

OTHER FUNDS

FIRE PENSION FUND

POLICE PENSION FUND

ILLINOIS MUNICIPAL RETIREMENT FUND

GENERAL OBLIGATION BONDS FUND

ECONOMIC DEVELOPMENT FUND

SELF INSURANCE FUND

TAX INCREMENT FINANCING

PERFORMING ARTS CENTER

NORTH SHORE CONVENTION AND VISITORS' BUREAU

VILLAGE OF SKOKIE FY2010 BUDGET

OTHER FUNDS

DEPARTMENT SUMMARY

EXPENDITURE BY DIVISION							
DIVISION	PRIOR YEAR FY07 ACTUAL	LAST YEAR FY08 ACTUAL	CURRENT FY09 BUDGET	REQUEST FY10 BUDGET	INCREASE (DECREASE)	PERCENTAGE CHANGE	BOARD APPROVED
Fire Pension	4,554,216	4,722,123	5,056,297	5,250,369	194,072	3.8%	5,250,369
Police Pension	4,386,534	4,628,811	4,852,593	4,959,259	106,666	2.2%	4,959,259
Illinois Municipal Retirement Fund	2,278,466	2,333,379	2,578,000	2,623,000	45,000	1.7%	2,623,000
General Obligation Fund	7,132,240	6,894,642	7,407,579	6,601,267	(806,312)	-10.9%	6,601,267
Economic Development Self-Insurance Fund	271,636	518,069	631,425	507,444	(123,981)	-19.6%	508,371
Tax Increment Financing Performing Arts Center			730,110*	1,541,162	1,541,162		1,542,604
North Shore Convention & Visitor's Bureau			\$14,328,500*	17,082,003	2,753,503		17,082,003
	805,883	781,875	250,000	250,000			250,000
	107,590	114,143	117,567	117,567			117,567
TOTAL	19,536,565	19,993,042	20,893,461	38,932,071	3,710,110	17.8%	38,934,440
PERSONNEL							
Full-Time	0.8	0.9	1.1	3.20	2.10	190.9%	3.2
Part-Time	1	1	1	1			1
Seasonal							
TOTAL	1.8	1.9	2.1	4.2	2.10	100.0%	4.2

Fiscal Year	Personnel Costs	Total Expenditures
FY07	~1,000,000	~19,500,000
FY08	~1,000,000	~19,900,000
FY09	~1,000,000	~20,800,000
FY10	~1,000,000	~38,900,000

* FY10 is the first year for the Self-Insurance and TIF Funds to be represented as separate cost centers. As such these expenditures are not included in the published FY09 Budget

VILLAGE OF SKOKIE
FY2010
DEPARTMENT NARRATIVE

FIRE PENSION FUND

GOALS

The Fire Pension Fund is a trust fund created and operated under Article 4, Chapter 40 of the Illinois Compiled Statutes. The fund exists to accumulate assets from firefighter contributions, real estate taxes, replacement taxes and investment income and to pay retirement, disability and death benefits for firefighters.

DESCRIPTION

The Fire Pension Fund (\$5,250,369) is governed by a Board of Trustees consisting of firefighters and Village officials. The Board is the legal authority for the determination and payment of pensions and pension expenses. The Fund is governed by Illinois State Statutes and the payments of pension benefits is pursuant to the Illinois Compiled Statutes (ILCS) Chapter 40, Article 4.

BUDGET ISSUES

The appropriate time to recognize and fund the cost of pension benefits is at the time they are earned, not when benefits are paid. Because a legal appropriation is required for governmental expenditures, a pension expense budget is established and presented herein. However, the true cost of current pension obligations and their property tax burden are determined through (a) annual analysis by a qualified independent actuary and (b) public recognition of these costs by the adoption of the annual tax levy.

Because the Fire Pension Fund is a legally constituted trust paying benefits as mandated, there are no fiscal year objectives or workload indicators.

**VILLAGE OF SKOKIE
FY2010
BUDGET**

**Finance Department
Fire Pension
Fund FPF 010 5110-481**

Division Summary

Expenditure by Category							
CLASS	FY 07 ACTUAL	FY 08 ACTUAL	FY 09 BUDGET	FY 10 REQUEST	INCREASE (DECREASE)	PERCENT. CHANGE	BOARD APPROVED
Personal Services							
Contractual Services	135,961	149,523	57,400	57,400			57,400
Materials and Supplies	694	939	1,136	1,171	35	3.1%	1,171
Capital Outlay	1,909						
Other	4,415,653	4,571,661	4,997,761	5,191,798	194,037	3.9%	5,191,798
TOTAL	4,554,217	4,722,123	5,056,297	5,250,369	194,072	3.8%	5,250,369
Full-time							
Part-time							
Seasonal							
TOTAL							

VILLAGE OF SKOKIE
FY2010
DEPARTMENT NARRATIVE

POLICE PENSION FUND

GOALS

The Police Pension Fund is a trust fund created and operated under Article 3, Chapter 40 of the Illinois Compiled Statutes. The fund exists to accumulate assets from police personnel contributions, real estate taxes, replacement taxes and investment income and to pay retirement, disability and death benefits for police officers.

DESCRIPTION

The Police Pension Fund (\$4,959,259) is governed by a Board of Trustees consisting of two police officers, a retiree, and two citizens appointed by the Village Board. The Police Pension Board is the legal authority for the determination and payment of pensions and pension expenses. The Fund is governed by Illinois State Statutes and the payments of pension benefits are pursuant to the Illinois Compiled Statutes (ILCS) Chapter 40, Article 3.

BUDGET ISSUES

The appropriate time to recognize and fund the cost of pension benefits is at the time they are earned, not when benefits are paid. Because a legal appropriation is required for governmental expenditures, a pension expense budget is established and presented herein. However, the true cost of current pension obligations and their property tax burden are determined through (a) annual analysis by a qualified independent actuary and (b) public recognition of these costs by the adoption of the annual tax levy.

Because the Police Pension Fund is a legally constituted trust paying benefits as mandated, there are no fiscal year objectives or workload indicators.

VILLAGE OF SKOKIE
FY2010
BUDGET

Finance Department
Police Pension
Fund PPF 011 5211-481

Division Summary

Expenditure by Category							
CLASS	FY 07 ACTUAL	FY 08 ACTUAL	FY 09 BUDGET	FY 10 REQUEST	INCREASE (DECREASE)	PERCENT. CHANGE	BOARD APPROVED
Personal Services							
Contractual Services	183,657	214,025	60,100	60,100			60,100
Materials and Supplies	648	914	1,883	1,922	39	2.1%	1,922
Capital Outlay							
Other	4,202,229	4,413,872	4,790,610	4,897,237	106,627	2.2%	4,897,237
TOTAL	4,386,534	4,628,811	4,852,593	4,959,259	106,666	2.2%	4,959,259
Full-time							
Part-time							
Seasonal							
TOTAL							

VILLAGE OF SKOKIE
FY2010
DEPARTMENT NARRATIVE

ILLINOIS MUNICIPAL RETIREMENT FUND

GOALS

The Illinois Municipal Retirement Fund (IMRF) is the state pension system for civilian local government employees. Skokie employees, except fire and police personnel, participate in IMRF if they work in excess of 1,000 hours annually.

DESCRIPTION

Under IMRF (\$2,623,000), pension benefits are defined by state law. IMRF acts as the administrator of these defined benefits. Skokie contributes to the state fund each month based on the pensionable wages paid to IMRF covered employees. The Village's contribution rate is specific to the Village and is actuarially determined based on experience and the pension demographics (age, sex, length of service) of our employees. IMRF is governed by Illinois State Statutes and the payments of pension benefits are pursuant to the Illinois Compiled Statutes (ILCS) Chapter 40, Article 7.

BUDGET ISSUES

The contributions paid to IMRF are a product of the wage base, the employer social security rate, and the IMRF contribution rate. For calendar 2009, the Village's social security rate remains unchanged at 7.65% (the aggregate of 6.2% for social security retirement benefits for wages paid up to \$106,800 and 1.45% for Medicare benefits for all wages paid). The IMRF contribution rate decreased 7.4% from 2008's rate of 7.86% to the 2009 rate of 7.28%. As a result of investment losses experienced by IMRF in 2008, the IMRF Board has adopted measures to mitigate the increase in employer contributions that are necessitated by the investment losses. However, the Village's currently projected employer rate for 2010 (which will apply to the last four months of the Village's fiscal year) is 8.37% or a 15% increase. The Village's contribution rate is based on annual actuarial valuations performed by IMRF.

Because this budget describes a depository for pension contributions, there are no fiscal objectives or workload indicators.

VILLAGE OF SKOKIE
FY2010
BUDGET

Finance Department
IMRF
Fund IMRF 012 5312-481

Division Summary

Expenditure by Category							
CLASS	FY 07 ACTUAL	FY 08 ACTUAL	FY 09 BUDGET	FY 10 REQUEST	INCREASE (DECREASE)	PERCENT. CHANGE	BOARD APPROVED
Personal Services							
Contractual Services							
Materials and Supplies							
Capital Outlay							
Other	2,278,466	2,333,379	2,578,000	2,623,000	45,000	1.7%	45,000
TOTAL	2,278,466	2,333,379	2,578,000	2,623,000	45,000	1.7%	45,000
Full-time							
Part-time							
Seasonal							
TOTAL							

VILLAGE OF SKOKIE
FY2010
DEPARTMENT NARRATIVE

GENERAL OBLIGATION BOND FUND

GENERAL INFORMATION

The General Obligation Bond Fund is the depository for taxes and other revenues dedicated to the retirement of the Village's general obligation debt. The Village of Skokie's general obligation debt is debt that is payable, both as to principal and interest, from property taxes levied against all taxable property in the Village of Skokie without limitation as to rate or amount. As a home rule unit of government in accordance with Section 6 of Article VII of the Constitution of the State of Illinois, the Village may exercise its power to tax and incur debt without referendum approval. The Village is not subject to statutory debt limits.

DESCRIPTION

The General Obligation Bond Fund (\$6,601,267) exists to retire debt established by Village ordinance for specific programs. Funding for debt service is provided by property taxes, special service area taxation, sales tax increment, hotel/motel tax revenue, interest earnings and inter-fund transfers. The outstanding debts as of May 1, 2009 are for various flood control issues, an issue financing public improvements at the Old Orchard Shopping Center, issues which financed the Village's share of the North Shore Center for the Performing Arts in Skokie, the renovation of the Public Works facility, improvements to Skokie's water distribution system, project for the Skokie Fire Department including a new Station #17 and renovation projects at Stations #16 & #18, an issue financing the Village's support for the Illinois Science + Technology Park, special service area (SSA) financing for SSA #1, SSA #2, and SSA #4 each located in the southeast industrial area, SSA #3 located at Dempster Street and Kilbourn Avenue, SSA #5 located on Ionia Street, SSA #6 located on West Dempster Street, SSA #8 Located on Lincolnwood Drive, SSA #9 located on East Oakton Street north to Madison, and the Village's portion of debt issues by the Solid Waste Agency of Northern Cook County (SWANCC).

In total, as of May 1, 2009, the Village's general obligation debt amounted to \$47,212,313. This amount excludes the debt from SWANCC since the debt is not a direct obligation of the Village but, rather, an obligation of SWANCC.

ANALYSIS BY PROJECT

Flood Control Bond Issues

The Village began a multi-year program to provide relief from flooding in the Village of Skokie. The program has required the issuance of debt to provide funding for large-scale infrastructure improvements. In addition to general obligation bonds (issued in 1985, 1988, 1989, 1995, 1996, 1997, 1998, 1999, and 2002), the Village received loans from the Illinois Environmental Protection Agency (IEPA) for construction needs in the years 1991, 1992, 1993, 1994, and 1995.

VILLAGE OF SKOKIE
FY2010
DEPARTMENT NARRATIVE

GENERAL OBLIGATION BOND FUND

In January 1994, June 1998, April 1999, November and December 2002, and October 2003 the Village refunded portions of seven bond issues. The refunded issues included the 1985 fixed rate bond issue and the 1988, 1989, 1994, 1995, 1996, and 1997 issues. All seven of these bond issues have been fully retired. The remaining balances of the refunding issues for the flood control program are then as follows: \$8,022,560 of the 1999 Refunding Issue; \$569,740 of the 2002B Bonds, and \$5,307,954 of the Series 2003 Bonds.

As of May 1, 2009, the total outstanding debt for the flood control program is \$19,216,122. This balance is comprised of general obligation bonded debt outstanding of \$17,378,918 and general obligation IEPA loans outstanding of \$1,837,204.

Old Orchard Shopping Center Public Improvements Issue

The Village of Skokie authorized the execution of a Redevelopment Agreement to provide for the construction of two public improvements at the Old Orchard Shopping Center. The improvements were a public parking garage and a water detention facility. In December 1993, the Village issued \$8,200,000 to finance these projects. These bonds were issued as general obligation bonds by the Village in order to achieve interest rate savings. The full amount of the debt service on these bonds is expected to be provided through sales tax increments to be generated by the renovated shopping center. \$2,955,000 of this debt issue remains outstanding at May 1, 2009.

North Shore Center for the Performing Arts in Skokie (NSCPAS)

The Village of Skokie built the NSCPAS, a modern 850 seat theatre with an adjoining 350 seat black-box theatre that can also be used for meetings and banquets. The NSCPAS opened in November 1996 and was a joint effort between the Village and the Illinois Department of Commerce and Community Affairs. Both entities funded the project that was built exclusively by the Village.

In order to build the facility, the Village issued debt totaling \$5,480,000. Of this total, \$4,780,000 was issued as part of the Series 1995 Bonds and the balance, \$700,000, was issued as part of the Series 1996 Bonds. A portion of the Series 1996 Bonds were refunded in 1999 in the approximate principal amount of \$384,747. The Series 1995 Bonds were retired in their entirety by the issuance of the Series 2002B Bonds in December 2002. The outstanding principal remaining on the Series 1995 Bonds for the NSCPAS project that was retired was \$3,668,650. The amount of debt that remains outstanding at May 1, 2009 for this project is \$2,619,010 comprised of \$386,750 of the 1999 Refunding Issue and \$2,232,260 of the Series 2002B Issue.

VILLAGE OF SKOKIE

FY2010

DEPARTMENT NARRATIVE

GENERAL OBLIGATION BOND FUND

Public Works Facility

The Village of Skokie fully renovated its Public Works facility beginning in Fiscal 1996 starting with the design phase of the project. In order to build the modern \$5,250,000 facility, the Village issued bonds in 1995 and 1996. The portion of these issues devoted to the facility amounted to \$4,000,000 of the Series 1995 Bonds and \$1,250,000 of the Series 1996 Bonds. A portion of the Series 1996 Bonds were refunded in 1999 in the approximate principal amount of \$687,093. The Series 1995 Bonds were retired in their entirety by the issuance of the Series 2002B Bonds in December 2002. The outstanding principal remaining on the Series 1995 Bonds for the NSCPAS project that was retired was \$3,070,000. The amount of debt that remains outstanding at May 1, 2009 for this project is \$2,558,690 comprised of \$690,690 of the 1999 Refunding Issue and \$1,868,000 of the Series 2002B Issue.

Fire Station Projects

To finance a portion of the costs to build a new Fire Station #17 and to renovate Stations #16 and #18, the Village issued \$2,500,000 in bonds in November 2002. The amount of debt that remains outstanding at May 1, 2009 for this project is \$1,920,000.

Water System Improvement

As a result of an independent consultant's study, it was determined that the Village's water delivery system required some improvements in order to alleviate several areas of low water pressure. The identification of and remediation of these areas was instrumental in the Village obtaining an ISO 1 rating for its Fire Department. In order to fund these improvements, the Village issued a total of \$3,795,000 in bonds. Of this total, \$895,000 was issued as part of the Series 1997 Bonds and \$2,900,000 was issued as part of the Series 1998 Bonds. A portion of the Series 1997 Bonds was refunded in 2003 in the approximate amount of \$680,093. The amount of debt that remains outstanding at May 1, 2009 for this project is \$2,323,382 comprised of \$1,801,336 of the 1998 Issue and \$522,046 of the 2003 Issue.

Illinois Science + Technology Park

The Village executed an Economic Development Agreement with Forest City, the developer of the site of the former Pfizer Pharmaceutical campus located in Downtown Skokie, in March 2007. In accordance with the Agreement, the Village agreed to provide financial assistance to Forest City in the amount of \$10,000,000. The Village's contribution will reimburse Forest City for eligible costs incurred by Forest City for the development of the Illinois Science + Technology Park (IS+TP). The IS+TP is located in the Downtown Science and Technology Tax Increment Financing (TIF) District. Due to the Village's intention to utilize incremental property tax revenues to be generated by the IS+TP site to pay debt service on the bonds issued for Forest City and the fact that the redevelopment of the site will occur over a multi-year period, the Village included three years of capitalized interest in the Series 2007

VILLAGE OF SKOKIE
FY2010
DEPARTMENT NARRATIVE

GENERAL OBLIGATION BOND FUND

Bonds issued in May 2007. The total principal amount of the Series 2007 Bonds issued in May 2007 was \$12,175,000 and this amount remains outstanding as of May 1, 2009.

Special Service Area #1, Special Service Area #2 and Special Service Area #4

The Village initiated a program of improvements to a large industrial area located in the southeast corner of the Village. This area, which is comprised of approximately 500 acres of land, is the home of more than 250 businesses. Small to mid-sized light manufacturing firms are particularly prevalent in the area as the majority of the buildings are 3,000 to 10,000 square feet in size.

The Village established Special Service Area #1 (SSA #1) in 1999 and performed construction of the improvements to the area during the summer of calendar 2000. Improvements consisted of street resurfacing, new curbs and gutters, street lighting, landscaping, and signage. Improvements were also made for parking in the area. The work performed in 2000 was to a target block to illustrate to all of the businesses in the area the type of improvements that are planned for the entire industrial area. This target block was the sole subject of SSA #1 and encompassed Monticello Avenue from Chase Avenue to Jarvis Avenue. The portion of the construction to be financed by special service area financing amounted to \$118,884 which was issued on June 1, 2000. The balance of the amount financed that remains outstanding as of May 1, 2009 is \$22,088.

The Village established Special Service Area #2 (SSA #2) in 2001 and performed construction of the improvements to the area during the summer of calendar 2001. Improvements consisted of street resurfacing, new curbs and gutters, street lighting, landscaping, and signage. Improvements were also made for parking in the area. This SSA expanded the work performed in the southeast industrial area to include a larger area but essentially provided the same type of improvements based on the SSA #1 target block's concept. The portion of the construction to be financed by special service area financing amounted to \$599,000 which was issued on March 1, 2002. The balance of the amount financed that remains outstanding as of May 1, 2009 is \$206,001.

The Village established Special Service Area #4 (SSA #4) in 2002 and performed construction of the improvements to the area during the summer and fall of calendar 2002. The work in SSA #4 was a continuance of the programs for SSA #1 and SSA and consisted of the same type of improvements. The portion of the construction to be financed by special service area financing amounted to \$540,000 which was issued on March 1, 2003. The balance of the amount financed that remains outstanding as of May 1, 2009 is \$238,366.

VILLAGE OF SKOKIE
FY2010
DEPARTMENT NARRATIVE

GENERAL OBLIGATION BOND FUND

Special Service Area #3

At the request of several property owners, the Village established this Special Service Area #3 to provide for the connection of the requesting properties to the Village's municipal water system. The portion of the construction to be financed by special service area financing amounted to \$41,654.36 which was issued on March 1, 2002. The balance of the amount financed that remains outstanding as of May 1, 2009 is \$14,325.

Special Service Area #5

This project affected properties located in the Village of Skokie on Ionia Street. The work will be performed by the City of Chicago since the section located in Skokie represents only a small portion of the overall improvement project. The project will include improvement to this substandard residential street in terms of pavement condition and curbing and drainage appurtenances. The portion of the construction to be financed by special service area financing amounted to \$45,400.00 which was issued on February 28, 2005. The balance of the amount financed that remains outstanding as of May 1, 2009 is \$29,311.

Special Service Area #6

This project affected properties generally located on Dempster Street from east of the Edens Expressway to Kilpatrick Avenue east of Skokie Boulevard in the Village's West Dempster Street Business Redevelopment District. Improvements consisted of installation and maintenance of roadway and sidewalk improvements, landscaping, public signage, pedestrian appurtenances, and street lighting all within the right-of-way. The portion of the construction to be financed by special service area financing amounted to \$1,758,800.00 which was issued on February 28, 2008. The balance of the amount financed that remains outstanding as of May 1, 2009 is \$1,607,251.

Special Service Area #8

This project affected properties located in the Village of Skokie on Lincolnwood Drive. The purpose of the formation of Skokie Special Service Area #8 in general was to provide special municipal services within the 9400 and 9500 blocks of Lincolnwood Drive and 3446 and 3450 Elgin Street, including but not limited to, the installation and maintenance of roadway and sidewalk improvements, landscaping, public signage, pedestrian appurtenances, and street lighting, all within the right-of-way in the special service area. The portion of the construction to be financed by special service area financing amounted to \$200,000.00 which was issued on February 28, 2008. The balance of the amount financed that remains outstanding as of May 1, 2009 is \$182,767.

VILLAGE OF SKOKIE
FY2010
DEPARTMENT NARRATIVE

GENERAL OBLIGATION BOND FUND

Special Service Area #9

This project affected properties located in the Village of Skokie north of Oakton Street up to Madison Street between Ridgeway Avenue and McCormick Boulevard. SSA #9 is the subject of a major project that includes street resurfacing, intersection widening, replacement or rehabilitation of deteriorated or insufficient water and sewer lines, replacement of deteriorated curb and gutters, new sidewalks, driveway replacement, street lighting, landscaping, identification signage and other improvements. The construction will be performed in two phases with one phase being completed in Fiscal 2009 and the second phase in Fiscal 2010. The portion of the construction to be financed by special service area financing amounted to \$1,145,000.00 which was issued on February 28, 2009. The balance of the amount financed that remains outstanding as of May 1, 2009 is \$1,145,000.

Solid Waste Agency of Northern Cook County (SWANCC)

The Village is a member of the Solid Waste Agency of Northern Cook County (SWANCC) which consists of twenty-three municipalities. SWANCC is a municipal corporation and was established pursuant to the Constitution of the State of Illinois and the Intergovernmental Cooperation Act of the State of Illinois, as amended. Debt issued by SWANCC is payable by member communities and the Village's share of annual debt service is reflected in this budget in the amount of \$104,634.

ANALYSIS OF MULTI-PURPOSE BOND ISSUES

Series 1998 Bonds

The subject \$10,000,000 bond issue was sold for multiple purposes. The bonds financed flood control related construction in the amount of \$5,600,000, water system improvements in the amount of \$2,900,000, and \$1,500,000 was utilized to retire a portion of the Series 1989 Bonds issued for flood control purposes. As of May 1, 2009, the remaining outstanding balance of these bonds is \$5,280,000. Of this total, the \$3,478,664 that relates to flood control is included in the total amount shown as outstanding for the flood control related project noted above and \$1,801,336 that relates to the water system improvements.

Series 1999 Refunding Bonds

The Village issued \$10,000,000 in refunding bonds to refund a portion of the Series 1996 Bonds. The Series 1996 Bonds were issued for multiple purposes as was noted earlier. A total of \$9,055,000 of the Series 1996 Bonds were refunded. The difference between the amount of the Series 1999 Bonds and the amount of the Series 1996 Bonds that were refunded covers interest costs on the refunded bonds. As of May 1, 2009, the remaining outstanding balance of the Series 1999 Bonds is \$9,100,000. Of this total, \$8,022,560

VILLAGE OF SKOKIE
FY2010
DEPARTMENT NARRATIVE

GENERAL OBLIGATION BOND FUND

relates to flood control and is included in the total amount shown as outstanding for flood control related projects above, \$386,750 relates to the NSCPAS project, and \$690,690 relates to the PW Facility project.

Series 2002A Bonds

The Village issued \$7,895,000 in bonds for the purpose of refunding the outstanding balance of the Series 1994 Bonds and to finance the construction of a new Fire Station #17 and renovation projects at Stations #16 & #18. The refunding portion of the Series 2002A bonds was \$5,395,000 and the Fire Station Projects portion was \$2,500,000. As of May 1, 2009, the remaining outstanding balance of the Series 2002A Bonds is \$1,920,000. The total amount shown as outstanding relates entirely to the Fire Station project.

Series 2002B Bonds

The Village issued \$7,755,000 in bonds for the purpose of refunding the outstanding balance of the Series 1995 Bonds. The Series 1995 Bonds were issued for multiple purposes including flood control and the NSCPAS project. As of May 1, 2009, the remaining outstanding balance of the Series 2002B Bonds is \$4,670,000. Of this total, \$569,740 relates to flood control and is included in the total amount shown as outstanding for flood control related projects above and \$1,868,000 relates to the public works facility project, and \$2,232,260 relates to the NSCPAS project.

Series 2003 Bonds

The Village issued \$8,155,000 in bonds for the purpose of refunding a portion of the outstanding balance of the Series 1997 Bonds. The Series 1997 Bonds were issued for multiple purposes including flood control and water system improvements. As of May 1, 2009, the remaining outstanding balance of the Series 2003 Bonds is \$5,830,000. Of this total, \$5,307,954 relates to flood control and is included in the total amount shown as outstanding for flood control related projects above and \$522,046 relates to water system improvements.

OTHER DEBT

Bonds Issued by SWANCC

The Solid Waste Agency of Northern Cook County (SWANCC) has issued bonds to finance its operations. The Village is a participant in this organization and is responsible for a portion of the debt service. For Fiscal 2009, the Village will be responsible for debt service in the amount of \$104,120.

VILLAGE OF SKOKIE
FY2010
DEPARTMENT NARRATIVE

GENERAL OBLIGATION BOND FUND

BUDGET ISSUES

The Village issues debt only for projects for which there does not exist sufficient financial resources to pay for the project. Debt is not issued for routine capital purchases as it is the Village's policy to pay for routine items through its Capital Improvement Program (CIP). The level of debt and the ability of the Village to support the debt are considered throughout the budgetary process. The CIP is prepared on a fully funded basis for the current fiscal year. Consideration of the need for the issuance of debt is accommodated by the five-year CIP. This assures that there are no negative affects on current or future operations of the Village.

Major projects benefit the community for extended periods of time. Thus, rather than tax for the full amount of the project up front, the Village issues debt and, therefore, the costs of such projects are spread over the useful life of the project. By spreading costs over the useful life of a project, it is the taxpayers that benefit from the project who pay the tax and not just those who were taxpayers at the time the project was performed.

Because the General Obligation Bond Fund is an accounting entity and not an operating budget allocation unit, there are no fiscal year objectives or workload indicators. It is important to note that, even though this fund is not a budget allocation unit, a budget is required during the time that the underlying project was performed.

**VILLAGE OF SKOKIE
FY2010
BUDGET**

**Finance Department
G.O. Bond Fund
Fund GOBF**

Division Summary

Expenditure by Category							
CLASS	FY 07 ACTUAL	FY 08 ACTUAL	FY 09 BUDGET	FY 10 REQUEST	INCREASE (DECREASE)	PERCENT. CHANGE	BOARD APPROVED
Personal Services							
Contractual Services							
Materials and Supplies							
Capital Outlay							
Other	7,204,755	6,894,642	7,407,579	6,601,267	(806,312)	-10.9%	6,601,267
TOTAL	7,204,755	6,894,642	7,407,579	6,601,267	(806,312)	-10.9%	6,601,267
Full-time							
Part-time							
Seasonal							
TOTAL							

VILLAGE OF SKOKIE

FY2010

DEPARTMENT NARRATIVE

ECONOMIC DEVELOPMENT

GOALS

The goal of the Economic Development Division is to enhance the commercial and industrial tax base of Skokie, increase employment opportunities, and coordinate the planning and construction of economic development projects in the Village.

DIVISION DESCRIPTION

The Economic Development Division (1.2FT, 1PT, \$508,371) works to maintain and enhance the local economy. The Village actively pursues development to expand the local tax base and increase employment opportunities. Primary functions include coordinating special redevelopment programs, marketing available properties and development opportunities, managing tax increment financing (TIF) districts and other development projects, working with businesses interested in relocating to Skokie, and disseminating economic data to developers, businesses, citizens and other interested parties. The primary revenue source of funding for this Division is the Village's Economic Development Real Estate Transfer Tax. This tax is levied at the rate of \$3 per \$1,000 of sales value when property is sold in Skokie. By Village Board resolution, two-thirds of the tax is to be used exclusively to enhance the economic stability and viability of the Village.

PROGRAM REVIEW

The Village's Downtown area includes two current TIF districts. The first Downtown TIF was formed in 1990 and was originally expected to have a self-imposed fifteen-year life. After careful consideration of a request by the Skokie Downtown Merchants Association and the Skokie Chamber of Commerce, the Village agreed not to terminate the TIF, but rather to reduce its size and extend the balance of the TIF to the legal life of 23 years. Because of the financial impact on local elementary School District 69, the Village agreed to disconnect certain properties originally within this TIF that were already developed so School District 69, School District 219 and all other taxing jurisdictions affected by the TIF could realize immediate property tax gains from the disconnected properties. The Downtown TIF is now scheduled to be terminated in 2013.

The second TIF, the Downtown Science and Technology TIF District, was formed in 2005. The predominant force behind the formation of this TIF was the abandonment of the former Searle/Pfizer pharmaceutical company research and development facilities. This 23-acre site adjacent to the north edge of the Village's Downtown was purchased by Forest City Enterprises in 2005. Much of the original campus was thereafter demolished and four buildings comprising about 660,000 square feet were retained. The campus is now known as the Illinois Science + Technology Park (IS+TP) and includes three laboratory buildings, one general office building

VILLAGE OF SKOKIE

FY2010

DEPARTMENT NARRATIVE

ECONOMIC DEVELOPMENT

and a 1,000-car parking garage. The IS+TP is projected to eventually grow to over 2 million square feet of laboratory and office space with about 3,000 to 5,000 employees. It is intended to become a premier bioscience and nanotechnology campus, and has already doubled the amount of wet lab space currently available in the State of Illinois while greatly enhancing the Chicago region's reputation as a biotech center. The strategic location is expected to attract significant research interest and product development from the Chicago area's major universities, teaching and research hospitals, and regional pharmaceutical and medical device companies. The IS+TP will serve as the catalyst to transform Illinois from a scientific research hub to an economic engine for bioscience technologies.

A key provision in Forest City's purchase and redevelopment of the campus was that the Village would provide financial assistance for the redevelopment project in the amount of \$10 million. The Redevelopment Agreement between the Village and Forest City Enterprises was approved by the Board of Trustees in 2007. The Agreement included the responsibilities and performance of both the developer and the Village, the public financing commitment, environmental provisions, insurance, default and remedies, and other legal aspects to help ensure a continued, successful development partnership. A new B6 zoning district and a master site plan were approved also. A \$12.2 million TIF bond issue was approved by the Board early in FY08 providing for \$10 million in net support to Forest City along with three years of capitalized interest and bond issuance fees. The bonds were used to reimburse Forest City for expenses relative to the development of the IS+TP, particularly demolition of obsolete buildings, infrastructure improvements, rehabilitation of the remaining buildings, and limited soft costs allowed pursuant to the Illinois TIF legislation. Staff reviewed all invoices, statements, canceled checks, waivers of lien, etc. to determine the eligibility of the expenditures prior to the transfer of the bond funds. The Village will receive a return on its investment should Forest City's project revenues exceed specific benchmarks.

The current budget for the existing campus is now almost \$200 million, while the complete build out of over 2 million square feet at the site is likely to reach \$500 million. The IS+TP currently contains thirteen companies, the largest of which is NorthShore University HealthSystem, and about 800 employees. The master plan for the campus attempts to balance taller buildings with open spaces and pedestrian ways. The B6 zoning district stipulates a minimum 25% of open space that is accessible to the general public. The site plan includes a provision that limits retail uses in the ground floor of each building to 20% of the building footprint, thus creating an environment where park employees venture away from the campus for meals and services. The master plan also includes design guidelines for façade and building materials specifications, landscaping treatments and identification signage.

VILLAGE OF SKOKIE
FY2010
DEPARTMENT NARRATIVE

ECONOMIC DEVELOPMENT

The Village continues to work with the State of Illinois, Regional Transit Authority, Chicago Transit Authority and ComEd on plans to construct a new Skokie Swift station in Downtown Skokie on Oakton Street just west of Skokie Boulevard and adjacent to the IS+TP. To date, the Village has received commitments for over \$10 million in Federal funds for the project. The new station is intended as a destination station for Downtown Skokie, the IS+TP and surrounding residential neighborhoods and thus will have very limited parking. It will include a “kiss and ride” drop-off area as most patrons will walk or receive a ride to the station. The station also will have a taxi stand and a bus connection area. The design/engineering phase is now 95% complete and the Village plans to bid the project and commence construction in 2009. The Village purchased one of the two privately-owned parcels necessary for the transit station development and has instituted legal proceedings to gain control of the second parcel. The first parcel has been cleared and will be used as a construction staging area. Plans are also in the advanced stage for improving and signalizing the intersection at Searle Parkway and Skokie Boulevard as part of the station development.

Also in the Downtown area, a façade renovation grant was awarded to the owner of the property at 8044 Lincoln Avenue. The building now has a beautiful restored façade retaining the original stone work and cornice while adding a new base, windows, doors and awnings. The second floor of the building has been occupied by a software design company and the ground floor is expected to be leased for retail or restaurant purposes. Interior grant funds are anticipated to be awarded for the buildout of the ground floor space. The Economic Development Division has expanded its efforts to market the Downtown area for restaurants and retail uses. A new brochure was developed to promote the incentives available for retail/restaurant uses and has been mailed extensively to Chicago-area restaurants. This effort as well as print and radio advertising of the incentives available in the Downtown will continue into FY10. The Village will be retaining the services of a private consultant to conduct a detailed market assessment and retail strategy study to analyze the retail potential of Downtown Skokie. This study is expected to culminate in a list of retailers, restaurants and other commercial services that could have interest in a Downtown location. Staff will then conduct direct marketing campaigns to those potential businesses. All private development in the Downtown area is currently on hold due to the economic downturn, although staff continues to discuss redevelopment opportunities with interested developers and property owners. The 150-unit condominium and retail project approved for Skokie Boulevard and Cleveland Street has been delayed due to the weak real estate market. Two other properties have recently been demolished and cleared for future redevelopment but no plans have been advanced at this time.

VILLAGE OF SKOKIE

FY2010

DEPARTMENT NARRATIVE

ECONOMIC DEVELOPMENT

In addition to the Downtown area, the Economic Development Division has focused much of its efforts and resources in revitalizing Skokie's older industrial areas. These areas are vital to the Village's economy in terms of the jobs and the significant tax revenue produced by industrial properties. In recent years the Village made major public improvements to the industrial area south of Howard Street by splitting the cost of infrastructure upgrades with private property owners through the creation of Special Service Areas (SSAs). The Economic Development Fund is used for the Village's share while property owners are able to pay off their portions through an additional property tax over a 10-year period. This partnership has worked very well and also spurred additional private investment in those areas. Additionally, the Village has also offered incentives to improve the appearance and functional aspects of many older industrial buildings, extended favorable unit prices from Village retained contractors working in the areas, and in a few instances supported private property owners' applications for property assessment reductions through the Cook County incentive programs.

◆ In 2008 the Village initiated a major industrial revitalization effort for the area north of Oakton Street between Hamlin Avenue and McCormick Boulevard. This area contains approximately 350 industrial properties and produces an estimated 3,000 jobs. A SSA was established by ordinance on January 22, 2008 and the two-phased construction project began in the spring of 2008. All water and sewer improvements were completed for the entire area and the first phase of street, sidewalk and lighting improvements were completed for the west half of the industrial district as well as Oakton Street from Hamlin Avenue to McCormick Boulevard. The balance of the project is to be completed in 2009. Improvements include street widening and resurfacing, street lighting, new sidewalks, curb and gutter replacement, resurfacing of public and private parking, landscaping, water and sewer upgrades, intersection widening, and identification signage. The total project is expected to cost about \$6 million with 50% coming from the Village Economic Development Fund and the other half from the SSA. A new Subaru automobile dealership on Oakton Street in this industrial area is nearing completion and is expected to be operational by spring of 2009. This development had the unique distinction of being awarded the only Class 7B property assessment reduction incentive ever granted from Cook County in the north suburbs, partly due to the strong support from the Village. The new dealership is expected to generate approximately \$30 million annually in sales activity and employ 40-50 people.

VILLAGE OF SKOKIE
FY2010
DEPARTMENT NARRATIVE

ECONOMIC DEVELOPMENT

BUDGET ISSUES

The estimated revenue from the Real Estate Transfer Tax expected to be available for economic development purposes in FY10 is approximately \$539,296. This is a significant decrease from previous years and is due to the major decrease in property sales currently occurring in Skokie. This revenue often fluctuates with the general health of the local real estate market and the amount of large property sales in Skokie, but this is the most significant downturn in real estate sales activity the Village has witnessed since the origination of this tax in the 1980s. The proposed budget for FY10 therefore calls for major reductions of almost 20% from FY09 to a level of \$507,444, not including infrastructure improvements and related design expenses accounted for in the Village's Capital Improvement Plan. The Economic Development Fund also includes a number of line items that address the joint efforts with the Marketing Division.

As revenue for the Economic Development Fund cannot be precisely determined, public plans for development related activities must also be flexible. The schedules for development plans and programs are sometimes beyond the control of the Village. Unforeseen economic issues may necessitate Economic Development expenditures that cannot be anticipated in the budget. Thus the Fund contains a line-item with \$140,000 for special activities or expenses not covered elsewhere in the budget. Generally, most of this line item is not expended and is carried over for future years' economic development activities.

FY 10 OBJECTIVES

1. Continue to implement the Downtown Facade Assistance and Interior Rehab Programs and other incentive programs in connection with the redevelopment of Downtown Skokie.
2. Complete the SSA #9 infrastructure improvements for the East Industrial Area north of Oakton Street.
3. Continue the Industrial Facade Improvement Program in connection with the SSA #9 improvement project for the East Industrial Area.
4. Continue the Village's marketing efforts for business retention and attraction purposes.
5. Conduct on-site retention visits to existing Skokie companies.
6. Foster the continued lease-up and growth of the Illinois Science +Technology Park in accordance with the Forest City

VILLAGE OF SKOKIE
FY2010
DEPARTMENT NARRATIVE

ECONOMIC DEVELOPMENT

- Enterprises Redevelopment Agreement.
7. Purchase the property at Dempster Street and Niles Center Road and combine it with the property already purchased at Dempster and Skokie Boulevard for a developer recruitment process for a new mixed-use or commercial development at the combined site.
 8. Purchase the property at the southwest corner of the Skokie Boulevard and Searle Parkway intersection for construction staging and eventual public site improvements in connection with the new Skokie Swift Downtown station.
 9. Conduct annual Joint Review Board meetings, and others as may be necessary, for the Downtown and Illinois Science + Technology Park TIF districts.
 10. Complete a market assessment and retail strategy study for the Downtown area in conjunction with a private consulting firm.
 11. Provide staff assistance as necessary to any committees or project task forces, Manager's Office and Community Development Department, and serve as the Village's official liaison to the Independent Merchants of Downtown Skokie (IMODS) organization.

WORKLOAD INDICATORS

	<u>FY08</u>	<u>FY09</u>	<u>FY10</u>
1. Business retention site visits	6	5	8
2. TIF District fiscal year reports completed	2	2	2
3. Downtown façade or interior rehab improvement projects Assisted	2	1	4
4. East Industrial Area façade improvement projects completed	0	4	5
5. Properties purchased for economic development purposes	1	2	3
6. Joint Review Board meetings for TIF Districts	2	2	5
7. IMODS meetings and events attended	12	10	8
8. Market assessment/retail strategy studies completed	0	0	1

**VILLAGE OF SKOKIE
FY2010
BUDGET**

**Community Development
Economic Development
Fund ED 025-1968-465**

Division Summary

Expenditure by Category							
CLASS	FY 07 ACTUAL	FY 08 ACTUAL	FY 09 BUDGET	FY 10 REQUEST	INCREASE (DECREASE)	PERCENT. CHANGE	BOARD APPROVED
Personal Services	66,573	74,996	79,808	94,042	14,234	17.8%	94,969
Contractual Services	175,871	185,982	312,600	244,780	(67,820)	-21.7%	244,780
Materials and Supplies	3,042	1,798	6,500	3,500	(3,000)	-46.2%	3,500
Capital Outlay							
Other	26,151	255,293	223,029	165,122	(57,907)	-26.0%	165,122
TOTAL	271,637	518,069	621,937	507,444	(114,493)	-18.4%	508,371
Full-time	0.80	0.90	1.10	1.20	0.10	9.1%	1.20
Part-time	1.00	1.00	1.00	1.00			1.00
Seasonal							
TOTAL	1.80	1.90	2.10	2.20	0.10	4.8%	2.20

VILLAGE OF SKOKIE
FY2010
DEPARTMENT NARRATIVE

SELF-INSURANCE FUND

GOALS

Risk Management Division:

1. To mitigate or minimize the cost of risk associated with Village operations through effective risk identification, risk control, and risk financing. This includes protecting the Village's corporate assets against property, business interruption, workers' compensation and liability losses.
2. Ensure a cost-effective safe and healthy work environment for all Village employees.

DESCRIPTION

The Self-Insurance Fund exists to serve two main functions. First, the Village's corporate assets are protected against property or liability loss. Secondly, sources of major revenue, such as the Old Orchard Shopping Center and the Village Crossing Shopping Center, are insured against business interruption.

The Self-Insurance Fund includes the Risk Management Division (2.0 FT, \$ 1,542,604) and associated responsibilities involve a wide variety of fields. In addition to minimizing or eliminating any adverse effects of accidental losses to Village personnel, operations or assets, Risk Management is specifically responsible for loss control, claim management, litigation, settlements, contractual risk transfer, injured worker benefits, occupational safety and health, subrogation, commercial insurance, risk financing and self-insurance. This fund includes the cost of property insurance policies, contributions to the Village's High-level Excess Liability Pool (H.E.L.P.) umbrella insurance plan, and the cost of all settlements inclusive of general liability and workers' compensation. This fund does not include the cost for Village attorneys, but does include other professional fees.

PROGRAM REVIEW

The Risk Management Division strives to minimize or eliminate any adverse effects of accidental losses to Village personnel, operations or assets. Risk Management is responsible for managing the Village's self-insured liability program, including the purchase of excess liability coverage, property and business interruption insurance; reviewing all claims lodged with the Village and coordinating the claim handling procedures with the third-party administrator; initiating appropriate investigations, directing action to resolve claims, coordinating claim recovery program; developing and evaluating the financial impact upon the Village of various risks which cannot be eliminated and recommending the most cost efficient means of addressing the risk; reviewing financial reports, lease

VILLAGE OF SKOKIE
FY2010
DEPARTMENT NARRATIVE

SELF-INSURANCE FUND

agreements, contracts and conducting field inspections for the purpose of discovering risk exposures; evaluating contractual agreements that are entered into, by or on behalf of the Village with emphasis on effective risk transfer; establish and maintains the risk management record keeping systems; develops and implements various Village safety and loss control programs; coordinates risk management activities with operational departments; serves on and coordinates Claims Committee activities; serves as alternate representative to High-level Excess Liability Pool (H.E.L.P.); develops and reviews various analytical and management reports relative to loss trending, loss forecasting and risk identification; and recommends cost effective risk control measures.

BUDGET ISSUES

The Self-Insurance Fund is included in the budget for the first time in FY10. All expenditures relating to self-insurance and liability protection are included in the new Self-Insurance Fund. All medical and health insurance benefits provided for employees will continue to be funded in the existing Insurance Fund.

The FY10 Self-Insurance Fund total includes funding for self-insurance claims which is based on experience although it is acknowledged claims are somewhat unpredictable. Other increases include legal and third-party administration fees which directly correlate with the number and severity of claims. In addition, there is a new line item for repairing Village infrastructure (i.e. light poles) that gets damaged from accidents throughout the year. As applicable, the Village actively pursues claim recovery or subrogation to offset expenditures for these repairs.

The Self-Insurance Fund also hosts the Risk Management Division, previously budgeted in the Insurance Fund.

VILLAGE OF SKOKIE
FY2010
DEPARTMENT NARRATIVE

SELF-INSURANCE FUND

<u>WORKLOAD INDICATORS</u>	<u>FY07</u>	<u>FY08</u>	<u>FY09*</u>	<u>FY 10</u>
Number of Workers' Compensation Claims	104	92	86	86
Number of WC - Medical Only Cases	41	50	37	37
Number of WC - Lost Time Cases	17	17	14	14
Number of WC – Incident Only	46	25	35	35
Number of Litigated WC Claims	13	13	12	12
Workers' Compensation Total Incurred Cost	\$1,245,304	\$801,036	\$505,740	\$505,740
Number of General & Auto Liability Claims	113	122	93	93
Number of Litigated General & Auto Liability Claims	10	9	8	8
General & Auto Liability Total Incurred Cost	\$138,311	\$56,801	\$33,144	33,144
GL & AL Claims Denied / Closed without Payment	80	73	70	70
RFP's / Bid Specifications / Agreements Reviewed	18	17	16	16

*As of 12/31/08

**VILLAGE OF SKOKIE
FY2010
BUDGET**

**Self-Insurance Fund
Fund 022 2596-417**

Division Summary

Expenditure by Category							
CLASS	FY 07 ACTUAL	FY 08 ACTUAL	FY 09 BUDGET	FY 10 REQUEST	INCREASE (DECREASE)	PERCENT. CHANGE	BOARD APPROVED
Personal Services	108,757	113,758	143,990	144,847	857	0.6%	146,289
Contractual Services	579,663	574,166	583,700	1,394,060	810,360	138.8%	1,394,060
Materials and Supplies	2,354	2,658	2,420	2,255	(165)	-6.8%	2,255
Other							
TOTAL	690,774	690,581	730,110	1,541,162	811,052	111.1%	1,542,604
Full-time				2.00	2.00		2.00
Part-time							
Seasonal							
TOTAL				2.00	2.00		2.00

**Expenditures for FY07 thru FY09 are included to illustrate the spending history. These expenditures were previously budgeted in the Insurance Fund and have been relocated to the new Self-Insurance Fund beginning with FY10.*

VILLAGE OF SKOKIE

FY2010

DEPARTMENT NARRATIVE

TAX INCREMENT FINANCING

GOALS

The primary goal of the Tax Increment Financing (TIF) Fund is to enhance both public and private redevelopment activity in the Downtown Skokie area. The TIF Fund provides funding to a variety of Downtown-related programs.

PROGRAM REVIEW

The Village's Downtown area includes two current TIF districts. The first Downtown TIF was formed in 1990 and was originally expected to end in 2005. After careful consideration of a request by the Skokie Downtown Merchants Association and the Skokie Chamber of Commerce, the Village Board agreed not to terminate the TIF but rather reduce its size and extend the balance of the TIF to the legal maximum term of 23 years. Because of the financial impact on local elementary School District 69, the Village agreed to disconnect certain properties originally within this TIF that were already developed so School District 69, School District 219 and all other taxing jurisdictions affected by the TIF could realize immediate property tax gains from the disconnected properties. The Downtown TIF is now scheduled to be terminated in 2013.

The second TIF, the Downtown Science and Technology TIF District, was created in 2005. The predominant force behind the formation of this TIF was the abandonment of the former Searle/Pfizer pharmaceutical company research and development facilities. This 23-acre site adjacent to the north edge of the Village's Downtown was purchased by Forest City Enterprises in 2005. Much of the original campus was thereafter demolished and four buildings comprising about 660,000 square feet were retained. The campus is now known as the Illinois Science + Technology Park (IS+TP) and includes three laboratory buildings, one general office building and a 1,000-car parking garage. The IS+TP is projected to eventually grow to over 2 million square feet of laboratory and office space with about 3,000 to 5,000 employees. It is intended to become a premier bioscience and nanotechnology campus, and has already doubled the amount of wet lab space currently available in the State of Illinois while greatly enhancing the Chicago region's reputation as a biotech center. The strategic location is expected to attract significant research interest and product development from the Chicago area's major universities, teaching and research hospitals, and regional pharmaceutical and medical device companies. The IS+TP will serve as the catalyst to transform Illinois from a scientific research hub to an economic engine for bioscience technologies.

VILLAGE OF SKOKIE
FY2010
DEPARTMENT NARRATIVE

TAX INCREMENT FINANCING

BUDGET ISSUES

The TIF Fund budget for FY10 totals \$17,082,003 which represents a \$2,753,303 increase, or 19.2%, from the total FY09 TIF budget. Over \$10 million of the total FY10 budget are expenditures in the Village's CIP fund for a variety of public infrastructure improvements in the area. These include streetscape improvements, design and construction of the Downtown CTA rapid transit station, train station accessory improvements and land acquisition, intersection and signalization improvements, street improvements, public right-of-way maintenance, and acquisition of the Union Pacific Railroad ROW and development of a greenway/bike path. It should be noted that in addition approximately \$16 million in outside funding has been allocated towards the downtown Skokie Swift Train Station. Additionally, TIF funds may be used to acquire certain sites and buildings for redevelopment purposes or public parking. A professional services line item is included for any consulting expenses that may be necessary to enhance the TIF or address legal, financial or other professional consulting needs. Expenditures potentially exceed revenue and may require debt issues or borrowing from other funds to finance them. This will be avoided where possible but could be a consideration for a major public undertaking such as the TIF matching funds that may be necessary for the CTA station project.

FY 10 OBJECTIVES

1. Continue to implement the Downtown Incentives programs including assistance for façade improvements and interior rehabilitation for retail and restaurant uses utilizing existing buildings.
2. Complete the acquisition of the private property at Skokie Boulevard and Searle Parkway necessary to accommodate the development of the CTA rapid transit station site appurtenances.
3. Commence construction of the Downtown CTA station.
4. Complete a market assessment and retail strategy study for the Downtown area.
5. Conduct all necessary TIF Joint Review Board meetings and complete the State-required fiscal year reports for both TIF districts.

WORKLOAD INDICATORS

	<u>FY08</u>	<u>FY09</u>	<u>FY10</u>
1. Façade or interior rehab projects assisted	2	1	4
2. TIF District fiscal year reports completed	2	2	2
3. Joint Review Board meetings for TIF Districts	2	2	5

**VILLAGE OF SKOKIE
FY2010
BUDGET**

**Other Funds
Tax Increment Financing
Fund TIF**

Division Summary

Expenditure by Category							
CLASS	FY 07 ACTUAL	FY 08 ACTUAL	FY 09 BUDGET	FY 10 REQUEST	INCREASE (DECREASE)	PERCENT. CHANGE	BOARD APPROVED
Personal Services							
Contractual Services		239,109	250,000	250,000			
Materials and Supplies							
Capital Outlay			6,500,000	6,500,000			
Other	1,417,119	232,394	7,578,500	10,332,003	2,753,503	36.3%	
TOTAL	1,417,119	471,503	14,328,500	17,082,003	2,753,503	19.2%	
Full-time							
Part-time							
Seasonal							
TOTAL							

VILLAGE OF SKOKIE
FY2010
DEPARTMENT NARRATIVE

PERFORMING ARTS CENTER

GOALS

The goals of the Performing Arts Center Division are to implement grants for continued improvement to the North Shore Center for the Performing Arts in Skokie (NSCPAS) in addition to assuring efficient long-term operation of the facility.

DIVISION DESCRIPTION

The Performing Arts Center Division, (\$250,000), is responsible for the overall planning and management of the North Shore Center for the Performing Arts in Skokie.

PROGRAM REVIEW

FY09 proved to be reasonably successful for Northlight Theatre and the Skokie Valley Symphony Orchestra, and a transition year for Centre East, Inc. In late spring 2009, the Village extended a line of credit to Centre East to circumvent the organization's collapse. Organizational changes followed, with Professional Facilities Management (PFM), now managing Centre East. PFM has managed the NSCPAS since it opened in 1996, and now manages Centre East under a separate contract with the Centre East Board of Directors. In FY09, Centre East booking, marketing and public relations was done by Carol Fox & Associates (CFA). The combined efforts of PFM, CFA and the Centre East oversight committee that includes Centre East Chairman Jim Blomberg, Village Finance Director Robert Nowak and Ann Tennes, Village Director of Marketing and Communications. Commercial/private uses of the facility increased in FY09, as PFM now controls the calendar for Centre East Theatre. The North Shore Center for the Performing Arts in Skokie Foundation also continues in transition, and had no formal meetings during FY09.

The facility's detailed Operational Budget is outlined in a separate document.

BUDGET ISSUES

FY10 OBJECTIVES

1. Continue to provide management support to the Centre East Authority.
2. Continue implementation of administrative systems to conduct the Authority's business affairs.
3. Administer the contract with Professional Facilities Management, Inc.
4. Continue to work with PFM to further stabilize and restructure Centre East, Inc.
5. Oversee new concessions and catering arrangement.

VILLAGE OF SKOKIE
FY2010
DEPARTMENT NARRATIVE

PERFORMING ARTS CENTER

<u>WORKLOAD INDICATORS</u>	<u>FY08</u>	<u>FY09</u>	<u>FY10</u>
1. Centre East Authority Meetings	12	12	12
2. NSCPAS Foundation Meetings	2	2	1
3. Consultants supervised	1	1	1

VILLAGE OF SKOKIE
FY2010
BUDGET

Performing Arts
Center
Fund PAC 009 5909-451

Division Summary

Expenditure by Category							
CLASS	FY 07 ACTUAL	FY 08 ACTUAL	FY 09 BUDGET	FY 10 REQUEST	INCREASE (DECREASE)	PERCENT. CHANGE	BOARD APPROVED
Personal Services							
Contractual Services							
Materials and Supplies							
Capital Outlay							
Other	805,883	781,875	250,000	250,000			250,000
TOTAL	805,883	781,875	250,000	250,000			250,000
Full-time							
Part-time							
Seasonal							
TOTAL							

VILLAGE OF SKOKIE

FY2010

DEPARTMENT NARRATIVE

NORTH SHORE CONVENTION & VISITORS BUREAU

GOALS

The Chicago's North Shore Convention & Visitors Bureau goal is to promote its member communities to leisure and business travelers from around the country, thus improving economic vitality. The bureau also is positioning itself as the best source for information on activities in the North Shore area, specific to its member communities.

DIVISION DESCRIPTION

The Chicago's North Shore Convention & Visitor's Bureau, (\$117,567), is responsible for planning and management of tourism marketing outreach for Skokie. The revenue for this fund is provided by a hotel tax at a rate of 3.5% for hotels with 1 to 349 rooms and 6% for hotels with 350 or more rooms.

PROGRAM REVIEW

Chicago's North Shore Convention & Visitors Bureau was officially formed in July 2002 after two-year feasibility study process. Skokie, Evanston and Wilmette were founding communities. Northbrook joined in 2003 and Glenview joined with a limited membership (with no hotel promotion) in 2007 and became a full municipal member in 2008. The Village of Wilmette opted not to renew bureau membership in 2008, finding promotions of limited value in the absence of hotels in the community. In July 2008 the Village of Skokie signed a third three-year agreement with the bureau. The agreement has favorable terms for the Village per revisions the Village made prior to adopting a second three-year bureau agreement in 2005. These terms remain in effect for the current agreement.

The bureau's budget is \$1.3 million which includes \$506,674 in funding from the Illinois Bureau of Tourism. The bureau's offices remain at 8001 Lincoln Avenue in Downtown Skokie. The Village of Skokie has nine representatives on the Bureau's Board of Directors, including representatives from all full-service hotels, the North Shore Center for the Performing Arts in Skokie, Westfield Old Orchard and the Holocaust Museum. Assistant Village Manager John Lockerby serves on the Bureau's Board and, as bureau treasurer, chairs the Finance Committee and serves on the Executive Committee. Director of Marketing and Communications Ann Tennes serves on the Bureau's Board and Executive Committee. Regular revenue/market share comparison reports show that bureau-area hotels are experiencing greater occupancy rates and command higher revenues than other hotels in the Lake County and O'Hare region.

VILLAGE OF SKOKIE
FY2010
DEPARTMENT NARRATIVE

NORTH SHORE CONVENTION & VISITORS BUREAU

FY10 OBJECTIVES

1. Promote Skokie hotels, restaurants and attractions to leisure and business travelers.
2. Provide increased sales tax revenue from increased tourism at Skokie hotels, restaurants and attractions.
3. Strengthen Skokie's image as a North Shore Community.
4. Increase Skokie business involvement in the Tourism and Hotel Communities of the bureau.
5. Continued tracking of the bureau's economic impact on the region relative to overnight hotel stays.

WORKLOAD INDICATORS

	<u>FY08</u>	<u>FY09</u>	<u>FY10</u>
1. Board Meetings	6	6	6
2. Executive Committee Meetings	5	5	5
3. Other Meetings (Finance, Personnel)	8	8	8
4. Visitor's Guide, Restaurant Guide & Other Publication	3	3	3
5. Tourism Ads	50	65	60
6. National Tourism Trade Shows	21	21	21

**VILLAGE OF SKOKIE
FY2010
BUDGET**

**North Shore Conventions
& Visitors Bureau
Fund 007 0569 465**

Division Summary

Expenditure by Category							
CLASS	FY 07 ACTUAL	FY 08 ACTUAL	FY 09 BUDGET	FY 10 REQUEST	INCREASE (DECREASE)	PERCENT. CHANGE	BOARD APPROVED
Personal Services							
Contractual Services	107,590	114,143	117,567	117,567	-	0.0%	
Materials and Supplies							
Capital Outlay							
Other							
TOTAL	107,590	114,143	117,567	117,567	-	0.0%	-
Full-time							
Part-time							
Seasonal							
TOTAL							

FEDERAL AID

**DISABILITY SERVICES
COMMUNITY DEVELOPMENT BLOCK GRANT**

VILLAGE OF SKOKIE

FEDERAL AID

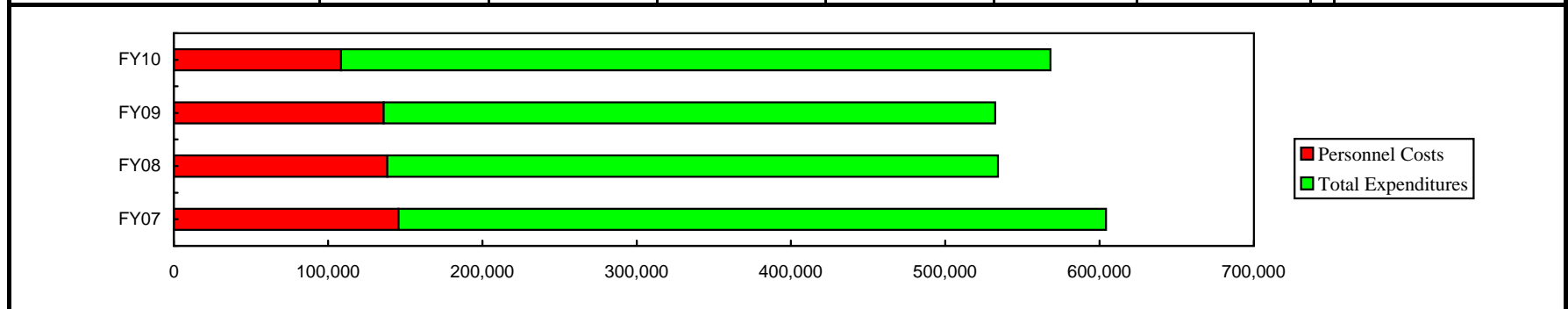
CDBG Fund

FY2010 BUDGET

DEPARTMENT SUMMARY

EXPENDITURE BY DIVISION							
DIVISION	PRIOR YEAR FY07 ACTUAL	LAST YEAR FY08 ACTUAL	CURRENT FY09 BUDGET	REQUEST FY10 BUDGET	INCREASE (DECREASE)	PERCENTAGE CHANGE	BOARD APPROVED
Disability Services	59,509	61,323	49,900	44,153	(5,747)	-11.5%	44,529
Community Develop Block Grant	544,875	473,058	482,666	523,102	40,436	8.4%	523,799
TOTAL	604,384	534,381	532,566	567,255	34,689	6.5%	568,328

PERSONNEL							
Full-Time	2.5	2.1	1.9	1.8	(0.10)	-5.3%	1.8
Part-Time							
Seasonal							
TOTAL	2.5	2.1	1.9	1.8	(0.10)	-5.3%	1.8



VILLAGE OF SKOKIE
FY2010
DEPARTMENT NARRATIVE

DISABILITY SERVICES

GOALS

1. Provide Skokie residents with disabilities with accurate, current information and referral services;
2. Stimulate public awareness of the abilities, contributions and needs of individuals with disabilities; and
3. Serve as an advocate for those with special needs.

DIVISION DESCRIPTION

The Disability Services Subdivision (1FT, \$44,529) is responsible for the administration, planning, organization and coordination of programs relating to individuals with disabilities. These programs include Skokie's paratransit programs, which are budgeted and described separately.

PROGRAM REVIEW

Two of the main programs of this division focus on disability parking. The first program provides qualified residents with an application for authorization to use parking spaces reserved for individuals with disabilities. Residents with a temporary disability may obtain an application for either a Skokie or State parking placard. Residents with a permanent disability may obtain an application for a State placard and/or license plates.

The second program provides for installation of reserved residential parking spaces for qualified residents. The spaces offer accessibility to those who do not have convenient, usable off-street parking. There are currently 90 spaces on 72 blocks. There are 15 blocks with more than one set of signs. Many individuals who have requested an application have not yet submitted it, so the number of spaces could increase significantly.

The pilot program that was launched last year to provide a residential disability loading zone continues. The zones are established to assure access to the street. Applicants for the pilot program must be severely limited in mobility and unable to qualify for a reserved residential disability parking space. At present there are five loading zones, and seven other residents have requested an application form.

A considerable amount of staff time is required to administer Skokie's STAR (Senior Transit for Area Residents) Program. This program, which serves residents with disabilities or who are age 65 or older, is covered in more detail in the Transportation Subdivision budget request.

VILLAGE OF SKOKIE
FY2010
DEPARTMENT NARRATIVE

DISABILITY SERVICES

BUDGET ISSUES

The FY10 Disability Services Budget request represents a decrease of (\$5,747) or -11.5%. The decrease is mostly due to reduced federal funding and personnel costs savings resulting from a retirement. A minor increase is requested in contractual services in order to secure a necessary supply of handicap parking placards, purchased by the Village every 3 years. The budget includes savings in personnel costs as the result of a retirement during FY10.

FY10 FOBJECTIVES

1. Assist the Advisory Commission on Disabilities in fulfilling its purpose of helping individuals with disabilities present their viewpoint through awareness programs and through development of recommendations of specific policies, programs and procedures designed to aid these individuals;
2. Administer the paratransit programs subsidized by the Village of Skokie, including developing and implementing proposals for growth of the program and for controlling cost;
3. Administer the Reserved Residential Parking and Disability Parking Placard Programs;
4. Monitor regulations regarding individuals with disabilities such as the Americans with Disabilities Act (ADA) and Section 504; and
5. Coordinate and cooperate with other staff, agencies and organizations regarding services and programs.
6. Continue working with the Disability Consortium to present programs of benefit to the disability community. The Disability Consortium, originated by Skokie, is a cooperative effort by the Village of Skokie, City of Evanston, Maine Township, New Trier Township, Wilmette Commission on Disability, and other agencies to share information and to sponsor events such as a Job Fair for Persons with a Disability.

VILLAGE OF SKOKIE
FY2010
DEPARTMENT NARRATIVE

DISABILITY SERVICES

<u>WORKLOAD INDICATORS</u>	<u>FY08</u>	<u>FY09</u>	<u>FY10</u>
Reserved Residential Parking			
New installations	10	20	20
Renewals	69	77	88
Removals	16	18	15
Disability Parking Placards			
Skokie Temporary	168	175	190

**VILLAGE OF SKOKIE
FY2010
BUDGET**

**Administration
Disability Services
Fund CDBG 008 1967-444**

Division Summary

Expenditure by Category							
CLASS	FY 07 ACTUAL	FY 08 ACTUAL	FY 09 BUDGET	FY 10 REQUEST	INCREASE (DECREASE)	PERCENT. CHANGE	BOARD APPROVED
Personal Services	58,467	60,825	62,577	38,713	(23,864)	-38.1%	39,089
Contractual Services	232	96	3,179	4,479	1,300	40.9%	4,479
Materials and Supplies	810	402	961	961			961
Capital Outlay							
Other			(16,817)		16,817	-100.0%	
TOTAL	59,509	61,323	49,900	44,153	(5,747)	-11.5%	44,529
Full-time	1.00	1.00	1.00	1.00			1.00
Part-time	1.00						
Seasonal							
TOTAL	2.00	1.00	1.00	1.00			1.00

VILLAGE OF SKOKIE

FY2010

DEPARTMENT NARRATIVE

COMMUNITY DEVELOPMENT BLOCK GRANT

GOALS

1. To administer the Village's Community Development Block Grant (CDBG) program that principally benefits Skokie's low and moderate-income residents.
2. To enhance the quality of Skokie's neighborhoods by providing CDBG funds for capital improvements and public services.

DIVISION DESCRIPTION

The Community Development Block Grant Division (0.8, \$523,799) falls under the general administration of the Community Development Department. It is responsible for the administration of the federal government Community Development Block Grant (CDBG) program, and overall planning and implementation of special community development efforts. The Division's directive has been to manage the various activities performed under the CDBG program. The Division is also responsible for coordinating Village involvement in matters related to maintenance and enhancement of the local economy, and improving housing opportunities for low and moderate-income residents. Technical assistance is provided to the Village Manager, Mayor's Office, Board of Trustees, and other departments as needed.

PROGRAM REVIEW

The Village receives an annual entitlement from the U.S. Department of Housing and Urban Development (HUD) for the CDBG program. Historically, these funds have been used for a wide variety of physical improvement projects, housing programs, social services and other activities consistent with local planning goals. HUD requires that projects principally benefit the low and moderate-income people of the community, and the Village has fully complied with this directive.

The overall purpose of the Village's CDBG program is to maintain and enhance the current living standards found in Skokie's neighborhoods. The Village's maintenance strategy has been to continually monitor community conditions and utilize CDBG funds to provide necessary municipal services, building rehabilitation and capital improvements. In addition to public works improvement projects, a significant portion of the Village's entitlement has been committed to non-profit community organizations serving identifiable sub-groups of low and moderate-income people (i.e., developmentally disabled, elderly, physically disabled, and domestically abused). Grants to these organizations have resulted in numerous building improvements and administrative funding assistance.

VILLAGE OF SKOKIE
FY2010
DEPARTMENT NARRATIVE

COMMUNITY DEVELOPMENT BLOCK GRANT

During FY09, several major community development efforts were completed while other projects were underway. Projects that were completed included the following:

1. Fourteen low-income homeowners were provided grants/loans (maximum \$8,000) under the Village's Home Improvements Program
2. Replacement of the air-conditioning unit at the Metropolitan Family Services Counseling Center, 5210 Main Street.
3. The 2008 multi-family area sidewalk and curb and gutter replacement program
4. The 2008 Sidewalk Replacement Grant Program that provided thirteen grants to low income homeowners as part of the 50/50 mandatory replacement program
5. Remodeling of the kitchen at the SHORE Community Services Karger House CILA, 4324 Church Street, housing four developmentally disabled persons.

Projects that were underway included the following:

1. The 2008-09 Home Improvements Program
2. Replacing major kitchen equipment at the Lieberman Geriatric Health Centre at 9700 Gross Point Road, a 240-bed skilled nursing facility
3. Remodeling the kitchen at the Orchard Village seniors group home on Marmora Avenue housing eight elderly developmentally disabled persons.
4. Replacing the roof, soffits, gutters and downspouts in a group home operated by Search Developmental Center at 7716 Laramie Avenue
5. Seven Public Service grants and program administration.

BUDGET ISSUES

FY10 will be the 35th consecutive year that the Village has received CDBG funds from the federal government. While many other federal categorical programs for socio-economic purposes have been reduced or eliminated, the CDBG program continues to have bipartisan support at all levels of government. The new entitlement grant for FY10 is estimated to be \$480,000, or slightly less than the FY09 grant. The new grant along with program income and reprogramming unobligated balances, will still enable the Village to provide funding for housing rehabilitation, infrastructure improvements, non-profit rehabilitation and social services.

VILLAGE OF SKOKIE
FY2010
DEPARTMENT NARRATIVE

COMMUNITY DEVELOPMENT BLOCK GRANT

The FY10 grant will enable the Village to fund fifteen capital improvement and public service projects, including one program operated by the Village's Human Service Division. The requested funding for the administrative budget is only capable of covering 50% of the regular salary of the Economic Development/CDBG Coordinator along with 30% of the salary of the Secretary position and a few line items to carry out the responsibilities of the Division. The other 50% of the Coordinator's salary and 70% of the Secretary's salary, and corresponding benefits, will be funded under the Economic Development Fund.

FY10 OBJECTIVES

1. Update the Village's Fair Housing Analysis.
2. Complete an Action Plan for FY10 as part of the multi-year Consolidated Plan including an assessment of local housing and community development needs, and projects to be undertaken with CDBG funding.
3. Complete a Comprehensive Annual Performance and Evaluation Report (CAPER) for FY09 in accordance with HUD regulations.
4. Complete two semi-annual Contractor Activity Reports for CDBG construction projects.
5. Administer all CDBG construction contracts in accordance with applicable HUD regulations, Davis-Bacon requirements and federal labor standards.
6. Complete an annual Environmental Review Report of all CDBG projects.
7. Maintain the Integrated Disbursement and Information System (IDIS) computer program for purposes of the drawdown of CDBG funds and completing CDBG performance reports.
8. Execute a Grant Agreement with HUD and attain all HUD approvals as are necessary to implement the Village's CDBG program for FY10.
9. Conduct research, interviews and surveys to determine the community development needs and funding priorities for the 2010-14 Consolidated Plan.

VILLAGE OF SKOKIE
FY2010
DEPARTMENT NARRATIVE

COMMUNITY DEVELOPMENT BLOCK GRANT

<u>WORKLOAD INDICATORS</u>	<u>FY08</u>	<u>FY09</u>	<u>FY10</u>
Successful attainment of federal grant-in-aid funding through completion of annual Action Plan	1	1	1
HUD approval of Performance and Evaluation Report	1	1	1
Completion of semi-annual Contractor Activity Reports	2	2	2
Completion of annual Environmental Review Record	1	1	1
Number of new CDBG projects administered	18	16	15
Number of public hearings conducted to determine funding priorities and project allocations, and approval of the Annual Action Plan.	4	4	4

**VILLAGE OF SKOKIE
FY2010
BUDGET**

**Community Development
Comm. Dev. Block Grant
Fund CDBG 008 1966-419**

Division Summary

Expenditure by Category							
CLASS	FY 07 ACTUAL	FY 08 ACTUAL	FY 09 BUDGET	FY 10 REQUEST	INCREASE (DECREASE)	PERCENT. CHANGE	BOARD APPROVED
Personal Services	79,931	78,552	73,441	68,695	(4,746)	-6.5%	69,392
Contractual Services	742	424	3,200	3,000	(200)	-6.3%	3,000
Materials and Supplies	894	425	1,350	1,150	(200)	-14.8%	1,150
Capital Outlay							
Other	463,309	393,658	404,675	450,257	45,582	11.3%	450,257
TOTAL	544,876	473,058	482,666	523,102	40,436	8.4%	523,799
Full-time	1.20	1.20	0.90	0.80	(0.10)		0.80
Part-time							
Seasonal							
TOTAL	1.20	1.20	0.90	0.80	(0.10)		0.80

MOTOR FUEL TAX

VILLAGE OF SKOKIE

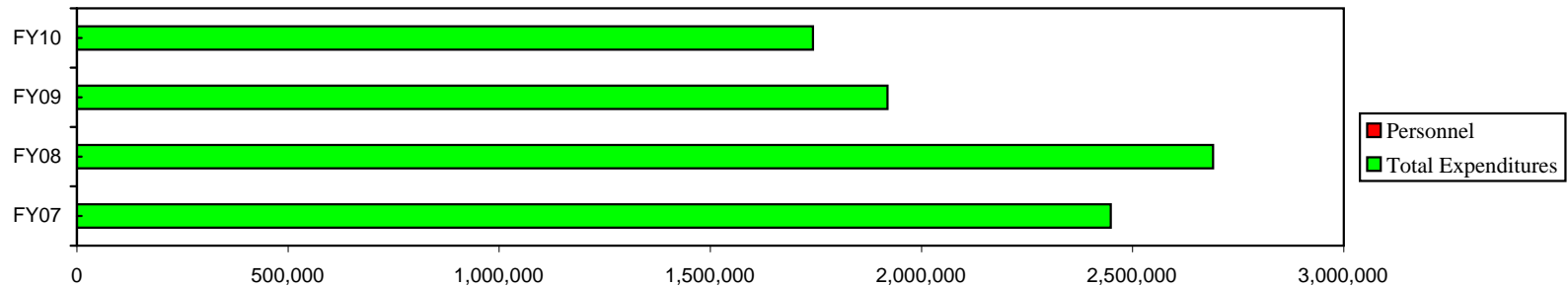
MOTOR FUEL TAX

FY2010 BUDGET

MFT Fund

DEPARTMENT SUMMARY

EXPENDITURE BY DIVISION							
DIVISION	PRIOR YEAR FY07 ACTUAL	LAST YEAR FY08 ACTUAL	CURRENT FY09 BUDGET	REQUEST FY10 BUDGET	INCREASE (DECREASE)	PERCENTAGE CHANGE	BOARD APPROVED
Motor Fuel Tax	2,449,197	2,691,167	1,920,015	1,744,133	(175,882)	-9.2%	1,744,133
TOTAL	2,449,197	2,691,167	1,920,015	1,744,133	(175,882)	-9.2%	1,744,133
PERSONNEL							
Full-Time Part-Time Seasonal							
TOTAL							



VILLAGE OF SKOKIE
FY2010
DEPARTMENT NARRATIVE

MOTOR FUEL TAX FUND

GOALS

The goal of the Motor Fuel Tax Program is to maintain and improve the level of service in the Transportation System of the Village of Skokie and to improve the condition of various amenities.

PROGRAM REVIEW

FY2009

Fund Balance (May 1, 2008)		\$ 28,692
Projected FY09 Revenues:		
Allotments & Rentals	\$ 1,668,930	
Highway Maintenance	\$ 36,250	
High-Growth City Payments	\$ 30,790	
Interest	\$ 1,500	
Total Projected FY09 Revenue:		\$ 1,737,470
Less Projected FY09 Contractual & Capital Expenditures		<u>(\$ 2,140,884)</u>
Projected FY09 Decrease in the MFT Fund Balance:		<u>(\$ 403,414)</u>

FY2010

Projected Fund Balance (Deficit) on May 1, 2009		\$ (374,722)
Projected FY09 Revenues:		
Allotments & Rentals	\$ 1,666,052	
Highway Maintenance	\$ 36,250	
High-Growth City Payments	\$ 39,331	
Interest	\$ 2,500	
Total Projected FY10 Revenues:		\$ 1,744,133
Less Projected FY10 Contractual & Capital Expenditures:		<u>(\$ 1,744,133)</u>
Projected FY10 Decrease in the MFT Fund Balance:		<u>(\$ 0)</u>
Projected Fund Balance (Deficit) on May 1, 2010		\$(374,722)
Estimated Revenues (FY11-FY14):		\$ 7,316,474
Less Estimated Contractual and Capital Expenditures (FY11-FY14)		<u>\$ 7,514,611</u>
Projected Decrease in the MFT Fund:		<u>(\$ 198,137)</u>
Projected Fund Balance (Deficit) on May 1, 2014		(\$ 572,859)

VILLAGE OF SKOKIE
FY2010
DEPARTMENT NARRATIVE

MOTOR FUEL TAX FUND

BUDGET ISSUES

The MFT Budget for FY2010 totals \$1,744,133 which represents a \$185,882 decrease or -9.7% from the FY2009 MFT Budget. Beginning in FY2002, the Village began to aggressively fund capital projects in the Public Improvement component of the Capital Improvement Plan with the large fund balances that had been accumulating throughout the construction period associated with the Flood Control Program. The MFT fund balance grew to as much as \$6.9 million at the end of FY2001. Since that time, capital spending, utilizing MFT dollars, not only considered the revenues that would be received during the fiscal year (namely allotments and interest earnings) but in addition, the utilization of available fund balances. Several programs benefited from this aggressive capital improvements plan including the sidewalk replacement program and annual resurfacing. It was understood that at some point however, the Village would be required to begin its MFT capital improvements budgeting based primarily on the projected revenues for that fiscal year, as fund balances were generally no longer available other than in nominal amounts. With FY09, It seems that the Village has reached the point where fund balance can no longer be considered viable enough to supplement anticipated revenues. Due the difficult economic environment and continuous decreases in the number of gallons consumed in the state, revenues anticipated for FY09 were not been realized. This has resulted in the MFT fund beginning FY10 with a deficit of (\$374,722). Requested funding for FY10 is in line with a conservative estimation of revenue during the year.

Proposed expenditures for FY2009 are in line with FY10 annual projected revenues. Conservative revenue estimates, due to the volatility of the fuel market and the general economy, have had an impact on the five-year bottom line. As the following analysis suggests, funding commitments in the CIP total **\$5,001,600** over the next five years (FY10-2014). Operational expenses are estimated to be **\$4,257,144** over the next five years. Fund Balances and Revenues are anticipated to be **\$8,685,885** over the next five years. Given these revenue trends and the current spending plan, the fund balance on April 30, 2014 is projected to have a deficit of (\$572,859).

I. Expenditures:

Five-Year Capital Expenditures	\$ 5,001,600
Five-Year Operational Expenditures	<u>\$ 4,257,144</u>
Total Expenditures (FY2009-FY2014)	\$ 9,258,744

II. Revenues:

Anticipated Fund Balance (May 1, 2009)	(\$ 374,722)
Five-Year Projection of Revenues	<u>\$ 9,060,607</u>
Projected Fund Balance (Deficit) – May 1, 2014	(\$ 572,859)

**VILLAGE OF SKOKIE
FY2010
DEPARTMENT NARRATIVE**

MOTOR FUEL TAX FUND

MOTOR FUEL TAX EXPENDITURE AND REVENUE SUMMARY

FISCAL YEAR	EXPENDITURES			REVENUES			NET FOR YEAR
	CAPITAL	ENERGY & MAINTENANCE	TOTAL	ALLOTMENTS & PARKING	INTEREST & OTHER	TOTAL	
1998	1,344,656	484,587	1,829,243	1,378,079	263,654	1,641,733	(187,510)
1999	686,075	405,318	1,091,393	1,411,134	230,866	1,642,000	550,607
2000	727,845	482,659	1,210,504	1,620,201	243,104	1,863,305	652,801
2001	1,053,678	492,361	1,546,039	1,736,501	478,286	2,214,787	668,748
2002	2,405,504	450,654	2,856,158	1,756,672	246,829	2,003,501	(852,657)
2003	2,271,823	513,131	2,784,954	1,810,114	187,506	1,997,620	(787,334)
2004	3,903,650	570,397	4,474,047	1,806,440	49,927	1,856,367	(2,617,680)
2005	3,119,756	550,233	3,669,989	1,856,204	30,248	1,886,452	(1,783,537)
2006	1,789,266	542,990	2,332,256	1,830,606	37,001	1,867,607	(464,649)
2007	1,561,321	548,125	2,109,446	1,841,800	60,727	1,902,527	(206,909)
2008	1,931,061	753,106	2,691,167	1,775,029	105,502	1,880,531	(810,636)
*2009	1,056,971	1,083,913	2,140,884	1,668,930	68,540	1,737,470	(403,414)
** 2010	927,000	817,133	1,744,133	1,666,052	78,081	1,744,133	0

*Estimated

** Budget

**VILLAGE OF SKOKIE
FY2010
BUDGET**

**Public Works Department
MFT
Fund 003 3303-431**

Division Summary

Expenditure by Category							
CLASS	FY 07 ACTUAL	FY 08 ACTUAL	FY 09 BUDGET	FY 10 REQUEST	INCREASE (DECREASE)	PERCENT. CHANGE	BOARD APPROVED
Personal Services							
Contractual Services	586,662	753,106	666,015	817,133	151,118	22.7%	817,133
Materials and Supplies							
Capital Outlay							
Other	1,862,535	1,938,061	1,254,000	927,000	(327,000)	-26.1%	927,000
TOTAL	2,449,197	2,691,167	1,920,015	1,744,133	(175,882)	-9.2%	1,744,133
Full-time							
Part-time							
Seasonal							
TOTAL							

WATER FUND

**WATER AND SEWER
WATER METER
FLOOD RELIEF**

VILLAGE OF SKOKIE

PUBLIC WORKS

FY2010 BUDGET

Water Fund

DEPARTMENT SUMMARY

EXPENDITURE BY DIVISION							
DIVISION	PRIOR YEAR FY07 ACTUAL	LAST YEAR FY08 ACTUAL	CURRENT FY09 BUDGET	REQUEST FY10 BUDGET	INCREASE (DECREASE)	PERCENTAGE CHANGE	BOARD APPROVED
Water and Sewer	6,816,046	7,113,135	6,734,962	6,585,472	(149,490)	-2.2%	6,593,818
Water Meter	554,639	562,004	600,145	598,634	(1,511)	-0.3%	601,086
Flood Relief	444,563	514,153	510,502	517,648	7,146	1.4%	520,076
TOTAL	7,815,248	8,189,292	7,845,609	7,701,754	(143,855)	-1.8%	7,714,980
PERSONNEL							
Full-Time	19.25	19.25	19.25	19.25			19.25
Part-Time	2.00	2.00	2.00	2.00			2.00
Seasonal	7.00	7.00	7.00	7.00			7.00
TOTAL	28.25	28.25	28.25	28.25			28.25

Fiscal Year	Personnel	Other	Total
FY10	~1,400,000	~6,300,000	~7,700,000
FY09	~1,300,000	~6,500,000	~7,800,000
FY08	~1,200,000	~7,000,000	~8,200,000
FY07	~1,200,000	~6,600,000	~7,800,000

VILLAGE OF SKOKIE
FY2010
DEPARTMENT NARRATIVE

PUBLIC WORKS

WATER FUND

DIVISION DESCRIPTION

The Water and Sewer Division's (11.25 FT/4 Seasonals, \$6,593,818) daily operations include the maintenance and repair of water mains, household service lines, main line sewers, fire hydrants, water distribution valves, and street drainage structures. Division personnel also make utility locations for outside contractors and other utilities pursuant to JULIE requirements, as well as offer technical assistance to homeowners experiencing problems with their household water & sewer service lines.

The Water Meter Division's (4 FT/2 PT/2 Seasonals, \$601,086) primary responsibility is to maintain the metering and billing system of the Village.

The Flood Relief Division's (4 FT/1 Seasonal, \$520,076) primary objective is to abate basement flooding in Skokie. This entails the necessary inspections, maintenance, repair and enhancement to all flood control system components and appurtenances that are presently in place.

PROGRAM REVIEW

Service, infrastructural maintenance and dissemination of information are the key tasks in the Water & Sewer Division and most activities are related to this concept. Throughout the year, the Department's principal activities are to repair water main breaks, service lines, inoperative sewers, street drainage structures, fire hydrant replacements & repairs, televising sewers, etc. so as to forestall problems and reduce inconveniences to the community.

A major objective for the Public Works Department is to improve its water accountability levels. First, after-hour leak detection services were performed in the winter of 2008. The annual meter testing of industrial accounts commenced in March of 2008. Water meters reaching fifteen years in the system continue to be scheduled for replacement. The installation of radio read technology continues in the industrial sectors of the Village.

Staff oversaw the engineering and replacement of approximately 3,600 linear feet of problematic water main in the Williamsburg subdivision water main (approximately 3,600 linear feet of six (6) inch water main).

VILLAGE OF SKOKIE
FY2010
DEPARTMENT NARRATIVE

PUBLIC WORKS

WATER FUND

The Village multi-year rehabilitation program of its combined sewer system continued. Approximately 2,700 lineal feet of problematic sewer, which was rated in the worst condition, pursuant to the twenty year action plan, was rehabilitated. The specific locations of sewer re-lining occurred on Bennett Avenue from Dempster Street to Church Street (approximately 620 linear feet of eighteen (18) inch sewer main, 675 linear feet of twenty (20) inch sewer main, 480 linear feet of twenty four (24) inch sewer main and 445 linear feet of twenty seven (27) inch sewer main). Central Park Avenue from Dempster Street to north of Crain Street (approximately 450 linear feet of twenty (20) inch sewer main).

Approximately 70 fire hydrants were replaced this fiscal year.

The Water Division continued to provide internal and contractual maintenance to the flood control system, its structures and appurtenances as well as responding to storm related flooding complaints. Systematic inspections of sub-surface tanks, requisite cleaning and maintenance was performed. The Village is responding to the maintenance of street inlets, pipe connections and catch basins both with internal staff and by contract. Approximately ten sub-surface tanks will be inspected during the spring months. This year's supplemental contractual cleaning of flood control structures concentrated on the Emerson Street Sewer District. The Public Works Department anticipates that approximately 3,000 flood control structures will be cleaned and maintained this fiscal year through these efforts. Staff continued line valve exercising (approximately 500 valves by the end of the fiscal year).

BUDGET ISSUES

The operational section of the Water Fund represents an overall decrease of \$143,355. This is due primarily to continued reduced pumpage in the Village which has in turn resulted in decreased payments to the City of Evanston for resale water.

FY10 OBJECTIVES

1. Continue departmental efforts in reducing unaccounted for water losses and upgrading the Village's water system. As part of this effort, continue working with an outside leak detection consultant, continue to conduct water meter testing of the Village's largest water consumers, and test Village gate meters on an off-quarterly schedule.
2. Continue to replace residential water meters reaching or exceeding fifteen years old.
3. Continue the installation of the radio read metering technology in the Village's industrial sector.
4. Continue inspection and maintenance of Village-owned fire hydrants and the continuation of the prioritized replacements of fire hydrants in poor condition.
5. Continue to televise sewers to determine responsibility for sewer repairs.

VILLAGE OF SKOKIE
FY2010
DEPARTMENT NARRATIVE

PUBLIC WORKS

WATER FUND

6. Continue with the programmatic rehabilitation strategies for the Village's combined sewer system that have been determined to be in the worst condition and to coincide with street resurfacing projects. This will begin the ninth year of that capital improvement program.
7. Continue to inspect, clean and maintain sub-surface water retention tanks on a six-to seven-year maintenance cycle.
8. Continue to clean inlets, catch basins and manholes as part of the on-going maintenance of the system on a two- to three-year maintenance cycle.
9. Continue the line valve exercising program implemented last year.
10. Continue to substantiate and find solutions to site-specific flooding problems in an effort to maximize the flood control systems impact. Continue to trend storm events to identify problems and refinements to the system, if necessary.
11. Implement a berm inspection program and annual maintenance to the berms in the worst condition working with the Civil Engineering Division.
12. Perform annual preventative maintenance to one of the four system pump stations each year.
13. Work towards the installation of storm water flow regulators on various state routes in the Village.
14. Continue to respond in an expeditious fashion to the Joint Utility Locate calls for which the Village is responsible.
15. Replace problematic water mains including Elm Terrace from Kenton Avenue to Kilpatrick Avenue and in the 10000 block of Lavergne Avenue, and the replacement of a portion of the Skokie Boulevard water main project at Golf Road that will coincide with the future roadway improvements scheduled for Skokie Boulevard.
16. Perform internal tank inspections by a consultant in anticipation of rehabilitation projects of both reservoirs in FY10 and FY11.

VILLAGE OF SKOKIE
FY2010
DEPARTMENT NARRATIVE

PUBLIC WORKS

WATER FUND

<u>WORKLOAD INDICATORS</u>	<u>FY08</u>	<u>FY09</u>	<u>FY10</u>
Water Main Breaks	60	60	60
Water Services repaired	41	32	35
Fire Hydrants inspected/maintained	2,500	2,500	2,500
Fire Hydrants replaced	31	70	50
Inlets cleaned/rodded/repared	3,000	3,000	3,000
Catch basins maintained	2,000	2,000	2,000
Inlets replaced	88	60	80
Catch basins rebuilt	30	40	30
Tanks Inspected/Maintained	3	10	10
Water Meters replaced	824	1000	1000
Sewers televised	49	55	50
Sewer Tiles repaired	40	40	40
Inlet Tiles repaired	40	40	40
Storm Related Flood Responses	20	20	20
Line Valves exercised	400	500	500
Lineal Feet of Water Main Replaced	6,500	2,322	3,600
Lineal Feet of Sewer Main Rehabilitated	3,120	2,700	3,000
J.U.L.I.E. Calls	3,200	3,300	3,300
Citizen Requests for Service Received/Acted Upon	2,680	3,250	3,000
Water Taps Installed	88	60	75

VILLAGE OF SKOKIE
FY2010
BUDGET

Public Works Department
Water and Sewer
Fund W 002 0722-432

Division Summary

Expenditure by Category							
CLASS	FY 07 ACTUAL	FY 08 ACTUAL	FY 09 BUDGET	FY 10 REQUEST	INCREASE (DECREASE)	PERCENT. CHANGE	BOARD APPROVED
Personal Services	722,533	783,827	837,035	839,962	2,927	0.3%	848,308
Contractual Services	456,115	482,528	495,820	492,520	(3,300)	-0.7%	492,520
Materials and Supplies	3,279,809	3,416,313	3,523,855	3,389,474	(134,381)	-3.8%	3,389,474
Capital Outlay	261,834	205,895	111,650	106,500	(5,150)	-4.6%	106,500
Other	2,095,757	2,224,573	1,766,602	1,757,016	(9,586)	-0.5%	1,757,016
TOTAL	6,816,048	7,113,135	6,734,962	6,585,472	(149,490)	-2.2%	6,593,818
Full-time	11.25	11.25	11.25	11.25	0.00	0.0%	11.25
Part-time							
Seasonal	4.00	4.00	4.00	4.00	0.00	0.0%	4.00
TOTAL	15.25	15.25	15.25	15.25	0.00	0.00	15.25

**VILLAGE OF SKOKIE
FY2010
BUDGET**

**Public Works Department
Water Meter
Fund W 002 0723-432**

Division Summary

Expenditure by Category							
CLASS	FY 07 ACTUAL	FY 08 ACTUAL	FY 09 BUDGET	FY 10 REQUEST	INCREASE (DECREASE)	PERCENT. CHANGE	BOARD APPROVED
Personal Services	221,639	218,964	244,435	248,269	3,834	1.6%	250,721
Contractual Services	233,950	234,907	244,400	244,400	0	0.0%	244,400
Materials and Supplies	32,247	36,329	32,660	30,755	(1,905)	-5.8%	30,755
Capital Outlay	268	1,946	300	-	(300)	-100.0%	-
Other	66,536	69,857	78,350	75,210	(3,140)	-4.0%	75,210
TOTAL	554,640	562,004	600,145	598,634	(1,511)	-0.3%	601,086
Full-time	4.00	4.00	4.00	4.00	-	0.0%	4.00
Part-time	2.00	2.00	2.00	2.00	-	0.0%	2.00
Seasonal	2.00	2.00	2.00	2.00	-	0.0%	2.00
TOTAL	8.00	8.00	8.00	8.00	-	0.0%	8.00

**VILLAGE OF SKOKIE
FY2010
BUDGET**

**Public Works Department
Flood Relief
Fund 002 2392-431**

Division Summary

Expenditure by Category							
CLASS	FY 07 ACTUAL	FY 08 BUDGET	FY 09 BUDGET	FY 10 REQUEST	INCREASE (DECREASE)	PERCENT. CHANGE	BOARD APPROVED
Personal Services	239,160	228,626	242,608	248,146	5,538	2.3%	250,574
Contractual Services	64,011	110,030	117,600	117,600			117,600
Materials and Supplies	45,718	42,603	57,594	57,252	(342)	-0.6%	57,252
Capital Outlay	9,866		4,000	4,000			4,000
Other	85,807	132,895	88,700	90,650	1,950	2.2%	90,650
TOTAL	444,562	514,153	510,502	517,648	7,146	1.4%	520,076
Full-time	4.00	4.00	4.00	4.00			4.00
Part-time							
Seasonal	1.00	1.00	1.00	1.00			1.00
TOTAL	5.00	5.00	5.00	5.00			5.00