	616,034	563,500	547,900	587,200	4%	637,200
Environmental Health	245,127	264,800	267,000	218,500	-17%	236,700
Programs Total	1,958,777	1,689,700	1,547,600	1,543,200	-9%	1,723,500
EXPENDITURE CLASSIFICATION						
Personal Services *	1,277,054	1,247,100	1,146,500	1,173,100	-6%	1,268,100
Contractual Services	623,398	383,200	353,400	342,600	-11%	426,200
Commodities	16,168	18,200	16,400	16,700	-8%	18,300
Fixed Assets	-	-	-	-	-	-
Operating Budget Total	1,916,620	1,648,500	1,516,300	1,532,400	-7%	1,712,600
Debt Service	-	-	-	-	-	-
Capital Budget	42,157	41,200	31,300	10,800	-74%	10,900
Expenditure Total	1,958,777	1,689,700	1,547,600	1,543,200	-9%	1,723,500
SOURCE OF FUNDS						
General Fund	1,568,097	1,525,300	1,383,200	1,374,100	-10%	1,543,600
Uptown TIF Fund	224,597	-	-	-	-	-
Ill. Mun. Retirement Fund	166,083	164,400	164,400	169,100	3%	179,900
Source of Funds Total	1,958,777	1,689,700	1,547,600	1,543,200	-9%	1,723,500
* Regular Salaries	952,308	898,100	850,000	842,800	-6%	920,200
Other Personal Services	324,746	349,000	296,500	330,300	-5%	347,900

**PROGRAMS
09/10 BUDGET**



**EXPENDITURE CLASSIFICATION
09/10 BUDGET**



COMMUNITY PRESERVATION & DEVELOPMENT**COMMUNITY PRESERVATION & DEVELOPMENT STAFF**

	08/09	09/10	10/11
<i>By Position:</i>	<i>FTE</i>	<i>FTE</i>	<i>FTE</i>
CPD Director	1.00	1.00	1.00
Assistant CPD Director	1.00		
Building Coordinator	1.00	1.00	1.00
Plans Examiner/Building Inspector	1.00	1.00	1.00
Plans Examiner/Electrical Inspector	1.00	1.00	1.00
Plans Examiner/Engineering Tech	1.00	1.00	1.00
Plans Examiner/Plumbing Inspector	1.00	1.00	1.00
Environmental Health Officers	2.00	2.00	2.00
Planner	1.00	1.00	1.00
Zoning Coordinator	1.00	1.00	1.00
Zoning Enforcement Officer	1.00	1.00	1.00
Administrative Assistants	3.00	3.00	3.00
Total Community Development	15.00	14.00	14.00

Salary Expense:

Regular salaries in the Community Preservation and Development department are expected to total \$842,800 for fiscal year 2009/10.

Staffing Changes:

When the early retirement program was implemented in fiscal year 2007/08, the Director of Community Preservation and Development and the Assistant Director of Community Preservation and Development retired. The Senior Planner was promoted to Assistant Director of Community Preservation and Development. A new Planner was hired. The Plans Examiner/Building Inspector retired and was replaced by another full-time Building Inspector. The Plans Examiner/Plumbing Inspector also retired. A replacement was hired as a part-time employee, but later promoted to a full-time employee in fiscal year 2008/09. The position of Assistant Director of Community Preservation and Development was eliminated.

Performance Measurements

Mission: Preserve and develop the physical and economic environment of the City, so as to enhance its character as an attractive, well-planned, and high quality residential community.

Objectives: Decrease time to process permits.
Respond to complaints within 24 hours.
Increase number of inspections.

	2005	2006	2007	2008	2009 est.
<u>Output Measures (Calendar Year):</u>					
<i>Planning:</i>					
Special Uses	4	6	3	3	3
Text Amendments	2	1	1	3	2
Map Amendments	3	1	1	2	2
Site Plan Reviews				6	6
Master Sign Plan Reviews				5	6
Subdivisions				10	8
<i>Zoning:</i>					
Variances	16	22	14	31	30
Real Estate Transfers	1,413	1,278	1,117	987	800
<i>Building Code::</i>					
Building Permits Issued	2,912	3,000	2,574	2,484	2,000
Building Permit Inspections	9,909	12,085	9,764	9,398	9,000
<i>Environmental Health:</i>					
Residential Inspections	3,758	4,384	2,595	3,343	3,500
<i>Other:</i>					
Complaints	1,556	1,798	1,276	1,202	1,300
<u>Effectiveness Measures:</u>					
Amount of Time to Process Permits (avg. # days)	4.1	5.0	5.0	5.0	5.0
% of complaints responded to within 24 hours	95%	95%	95%	95%	95%
<u>Efficiency Measure:</u>					
Departmental budget per capita	\$173.59**	\$57.26	\$51.85	\$40.97	\$40.85

** 2005 includes debt repayment for Uptown property purchase and excludes economic development expenses.

Commentary

The figures above reflect several general trends. The number of real estate transfers decreased because of changes in the economy. The number of building permits issued and building inspections performed reflects a slow down in construction activity primarily because of changes in the housing market. Ongoing larger construction projects, such as those in Uptown Target Area 2 and Lutheran General Hospital, kept the number of permits and inspections higher. The number of Environmental Health inspections increased because of changes in restaurant inspection procedures and more property maintenance issues related to vacancies and foreclosures.

COMMUNITY PRESERVATION & DEVELOPMENT DEPARTMENT**OVERALL ACCOMPLISHMENTS AND OBJECTIVES****GENERAL SUMMARY**

GOAL for Planning - Preserve and enhance the character of the City through the administration of the Comprehensive Plan, preparation of planning studies, evaluation of development proposals, and enhancement of the business environment.

2008/09 Accomplishments:

- Hired a replacement for the previous city planner.
- Advised the Planning and Zoning Commission, Appearance Commission and City Council on various development proposals in the community.
- Prepared and completed the Higgins Road Corridor Plan, an amendment to the Comprehensive Plan.
- Completed several amendments to the Zoning Ordinance.
- Continued with the implementation of Uptown redevelopment, including streetscape improvements.
- Managed the Façade Improvement Program.
- Managed the City's Geographic Information Systems (GIS).
- Assisted with a historic preservation initiative.

2009/10 Objectives:

- Continue advising the Planning and Zoning Commission, Appearance Commission and City Council on various development proposals in the community.
- Begin implementation of the Higgins Road Corridor Plan, in accordance with the Strategic Plan.
- Continue with the implementation of Uptown redevelopment, including streetscape improvements, in accordance with the Strategic Plan.
- Consider additional amendments to the Zoning Ordinance.
- Continue managing the Façade Improvement Program.
- Continue managing the City's Geographic Information Systems (GIS).
- Continue developing a historic preservation initiative.

GOAL for Zoning - Ensure compliance with the Zoning Ordinance, in order to control the use of land and maintain community development standards, as well as continue to administer the property transfer program.

2008/09 Accomplishments:

- Advised the Zoning Board of Appeals regarding variance proposals in the community.
- Assisted with amendments to the Zoning Ordinance.
- Maintained the sign inventory project.
- Processed all property transfers within 5 business days.

2009/10 Objectives:

- Continue advising the Zoning Board of Appeals on variance proposals in the community.
- Continue assisting with amendments to the Zoning Ordinance.
- Continue maintaining the sign inventory project.
- Continue processing all property transfers within 5 business days.

COMMUNITY PRESERVATION & DEVELOPMENT DEPARTMENT
OVERALL ACCOMPLISHMENTS AND OBJECTIVES
GENERAL SUMMARY

GOAL for Building - Ensure compliance with the Building Code, in order to maintain quality construction and to improve property values.

2008/09 Accomplishments:

- Hired new building inspectors to replace those who retired.
- Provided training opportunities for new building inspectors.
- Amended the Building Code.
- Implemented a Certificate of Occupancy process for all new businesses.
- Updated informational forms and guides for construction projects.

2009/10 Objectives:

- Continue providing training opportunities for new building inspectors.
- Consider additional amendments to the Building Code.
- Continue making improvements to the Certificate of Occupancy process for all new businesses.
- Update informational forms and guides for construction projects based on changes to City codes.

GOAL for Environmental Health – Maintain the quality of residential neighborhoods through enforcement of the property maintenance and health codes and assure that businesses are sanitary, safe, and properly maintained.

2008/09 Accomplishments:

- Modified restaurant and special event inspection procedures to satisfy state codes.
- Conducted workshops and outreach efforts to educate the public regarding the modified procedures.
- Promoted the good sanitation honor roll for restaurant establishments.
- Implemented a new business license program.
- Participated in the Community Medicine training course at Resurrection Family Practice Center.
- Managed the monthly recycling program for expired medicines, medicinal needles and compact fluorescent lights.

2009/10 Objectives:

- Continue conducting workshops and outreach efforts to educate the public regarding inspection procedures.
- Promote the good sanitation honor roll for restaurant establishments.
- Continue implementing the business license program.
- Participate in the Community Medicine training course at Resurrection Family Practice Center.
- Continue managing the monthly recycling program for expired medicines, medicinal needles and compact fluorescent lights.

**COMMUNITY PRESERVATION & DEVELOPMENT
COMMUNITY PRESERVATION & DEVELOPMENT ADMINISTRATION**

<u>NOTES</u>					Percent	
	07/08	08/09	08/09	09/10	Change	10/11
	Actual	Budget	Estimated	Budget	From	Estimate
<u>Regular Salaries:</u> Asst. Director of CPD now charged entirely to Administration. 40% of salary used to be charged to Environ. Health.	Personal Services					
	109,455	95,000	85,700	94,300	-1%	115,700
	12,653	18,000	7,900	6,000	-67%	7,500
	11,493	13,400	10,100	12,800	-4%	13,200
	2,870	3,400	3,400	3,800	12%	4,000
	18,305	17,400	17,400	21,600	24%	22,800
	154,776	147,200	124,500	138,500	-6%	163,200
	Contractual Services					
<u>Extra Help:</u> Used for temporary help when administrative assistants are on vacation and for special project assistance.	15,030	14,500	14,500	14,500	0%	17,500
		600	400			
	5,289	1,800				13,000
	5,841	9,000	9,000	9,000	0%	9,000
	1,579	1,400	1,600	1,500	7%	1,600
	27,739	27,300	25,500	25,000	-8%	41,100
	Commodities					
<u>Gen. Contract. Svcs.:</u> Used for machine maintenance and, new line items for postage of contractor and business license renewal forms.	7,233	6,000	6,000	7,000	17%	8,000
	7,233	6,000	6,000	7,000	17%	8,000
	189,748	180,500	156,000	170,500	-6%	212,300
	Capital					
	300	300	300	300	0%	300
	300	300	300	300	0%	300
<u>Materials:</u> 09/10 – Includes cost of new color printer	190,048	180,800	156,300	170,800	-6%	212,600

Ongoing Programs:

- Manage the department and the various program areas to achieve the objectives of the City.
- Encourage new approaches to departmental processes to better serve customers.

**COMMUNITY PRESERVATION & DEVELOPMENT
PLANNING**

	07/08	08/09	08/09	09/10	Percent	
	Actual	Budget	Estimated Actual	Budget	Change From Budget	10/11 Estimate
Personal Services						
1004012910000 Regular Salaries	157,137	154,200	90,300	104,400	-32%	109,900
1004012921000 Insurance	24,658	29,100	21,600	21,400	-26%	22,100
2066050949100 FICA & IMRF Pmts.	30,667	28,100	28,100	20,300	-28%	21,100
Personal Services Total	212,462	211,400	140,000	146,100	-31%	153,100
Contractual Services						
2044063942500 Special Counsel	3,548					
2044063948500 Gen. Contract. Svcs.	221,049					
1004012947400 Membership Dues	1,811	6,100	3,000	3,000	-51%	3,000
1004012943700 Training	639	3,000	3,000	3,000	0%	3,000
1004012941100 Consulting Services	48,690	40,000	40,000	10,000	-75%	50,000
1004012948500 Gen. Contract. Svcs.	116,115	132,500	130,000	156,000	18%	164,600
1004012948500 Gen. K Sv.-Façade	42,652					
1006030949506 Contingencies		8,000				
Contractual Services Total	434,504	189,600	176,000	172,000	-9%	220,600
Commodities						
1004012952000 Materials	1,126	2,500	2,500	2,300	-8%	2,300
Commodities Total	1,126	2,500	2,500	2,300	-8%	2,300
Operating Budget Total	648,092	403,500	318,500	320,400	-21%	376,000
Capital						
1004012990100 Geographic Info. Sys.	25,457	30,000	24,000			
1004012990800 Computer Equipment	5,300	3,900		3,500	-10%	3,600
Capital Budget Total	30,757	33,900	24,000	3,500	-90%	3,600
Planning Total	678,849	437,400	342,500	323,900	-26%	379,600

NOTES
 Uptown TIF Fd -
 Gen. Cont. Svcs.:
 Includes Target Area related expenses and façade improvement program funds.
 Membership Dues:
 Chicago Metropolitan Agency for Planning and American Planning Association memberships.
 Consulting Svcs.:
 FY 2009/10: Zoning Ordinance amendments.
 FY 2010/11: Includes \$40,000 for Higgins Plan implementation.
 Gen. Contract. Svcs.:
 GIS services, payments for arcade lease, and Reid lease.
 Gen. Cont. Svcs. -
 Façade: Façade improvement program outside Uptown TIF District.

Ongoing Programs:

- Finish Higgins Road Corridor Plan and adopt it as an amendment to the Comprehensive Plan.
- Coordinate management of Geographic Information Systems.
- Continue with the implementation of the Uptown Plan, including streetscape improvements.
- Collect, analyze and disseminate demographic and related data regarding the City.
- Prepare for 2010 Census.
- Provide staff review of subdivisions, zoning map and text amendments, special uses, planned developments and site plan reviews.
- Provide staff support to Planning and Zoning Commission and Appearance Commission.
- Conduct plan reviews for building permits.
- Manage the façade improvement program.

COMMUNITY PRESERVATION & DEVELOPMENT

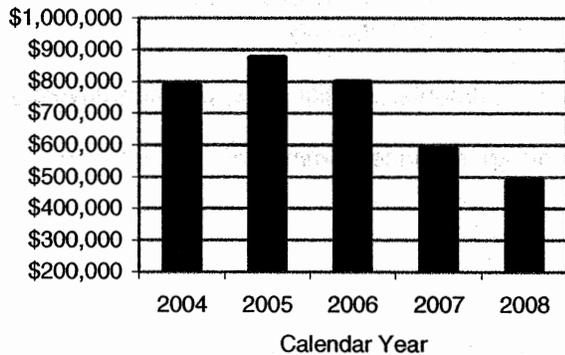
ZONING

NOTES	07/08		08/09		09/10		Percent Change From Budget	
	Actual	Budget	Actual	Estimated	Budget	Estimate	10/11	
Personal Services								
1004022910000	Regular Salaries	161,329	165,300	166,200	168,000		2%	178,700
1004022915200	Overtime		3,000					
1004022921000	Insurance	23,822	28,000	20,800	26,800		-4%	27,700
2066050949100	FICA & IMRF Pmts.	27,409	30,500	30,500	33,000		8%	35,400
Personal Services Total		212,560	226,800	217,500	227,800		0%	241,800
Contractual Services								
1004022943700	Training		1,500	500	-			-
1004022948500	Gen. Contract. Svcs.	752	1,000	500	500		-50%	500
	Vehicle Maintenance	12,407	10,800	12,400	11,500		6%	12,000
Contractual Services Total		13,159	13,300	13,400	12,000		-10%	12,500
Commodities								
1004022952000	Materials		1,000	900	900		-10%	1,000
Commodities Total		-	1,000	900	900		-10%	1,000
Operating Budget Total		225,719	241,100	231,800	240,700		0%	255,300
Capital								
1004022990400	Motor Equipment	3,000	2,100	2,100	2,100		0%	2,100
Capital Budget Total		3,000	2,100	2,100	2,100		0%	2,100
Zoning Total		228,719	243,200	233,900	242,800		0%	257,400

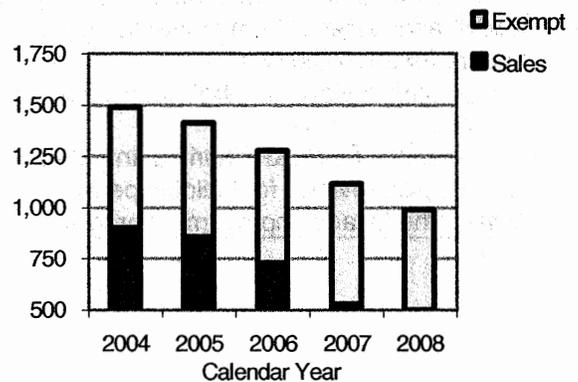
Ongoing Programs:

- Provide staff support to Zoning Board of Appeals.
- Issues zoning certificates and inspects properties for zoning compliance.
- Administer property transfer program.
- Correct violations of Zoning Ordinance.
- Manage the sign inventory program.

Property Transfer Tax Revenues



No. of Real Estate Transfers



**COMMUNITY PRESERVATION & DEVELOPMENT
BUILDING**

	07/08	08/09	08/09	09/10	Percent	10/11
	Actual	Budget	Estimated	Budget	Change From Budget	Estimate
Personal Services						
1004031910000 Regular Salaries	361,948	314,300	327,800	340,700	8%	367,600
1004031915200 Overtime		2,000	100	1,000	-50%	1,000
1004031921000 Insurance	55,375	53,700	44,100	62,100	16%	64,300
2066050949100 FICA & IMRF Pmts.	60,664	57,400	57,400	68,100	19%	72,000
Personal Services Total	477,987	427,400	429,400	471,900	10%	504,900
Contractual Services						
1004031942400 Archiving	3,719	14,200	13,500	14,000	-1%	14,000
1004031943700 Training	2,628	3,200	3,200	4,000	25%	4,000
1004031948500 Gen. Contract. Svcs.	107,471	97,000	80,000	77,000	-21%	93,000
Vehicle Maintenance	14,099	12,200	14,000	13,000	7%	13,500
Contractual Services Total	127,917	126,600	110,700	108,000	-15%	124,500
Commodities						
1004031952000 Materials	5,330	6,200	4,500	4,000	-35%	4,500
Commodities Total	5,330	6,200	4,500	4,000	-35%	4,500
Operating Budget Total	611,234	560,200	544,600	583,900	4%	633,900
Capital						
1004031990400 Motor Equipment	4,800	3,300	3,300	3,300	0%	3,300
Capital Budget Total	4,800	3,300	3,300	3,300	0%	3,300
Building Code Enforce. Total	616,034	563,500	547,900	587,200	4%	637,200

NOTES

Overtime:

Used for processing building permits in a timely manner.

Archiving:

Used for records (building permits, and zoning and appearance commission cases) storage. Moving to a digital system.

Training:

Increased costs for new employees.

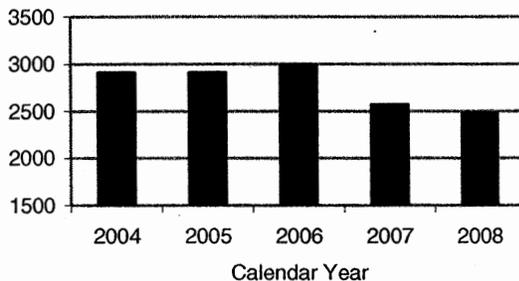
Gen. Contract Services:

Includes payments for membership fees, elevator inspections, fire suppression plan reviews, building permit computer software maintenance, and outsourcing plan review for commercial structures. Applicants reimburse costs.

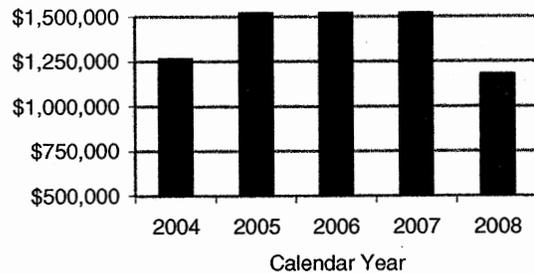
Ongoing Programs:

- Review and issue building permits.
- Inspect construction projects for Building Code compliance.
- Enforcement of Building Code violations.
- Inspect all elevators in the City.
- Coordinate fire suppression reviews.
- Provide staff support to the Electrical Commission.

Building Permits Issued



Building Permit Fees Collected



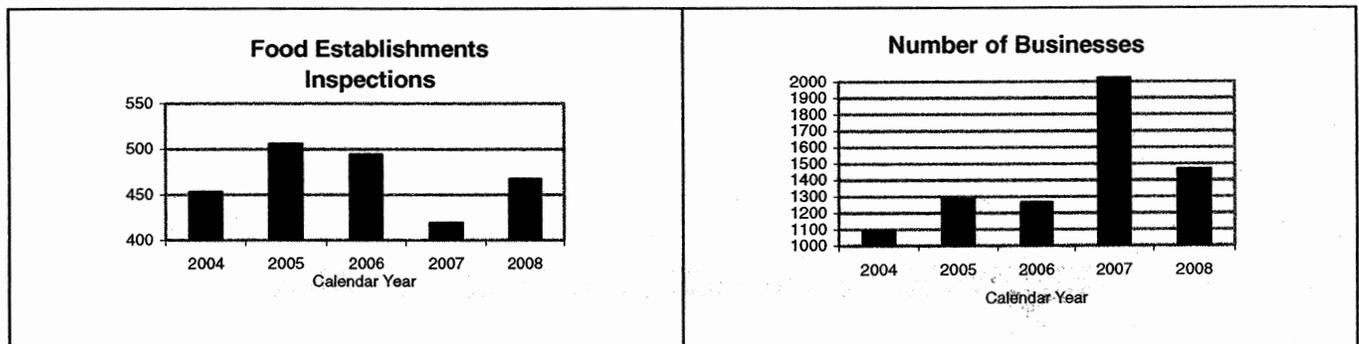
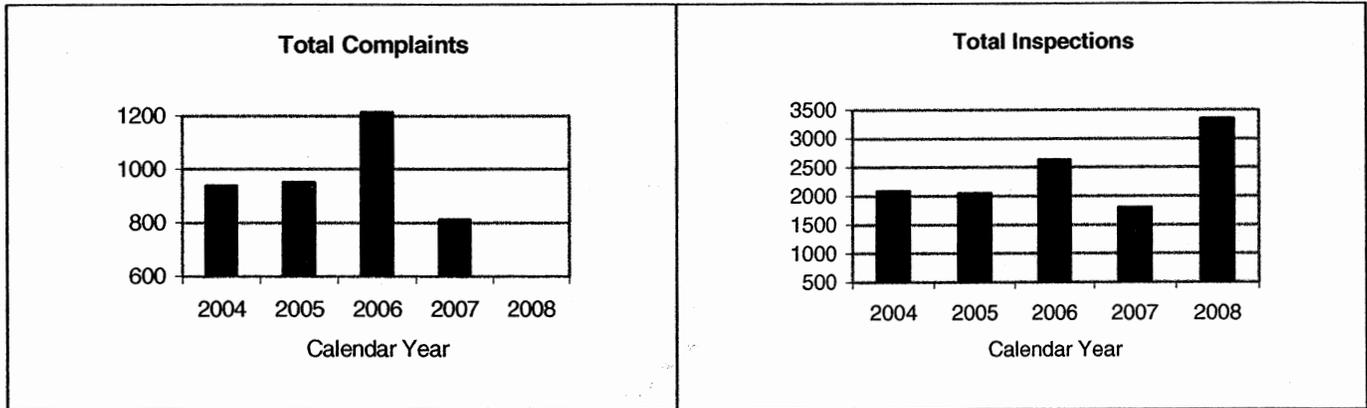
**COMMUNITY PRESERVATION & DEVELOPMENT
ENVIRONMENTAL HEALTH**

NOTES			07/08	08/09	08/09	09/10	Percent	10/11
			Actual	Budget	Estimated	Budget	Change From Budget	Estimate
Overtime: Used for health inspections at special events.	Personal Services							
	1004051910000	Regular Salaries	162,439	169,300	180,000	135,400	-20%	148,300
	1004051915200	Overtime		1,500		500	-67%	500
	1004051921000	Insurance	27,792	32,500	24,100	26,800	-18%	27,700
Pest Control: City will no longer remove animals from residential property.	2066050949100	FICA & IMRF Pmts.	29,038	31,000	31,000	26,100	-16%	28,600
	Personal Services Total		219,269	234,300	235,100	188,800	-19%	205,100
	Contractual Services							
	1004051943700	Training	773	1,000	1,000	1,300	30%	1,000
Gen. Contract Svcs.: Includes licenses, memberships, business license maintenance, and increased services to maintain vacant properties.	1004051948100	Pest Control	5,985	10,000	10,000	5,000	-50%	5,000
	1004051948500	Gen. Contract. Svcs.	6,555	9,500	10,000	13,000	37%	15,000
		Vehicle Maintenance	6,766	5,900	6,800	6,300	7%	6,500
	Contractual Services Total		20,079	26,400	27,800	25,600	-3%	27,500
Materials: Includes increased costs related to the business license program.	Commodities							
	1004051952000	Materials	2,479	2,500	2,500	2,500	0%	2,500
	Commodities Total		2,479	2,500	2,500	2,500	0%	2,500
	Operating Budget Total		241,827	263,200	265,400	216,900	-18%	235,100
	Capital							
	1004051990400	Motor Equipment	3,300	1,600	1,600	1,600	0%	1,600
	Capital Budget Total		3,300	1,600	1,600	1,600	0%	1,600
	Env. Health . Total		245,127	264,800	267,000	218,500	-17%	236,700

Ongoing Programs:

- Residential and business environmental health code enforcement, property maintenance code enforcement, and environmental health maintenance activities including:
 - Control of pests, such as mosquitoes, flies, rodents, birds, raccoons, opossums, and skunks.
 - Inspection of sewage disposal systems.
 - Consultation on radon, asbestos, lead and other environmental concerns.
 - Code enforcement related to noise, animals, weeds, litter, refuse and other nuisances.
 - Inspection of spas and public swimming pools.
- Systematic inspection of food establishments, day care centers, massage establishments, laundries, barber shops, beauty salons for enforcement of federal, state and local regulations.
- Follow-up of complaints pertaining to environmental health and nuisance matters.
- Management of the City's business license program.

COMMUNITY PRESERVATION & DEVELOPMENT
ENVIRONMENTAL HEALTH



There are 111 food service establishments in Park Ridge. Staff inspected these facilities 453 times during the past year.

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FINANCE DEPARTMENT

Departmental Page References

Program	Page Number
Finance Administration	138
Accounting	139
Collections	140
Purchasing	141

MISSION STATEMENT

The overall mission of the Finance Department is to provide a comprehensive, timely, and responsive fiscal management system to reflect past, current and future financial conditions. The missions of the programs within Finance are:

Administration: To oversee the various functions within the Finance Department as well as provide a financial system that preserves and enhances the financial condition of the City.

Accounting: To create, implement and maintain adequate and effective accounting and financial reports.

Collections: To collect all funds due to the City in an efficient and courteous manner.

Purchasing: To obtain goods and services required by City departments in an efficient and economic manner.

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FINANCE DEPARTMENT

BUDGET SUMMARY

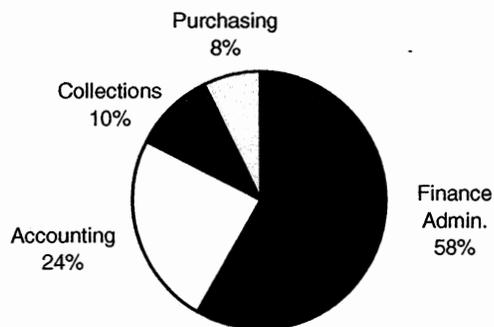
NOTES

Overview:
The 2009/10 budget for the Finance Department is \$1,721,500. This represents 3% of the total City budget and an 9% increase from last year's budget.

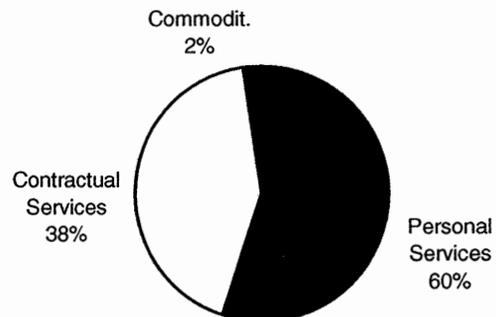
The increase is due to general liability insurance claims and software fees (formerly budgeted in Information Technology).

	07/08	08/09	08/09 Estimated	09/10	Percent Change From Budget	10/11 Estimate
PROGRAMS	Actual	Budget	Actual	Budget		
Finance Administration	962,344	871,000	1,009,700	1,005,200	15%	1,053,500
Accounting	403,204	428,200	375,000	415,700	-3%	430,600
Collections	131,487	161,500	155,600	177,300	10%	187,100
Purchasing	113,733	122,000	117,000	123,300	1%	129,300
Programs Total	1,610,768	1,582,700	1,657,300	1,721,500	9%	1,800,500
EXPENDITURE CLASSIFICATION						
Personal Services *	909,393	955,200	894,400	945,900	-1%	1,007,900
Contractual Services	676,311	585,300	740,100	735,400	26%	752,100
Commodities	24,764	41,900	22,500	39,900	-5%	40,200
Fixed Assets	-	-	-	-		-
Operating Budget Total	1,610,468	1,582,400	1,657,000	1,721,200	9%	1,800,200
Debt Service	-	-	-	-		-
Capital Budget	300	300	300	300	0%	300
Expenditure Total	1,610,768	1,582,700	1,657,300	1,721,500	9%	1,800,500
SOURCE OF FUNDS						
General Fund	1,498,735	1,458,700	1,533,300	1,585,600	9%	1,660,500
Ill. Mun. Retirement Fund	112,033	124,000	124,000	135,900	10%	140,000
Source of Funds Total	1,610,768	1,582,700	1,657,300	1,721,500	9%	1,800,500
* Regular Salaries						
	678,689	690,400	665,400	685,100	-1%	738,000
Other Personal Services						
	230,704	264,800	229,000	260,800	-2%	269,900

**PROGRAMS
09/10 BUDGET**



**EXPENDITURE CLASSIFICATION
09/10 BUDGET**



FINANCE DEPARTMENT
FINANCE DEPARTMENT STAFF

	08/09	09/10	10/11
<i>By Position:</i>	<i>FTE</i>	<i>FTE</i>	<i>FTE</i>
Finance Director	1.00	1.00	1.00
Assistant Finance Director	1.00	1.00	1.00
Accountant	1.00	1.00	1.00
Payroll Technician	1.00	1.00	1.00
Purchasing Agent	1.00	1.00	1.00
Fiscal Tech II	3.00	3.00	3.00
Fiscal Tech I	0.75	0.75	0.75
Administrative Assistant	1.00	1.00	1.00
Customer Service Representatives	2.00	2.00	2.00
General Help - Part Time	0.30		
<i>Total Employees</i>	12.05	11.75	11.75
<i>Total Finance Department</i>	12.05	11.75	11.75

Salary Expense:

Regular salaries in the Finance department are expected to equal \$685,100 in fiscal year 2009/10.

Staffing Changes:

Finance voluntarily eliminated the part-time general help position.

Performance Measurements

Mission: Provide a comprehensive, accurate, and timely fiscal management system.

Objectives: To maximize revenues and minimize costs wherever possible.

	2005/06	2006/07	2007/08	2008/09	2009/10 est.
Output Measures:					
No. of Water Bills Issued	74,544	74,570	74,500	74,525	74,575
No. of Vehicle Licenses Issued	31,800	31,800	31,800	31,800	31,800
No. of Invoices Paid	8,988	8,581	8,134	8,900	8,600
No. Purchase Orders Processed	2,167	2,396	2,398	2,200	2,185
No. of Misc. Invoices Billed	810	1,500	1,347	1,114	1,200
Efficiency Measures:					
Total Spent on City GL, Prop, & Auto Insurance	\$601,387	\$630,600	\$502,400	\$540,200	\$580,700
% of Invoices pd where depts. did not initiate proper paperwork	1,494 (17%)	1,392 (16%)	1,406 (16%)	1,400 (16%)	1,565(19%)
No. Misc. Invoices Sent to Collect.	35	30	20	36	40
Debt	\$32,685,000	\$48,910,000	\$46,655,000	\$43,970,000	\$41,065,000
Equalized Assessed Valuation	\$1,406,982,66	\$1,502,128,908	\$1,528,372,764	\$1,852,758,740	\$1,889,813,915est
Percent of Debt to EAV	2.32%	3.26%	3.05%	2.50%	2.10%
Employer IMRF Contribution Rate	9.13%	10%	9.96%	9.49%	10.67%
Employer Fire Pension Contrib Rate	3.0%	4.9%	16% or 19.8%	17.5%	27%
Employer Police Pension Contrib Rate	18.1%	19.6%	20.3%	20.3%	28%
No. of Bid Openings	15	14	10	22	24
Efficiency Measure:					
Departmental budget per capita	\$36.21	\$40.75	\$42.64	\$43.87	\$45.57

* Sales tax includes home rule sales tax. The home rule sales tax rate was increased to 1% from .75% on July 1, 2006.

Commentary

Staff spends a significant amount of time balancing the cash needs of the city. The twelve funds related to the operation of the Uptown TIF often require cash in advance of receipt of property tax increment. All alley special service areas are fully funded by the city five to seven years in advance of receiving all receipts. The E-911 and municipal waste funds continue to operate in a deficit position. Managing cash needs was challenging during the 2007/08 fiscal year because the receipt of fall property tax receipts was delayed due to difficulties in the State Legislature.

Customers are not reading their water meters; this causes many estimated water bills and frequent lengthy conversations with customers. Staff strongly recommends that future capital budget planning include the purchase and installation of an automatic water meter read system.

The single biggest financial challenge facing the City is how to fund rising pension costs given limited financial resources. The single largest general revenue source is the sales tax followed by the property tax and the income tax.

FINANCE DEPARTMENT**OVERALL ACCOMPLISHMENTS AND OBJECTIVES****GENERAL SUMMARY****GOAL – Improve services for external customers.****2008/09 Accomplishments:**

- Developed procedures to comply with Federal Identity Theft Prevention Requirements.
- Processed payments pursuant to agreements for the Uptown Tax Increment Financing District.
- Processed payments pursuant to economic incentive agreement for the Dempster Tax Increment Financing District.
- Served as chair of the HELP Claims Committee and on the HELP Board of Directors.

2009/10 Objectives:

- Process payments pursuant to economic incentive agreement for Dempster Tax Increment Financing District.
- Process payments pursuant to agreements for the Uptown Tax Increment Financing District.
- Implement Illinois Environmental Protection Agency mandated cross-connection and backflow inspection charge on water bills.

GOAL – Improve city and/or departmental operations.**2008/09 Accomplishments:**

- Completed fixed asset inventory. Cost was \$7,500.
- Obtained the best possible audit opinion that you can obtain. Received Certificate of Achievement for prior year's audit.
- Successfully upgraded Munis Financial software. Cost is part of annual maintenance. Faster processing time for utility billing is one of benefits.
- Processed approximately 2,000 purchase orders and 6,000 non purchase-order payments.
- Earned a Certificate of Achievement for the budget. For the past eight years, four of the city's budgets received special recognition.
- Completed the Dempster and Uptown TIF Reports.
- Documented internal controls and completed extensive questionnaires as part of Statement on Auditing Standards (SAS) 104 – 111.
- Tightened internal controls regarding wire transfers by expanding duties among more employees.
- Complied with GASB Statement No. 48, Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues.
- Passed Council Policy Statement No. 43, Settlement Authority for Claims Made Against the City.
- Approved Council Policy Statement No. 44, Identity Theft Policy and Prevention Program.

2009/10 Objectives:

- Learn and prepare for these GASB Statements that will be effective for the year ended April 30, 2009:
GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*.
GASB Statement No. 50, *Pension Disclosures*. GASB 50 aligns the financial reporting requirements for pensions with those for other postemployment benefits and enhances information disclosed in the notes to the financial statements or presented as required supplementary information in the Comprehensive Annual Financial Report.
- Learn and prepare for a GASB Statement that will be effective for the year ended April 30, 2011:
GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*.
GASB Statement No. 52, *Land and Other Real Estate Held as Investments by Endowments*.
GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Investments*.

FINANCE DEPARTMENT**OVERALL ACCOMPLISHMENTS AND OBJECTIVES****GENERAL SUMMARY****GOAL – Increase revenues and/or reduce expenses.****2008/09 Accomplishments:**

- Maintained compensating balance and fee arrangement with Chase Bank.
- Purchased the City's general liability and property coverage. Saved \$41,700 from last year and \$83,700 from budget when all coverage is combined.
- Accounted for the Uptown TIF. This required keeping track of expenses over six fiscal years and twelve different funds.
- Prepared tax levy. Reconciliations and abatements were made for series 2004, series 2005A, and series 2006A and 2006B. Prepared tax levies for 20 alley special service areas.
- Auctioned surplus equipment. Used on-line Internet auctions and achieved greater returns.
- Monitored city investments and cash flow shortages.
- Added Charter One Bank to list of authorized financial institutions.
- Added the Illinois Prime Fund to the list of investment options in an attempt to increase investment income.
- Modified the Municipal Code to improve water billing collections.
- Modified the Municipal Code so that deeds pursuant to a judicial sale are non-exempt from the city's real estate transfer tax.
- Used joint procurement contracts wherever possible to obtain office supplies, electronic goods, computer equipment, police cars, etc. This produces not only savings on the cost of the item, but also savings of the time and expense of obtaining bids and quotes.
- Assumed responsibility for managing city's general liability claims.
- Placed Public Works Service Center on Electric Franchise Agreement achieving \$70,000 annual savings and \$50,000 rebate.

2009/10 Objectives:

- If the City issues bonds for a police station, obtain best possible financing and recommend payment options.
- Negotiate with insurance brokers and insurers after they quote, plus look at structural changes, including higher specific self-insured retentions and foregoing all aggregate coverage, in an effort to control insurance cost for general liability and property coverage. Consider issuing a Request for Proposal for insurance coverage and/or Third Party Administrator (TPA).

GOAL – Improve services for internal customers.**2008/09 Accomplishments:**

- Terminated twenty-one alley special service areas.
- Complied with new pension law provisions that effected municipal treasurers.

2009/10 Objectives:

- Learn more about Crystal Reports and utilize it to make custom reports.

**FINANCE DEPARTMENT
FINANCE ADMINISTRATION**

		07/08	08/09	08/09	09/10	Percent	10/11
		Actual	Budget	Estimated	Budget	Change from Budget	Estimate
Personal Services							
1001031910000	Regular Salaries	227,159	234,300	235,400	226,000	(4%)	254,600
1001031915200	Overtime	1,058	500	800	700	40%	1,000
1001031921000	Insurance	23,822	28,000	20,800	26,800	(4%)	27,700
1001031921099	Workers Comp	1,790	2,100	1,200	1,200	(43%)	1,300
2066050949100	FICA & IMRF Pmts.	36,130	40,500	40,500	44,900	11%	46,600
Personal Services Total		289,959	305,400	298,700	299,600	(2%)	331,200
Contractual Services							
1001031940100	Telecommunications	6,653	6,500	6,500	6,500	0%	6,500
1001031940800	City Insurance	265,470	303,900	270,200	273,900	(10%)	290,300
1001031940801	Insurance Claims	298,746	160,000	312,600	200,000	25%	200,000
1001031941600	Auditing	33,559	33,900	40,300	38,400	13%	38,600
1001031943700	Training	5,020	6,000	3,500	3,900	(35%)	3,900
1001031947800	Bank Service Charges	16,743	21,000	31,000	31,000	48%	31,000
1001031947900	Bank Trustee Fees	3,100	3,100	3,700	3,700	19%	3,700
1001031948500	Gen. Contract. Svcs.	27,758	16,000	31,300	134,200	739%	134,200
	Vehicle Maintenance	1,579	1,400	1,600	1,500	7%	1,600
Contractual Services Total		658,628	551,800	700,700	693,100	26%	709,800
Commodities							
1001031952000	Materials	13,457	13,500	10,000	12,200	(10%)	12,200
Commodities Total		13,457	13,500	10,000	12,200	(10%)	12,200
Operating Budget Total		962,044	870,700	1,009,400	1,004,900	15%	1,053,200
Capital							
1001031990400	Motor Equipment	300	300	300	300	0%	300
Capital Budget Total		300	300	300	300	0%	300
Finance Administration Total		962,344	871,000	1,009,700	1,005,200	15%	1,053,500

NOTES
City Insurance:
 All City property, liability, public officials, and other types of insurance policies are charged to this account.
Auditing:
 Fees increased due to new GASB pronouncements (08/09-\$6,350, 09/10-\$4,450, 10/11-\$4,600).
Bank Trustee Fees:
 Five outstanding bonds @ \$500/yr and one outstanding bond @ \$600/yr.
Bank Service Charges:
 These fees are for charges related to payment by credit card for all types of transactions. As interest rates decrease, City cannot earn compensating balance.
Gen. Contractual Services:
 Membership fees, maintenance of office equipment, UPS costs, and consulting fees for TIF districts. Includes \$4,500 actuary fee for GASB 45. Includes \$50,000 for Ceridian and \$57,000 for Munis; these two functions were formerly budgeted in IT.

- Ongoing Programs:**
- Prepare the Comprehensive Annual Financial Report (CAFR). Earn the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting.
 - Compile the annual Budget book. Earn the GFOA Certificate of Achievement for Excellence in Budgeting.
 - Coordinate bond issues and maintain the City's Aa2 bond rating.
 - Purchase liability, property and other insurance for the City.
 - Invest City funds.
 - Serve as liaison with HELP (High Level Excess Liability Pool).
 - Survey area communities in order to compare costs of providing services and revenue sources.
 - Monitor the City's financial health, partially by preparing the Financial Trend Monitoring Study.
 - Cost union and management proposals for labor negotiations.
 - Prepare annual tax levies and abatements.
 - Cede bond volume cap authority when it is feasible and appropriate.
 - Account for all special service areas.
 - Process payments and reporting requirements for community organizations.
 - Speak to various community groups or professional organizations regarding departmental operations.

**FINANCE DEPARTMENT
ACCOUNTING**

NOTES	07/08		08/09		08/09 Estimated		09/10		Percent Change from 10/11	
	Actual	Budget	Actual	Budget	Actual	Budget	Budget	Estimate	Budget	Estimate
<p>Extra Help: Pays for part time clerk to assist with filing, etc.</p> <p>Overtime: Overtime costs fluctuate depending upon whether employees elect to receive time off in lieu of monetary compensation.</p> <p>Microfilming: Accounts payable records are transferred to microfilm to reduce storage space required.</p>	Personal Services									
	1001032910000	Regular Salaries	292,602	292,000	268,000	294,700	1%	306,500		
	1001032915000	Extra Help	198	2,000		1,000	(50%)	1,000		
	1001032915200	Overtime	901	500	300	700	40%	700		
	1001032921000	Insurance	54,957	64,300	47,900	53,500	(17%)	55,400		
	2066050949100	FICA & IMRF Pmts.	48,877	53,300	53,300	58,000	9%	59,100		
	Personal Services Total		397,535	412,100	369,500	407,900	(1%)	422,700		
	Contractual Services									
	1001032942400	Microfilming	2,033	2,100	2,100	2,200	5%	2,200		
	1001032943700	Training	1,898	4,000	100	2,100	(48%)	2,100		
1006030949501	Contingencies		6,100							
Contractual Services Total		3,931	12,200	2,200	4,300	(65%)	4,300			
Commodities										
1001032952000	Materials	1,738	3,900	3,300	3,500	(10%)	3,600			
Commodities Total		1,738	3,900	3,300	3,500	(10%)	3,600			
Operating Budget Total		403,204	428,200	375,000	415,700	(3%)	430,600			
Accounting Total		403,204	428,200	375,000	415,700	(3%)	430,600			

Ongoing Programs:

- Process all utility, vehicle stickers, parking, animal licenses, business licenses, and other miscellaneous billings for the City.
- Publish monthly and annual Treasurer's Reports.
- Reconcile checking and General Ledger Accounts monthly.
- Process payments for vendor invoices and City payroll.
- Prepare monthly cash reports for Library.
- Record and reconcile all escrow accounts.
- Review property transfer applications for any outstanding debts owed to the City.
- Complete monthly sales tax returns.

**FINANCE DEPARTMENT
COLLECTIONS**

<u>NOTES</u>	07/08		08/09		08/09		09/10		Percent	
	Actual	Budget	Actual	Estimated	Budget	Change from Budget	Estimate	10/11		
<p><u>Extra Help:</u> Hire part-time cashier to assist during vehicle sticker season.</p> <p><u>Citation Processing Fee:</u> Fee for use of Citation Processing Service.</p> <p><u>License Supplies:</u> License supplies primarily consists of the costs of purchasing vehicle stickers, vehicle forms, and business registration forms.</p> <p>08/09 – Outsource vehicle stickers.</p>	Personal Services									
	1001033910000 Regular Salaries	77,074	79,700	77,600	77,800	(2%)	85,600			
	1001033915000 Extra Help	2,207	3,500	4,600	3,000	(14%)	3,500			
	1001033915200 Overtime	304	500	400	400	(20%)	400			
	1001033921000 Insurance	19,016	22,400	16,600	21,400	(4%)	22,100			
	2066050949100 FICA & IMRF Pmts.	13,321	14,900	14,900	16,100	8%	16,800			
	Personal Services Total	111,922	121,000	114,100	118,700	(2%)	128,400			
	Contractual Services									
	1001033941701 Citation Process Fee	2,071		15,200	16,000		16,000			
	1001033947200 Postal Charges	8,462	17,000	17,700	19,000	12%	19,000			
	Contractual Services Total	10,533	17,000	32,900	35,000	106%	35,000			
	Commodities									
	1001033952000 Materials	742	500	600	600	20%	700			
	1001033953000 License Supplies	8,290	23,000	8,000	23,000	0%	23,000			
	Commodities Total	9,032	23,500	8,600	23,600	0%	23,700			
Operating Budget Total	131,487	161,500	155,600	177,300	10%	187,100				
Collections Total	131,487	161,500	155,600	177,300	10%	187,100				

Ongoing Programs:

- Accept payment for various transactions, including vehicle, animal and business licenses, parking tickets, real estate transfers, water bills, and other bills.
- Issue permits for resident parking and City parking lots.
- Sell recycling containers and various City souvenirs.
- Collection point for used batteries from residents.

**FINANCE DEPARTMENT
PURCHASING**

<u>NOTES</u>	07/08		08/09		08/09	09/10	Percent	10/11
	Actual	Budget	Actual	Estimated	Budget	Change from Budget	Estimate	
Training:	Personal Services							
Attendance at local, State and national purchasing related conferences and seminars.	1001034910000	Regular Salaries	81,854	84,400	84,400	86,600	3%	91,300
	1001034915200	Overtime		200		100	(50%)	100
	1001034921000	Insurance	14,418	16,800	12,400	16,100	(4%)	16,700
	2066050949100	FICA & IMRF Pmts.	13,705	15,300	15,300	16,900	10%	17,500
	Personal Services Total		109,977	116,700	112,100	119,700	3%	125,600
General Contractual Services:	Contractual Services							
Memberships in National Institute of Governmental Purchasing, Illinois Assoc. of Public Procurement Officials, and Midwest Assoc. of Public Purchasing.	1001034943700	Training	2,455	3,400	3,400	2,100	(38%)	2,100
	1001034948500	Gen. Contract. Svcs.	764	900	900	900	0%	900
	Contractual Services Total		3,219	4,300	4,300	3,000	(30%)	3,000
	Commodities							
	1001034952000	Materials	537	1,000	600	600	(40%)	700
	Commodities Total		537	1,000	600	600	(40%)	700
	Operating Budget Total		113,733	122,000	117,000	123,300	1%	129,300
	Purchasing Total		113,733	122,000	117,000	123,300	1%	129,300

Ongoing Programs:

- Obtain supplies, materials, equipment and services at a cost, terms and quality consistent with the best interests of the City.
- Establish blanket purchase orders and purchase price agreements.
- Participate in the joint purchasing cooperatives with the Northwest Municipal Conference, Suburban Purchasing Cooperative, the State of Illinois, and Federal Government.
- Prepare and let for bid approximately 30 contract specifications.
- Issue approximately 1,900 purchase orders.
- Auction, including on-line auction, used police vehicles and public works equipment as appropriate.
- Coordinate City telecommunications systems and serve as clearinghouse for telephone repairs, relocations and additions.
- Prepare annual Prevailing Wage Rate Ordinance.
- Provide assistance for departmental purchases.

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FIRE DEPARTMENT

Departmental Page References

Program	Page Number
Fire Administration	150
Fire Prevention	151
Emergency Response	152
Special Services	154
Emergency Preparedness	155

MISSION STATEMENT

The Fire department's mission is to limit the loss of life and property through planning, prevention and response.

Fire Administration and Support: To oversee and support the program areas of Fire Prevention, Emergency Response, Special Services, and Emergency Preparedness (Disaster Management).

Fire Prevention: To reduce Life Safety hazards and property loss through a pro-active program encompassing building plan review, life safety code enforcement, building inspections, construction inspections, public education and community outreach programs.

Emergency Response: To provide rapid response to fire, rescue, emergency medical service, carbon monoxide alarms, vehicular accident, general service and other miscellaneous types of alarms.

Special Services: To provide rapid response to rescue, hazardous materials release and spill, below grade and confined space rescue, trench rescue, high angle rescue, water rescue, fire and arson investigations, general service and other miscellaneous types of alarms.

Emergency Preparedness: To maintain a state of readiness to respond to and mitigate situations that may exceed the Fire department and City's resources.

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FIRE DEPARTMENT BUDGET SUMMARY

NOTES

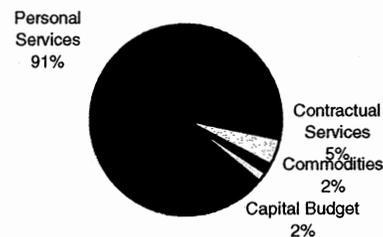
Overview:
The 09/10 budget for the Fire Department is \$7,305,400. This represents 14% of the total City budget and a 1% decrease from last year's budget.

	07/08	08/09	08/09 Estimated	09/10 Budget	Percent Change From Budget	10/11 Estimate
PROGRAMS						
Fire Admin. & Support	528,805	637,500	791,900	612,300	-4%	711,300
Fire Prevention	294,576	295,700	287,400	190,300	-36%	198,200
Emergency Response	5,214,227	6,375,400	5,987,100	6,441,500	1%	6,841,700
Special Services	12,589	21,000	22,000	17,200	-18%	17,800
Emergency Preparedness	31,210	45,100	41,700	44,100	-2%	47,100
Total	6,081,407	7,374,700	7,130,100	7,305,400	-1%	7,816,100
EXPENDITURE CLASSIFICATION						
Personal Services *	5,453,691	6,547,900	6,512,700	6,740,700	3%	7,184,300
Contractual Services	349,512	363,300	362,300	331,000	-9%	353,300
Commodities	100,004	340,000	143,800	110,900	-67%	116,100
Fixed Assets	-	-	-	-	-	-
Operating Budget Total	5,903,207	7,251,200	7,018,800	7,182,600	-1%	7,653,700
Debt Service	-	-	-	-	-	-
Capital Budget	178,200	123,500	111,300	122,800	-1%	162,400
Expenditure Total	6,081,407	7,374,700	7,130,100	7,305,400	-1%	7,816,100
SOURCE OF FUNDS						
General Fund	6,025,534	7,310,900	7,066,300	7,214,800	-1%	7,727,500
Ill. Mun. Retirement Fund	55,873	63,800	63,800	90,600	42%	88,600
Source of Funds Total	6,081,407	7,374,700	7,130,100	7,305,400	-1%	7,816,100
* Regular Salaries						
	4,126,568	4,244,000	4,168,900	4,174,400	-2%	4,554,600
Other Personal Services						
	1,327,123	2,303,900	2,343,800	2,566,300	11%	2,629,700

**PROGRAMS
09/10 BUDGET**



**EXPENDITURE CLASSIFICATION
09/10 BUDGET**



**PUBLIC WORKS DEPARTMENT
PUBLIC WORKS DEPARTMENT STAFF**

	08/09	09/10	10/11
<i>By Position:</i>	<i>FTE</i>	<i>FTE</i>	<i>FTE</i>
Public Works Director	1.00	1.00	1.00
Administrative Assistants	3.00	3.00	3.00
Assistant Public Works Director	0.00	0.00	0.00
Assistant to the Public Works Director	1.00	1.00	1.00
City Engineer	1.00	1.00	1.00
Civil Engineer		1.00	1.00
City Forester	1.00	1.00	1.00
Community Service Officer	1.00	1.00	1.00
Engineering Technicians	2.00	2.00	2.00
Fiscal Tech II	1.50	1.00	1.00
Maintenance Workers	31.00	30.00	30.00
Mechanics	3.00	3.00	3.00
Part-Time Parking Enforcement Personnel	1.34	1.34	1.34
Public Works Supervisors	5.00	5.00	5.00
Public Works Superintendent	1.00	1.00	1.00
Pump Station Operator	2.00	2.00	2.00
Urban Forester/Plans Examiner	1.00		
Vehicle Maintenance Supervisor	1.00	1.00	1.00
Total Public Works Department	56.84	55.34	55.34

Salary Expense:

Regular salaries in the Public Works department are expected to increase to \$3,445,600 for fiscal year 2009/10.

Staffing Changes:

In fiscal year 2008/09, management did not replace a Maintenance Worker I and instead hired a Civil Engineer. Also, we eliminated a part-time Fiscal Tech II position in the Water Administration department. The position of Urban Forester was eliminated.