

VILLAGE OF
MOUNT PROSPECT, ILLINOIS

ANNUAL BUDGET

FISCAL YEAR ENDING DECEMBER 31, 2008

SUBMITTED BY

MICHAEL E. JANONIS

VILLAGE MANAGER

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VILLAGE OF MOUNT PROSPECT, ILLINOIS

2008 BUDGET

VILLAGE OFFICIALS

MAYOR

Irvana K. Wilks

TRUSTEES

Timothy J. Corcoran

A. John Korn

Paul Wm. Hoefert

Richard M. Lohrstorfer

Arlene A. Juracek

Michael A. Zadel

ADMINISTRATION

Michael E. Janonis

Village Manager

David Strahl

Assistant Village Manager

M. Lisa Angell

Village Clerk

David O. Erb

Finance Director/Treasurer

William J. Cooney, Jr.

Community Development Director

Nancy M. Morgan

Human Services Director

John K. Dahlberg

Police Chief

Michael J. Figolah

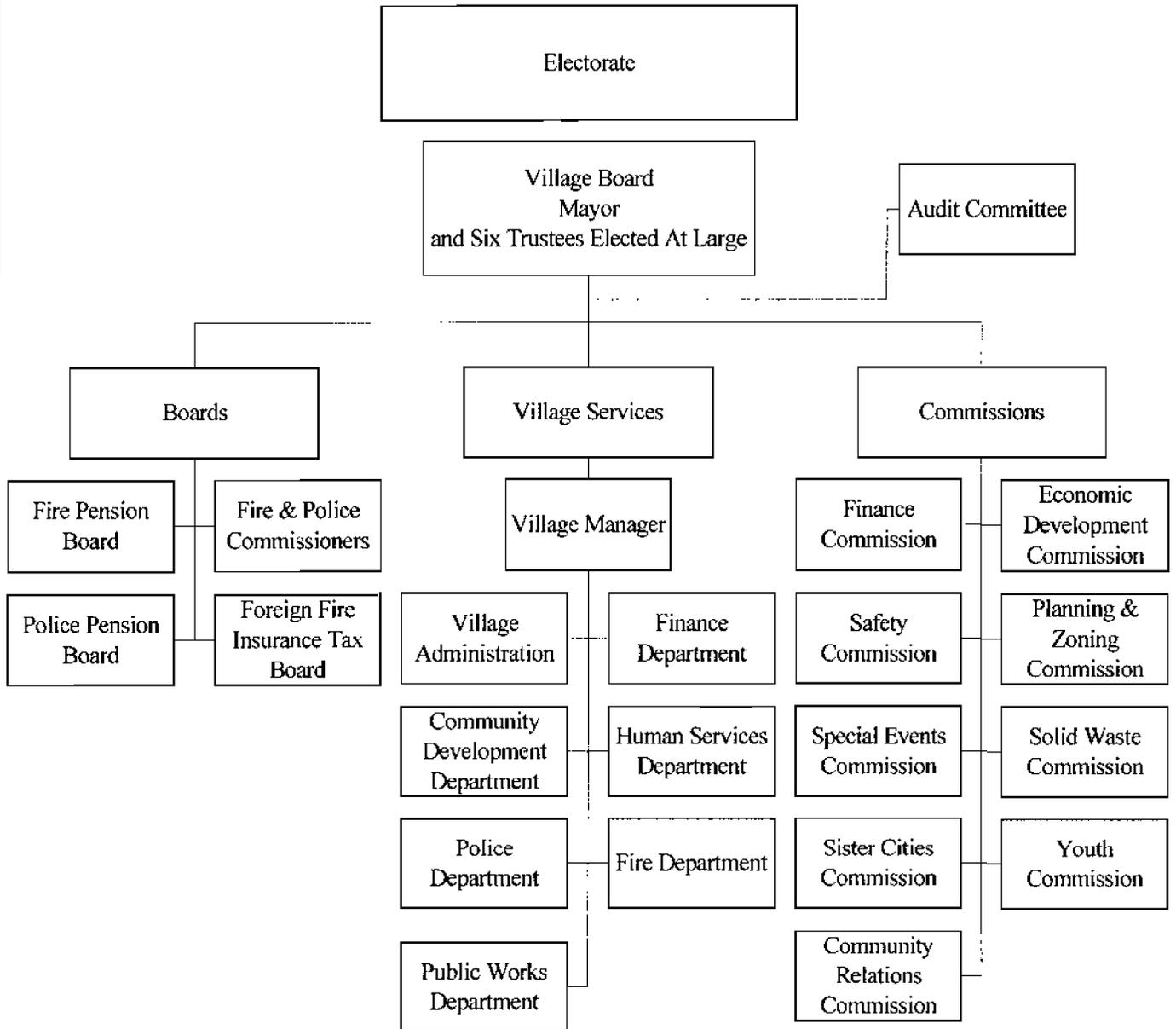
Fire Chief

Glen R. Andler

Public Works Director

VILLAGE OF MOUNT PROSPECT

Organizational Structure



**AN ORDINANCE ADOPTING AN ANNUAL BUDGET FOR THE
VILLAGE OF MOUNT PROSPECT FOR THE FISCAL YEAR
COMMENCING JANUARY 1, 2008 AND ENDING DECEMBER 31, 2008
IN LIEU OF PASSAGE OF AN APPROPRIATION ORDINANCE**

WHEREAS, the President and Board of Trustees of the Village of Mount Prospect in accordance with State Statutes, have provided for the preparation and adoption of an Annual Budget in lieu of passage of an Appropriation Ordinance; and

WHEREAS, the tentative Annual Budget for the Village of Mount Prospect for the fiscal year beginning January 1, 2008 and ending December 31, 2008, as prepared by the Budget Officer for the Village and submitted to the President and Board of Trustees, was placed on file in the Office of the Village Clerk on October 5, 2007 for public inspection, as provided by Statute; and

WHEREAS, pursuant to notice duly published on December 6, 2007, a public hearing was held by the President and Board of Trustees on said tentative annual budget on December 18, 2007, as provided by Statute; and

WHEREAS, following said public hearing, said tentative Annual Budget was reviewed by the President and Board of Trustees and a copy of said tentative Annual Budget is attached hereto and hereby made a part hereof.

NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF MOUNT PROSPECT, COOK COUNTY, ILLINOIS:

SECTION ONE: The Annual Budget for the Village of Mount Prospect for the fiscal year beginning January 1, 2008 and ending December 31, 2008, a copy of which is attached hereto and made a part hereof, is hereby approved and adopted as the Annual Budget for the Village of Mount Prospect for said fiscal year.

SECTION TWO: Within thirty (30) days following the adoption of this Ordinance there shall be filed with the County Clerk of Cook County a copy thereof duly certified by the Village Clerk and Estimate of Revenues by source anticipated to be received by the Village in the fiscal year beginning January 1, 2008 and ending December 31, 2008, duly certified by the Chief Fiscal Officer.

SECTION THREE: This Ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form in the manner provided by law.

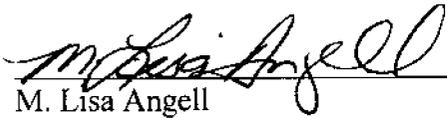
AYES: Corcoran, Juracek, Korn, Lohrstorfer, Zadel

NAYS: None

ABSENT: Hoefert

PASSED AND APPROVED this 18th day of December, 2007.

ATTEST:



M. Lisa Angell
Village Clerk

H:\CLKO\files\WIN\ORDINANC\2008 Budget Ordinance.doc



Irvana K. Wilks
Mayor

MAYOR
Irvana K. Wilks

TRUSTEES
Timothy J. Corcoran
Paul Wm. Hoefert
Arlene A. Juracek
A. John Korn
Richard M. Lohrstorfer
Michael A. Zadel



VILLAGE MANAGER
Michael E. Janonis

VILLAGE CLERK
M. Lisa Angell

Phone: 847/392-6000
Fax: 847/392-6022
www.mountprospect.org

Village of Mount Prospect

50 South Emerson Street, Mount Prospect, Illinois 60056

December 18, 2007

The Honorable Irvana K. Wilks, Board of Trustees, Finance Commissioners and Residents of the Village of Mount Prospect

On behalf of the entire staff, I am pleased to present to you the 2008 Municipal Budget for the Village of Mount Prospect. The Budget incorporates all of the policies and directives established by the Mayor and Board of Trustees during the August 2007 Pre-Budget Workshop. In addition, the final budget reflects changes made during the budget review meetings with the Village Board and Finance Commission held in October and November 2007. The Village's financial health remains strong and the **General Fund budget, as presented, is balanced.** The Budget maintains our full complement of core services. Critical infrastructure needs, such as the Road Improvement Program, Downtown Streetscape and the Combined Sewer Rehabilitation Plan continue as planned. In September, 2007, the Village Board approved a .25% increase in the home rule sales tax as a permanent funding source for mid-range Capital Improvement Projects. The increase becomes effective January 1, 2008.

Total proposed expenditures for 2008 are \$87,466,279. Total projected revenues are \$89,061,655. In summary, the total Budget, as approved, calls for a 7.0% increase in expenditures from the amended 2007 Budget. The Village's Capital Budget will see a 32.6% increase, (an increase of \$2,896,937) from the preceding year while the Operating, Debt Service, Pension and Internal Services budgets collectively will grow by 3.8%.

INTRODUCTION

The local economy continues to move forward resulting in overall revenue growth for the Village of 3.0%. State shared revenues like the income tax and personal property replacement tax are tracking between 10%-18% over the prior year. Sales taxes of the Village, both state and home rule portions, saw significant increases in 2006, but more modest growth of 2% annually is projected through 2009. Trends negatively impacting the Village are the continuing slump in the housing sector and volatile petroleum and natural gas prices. Revenue from the Real Estate Transfer Tax in 2007 fell almost 50% from 2005 when the Village received over \$1.5 million. Rising gas prices also have the potential to put a damper on continued economic growth.

Most Village revenue streams continue to rebound from their most recent "bottoms." While the Home Rule Sales Tax continues to rebound, there is still a significant amount of growth that needs to occur to get back to calendar year 2000 levels. Of the .75% the Village currently levies, .25% of the revenue is allocated to cover Debt Service requirements in the Flood Control Fund, .25% covers current expenditures in the Street Improvement Construction Fund and the final .25% is allocated to the General Fund. Receipts through June 2007 are running slightly above the prior year. Based on 2007 year-end projections, Home Rule Sales Tax receipts remain some 17% below 2000 levels.

A FEW WORDS ABOUT THE BUDGET

The following points are offered to provide background and insight into the Budget preparation process and the philosophy employed therein:

The 2008 Budget coincides with the **calendar year**. It also includes a **Forecast Expenditure Plan** for the following year-2009. Both of these features continue to prove helpful in planning for and bidding out capital projects, determining with greater accuracy property tax levy requirements and, in general, making the Budget documents a more useful planning tool.

We continue to approach the Budget with the philosophy of creating "**cost centers**" as a way of accurately reflecting the cost of doing business. For the most part, these cost centers are department-based so that when looking at a particular department's budget; i.e., Police, one gets a true picture of the cost of providing Police services to the residents and businesses of Mount Prospect.

A critical element of this budgeting philosophy is the use of "**lease payments**"(transfers between funds treated as "quasi-external transactions" for budgeting and accounting purposes). Lease payments recognize that departments have need, on a continuing basis, for certain essential capital equipment such as vehicles and vehicle maintenance. These lease payments (which are recorded as an expense to each department) over time will provide the cash necessary to fund the expense of such items. The Budget currently contains lease payments for vehicle replacements as well as annual vehicle maintenance charges. The **Vehicle Replacement Fund** remains fully funded.

The **Capital Improvement Fund** (CIF), the fund that supports mid-range capital projects, now has a dedicated revenue source to support critical projects included in the **Capital Improvement Plan**. Beginning January 1, 2008 a .25% increase in the home rule sales tax will generate an estimated \$1.3 million annually for the CIF. Previously, funding for these projects came from sporadic operating transfers out of the General Fund. Approximately \$1 million per year is required to support Capital Improvement Fund expenditures.

Finding a dedicated revenue source for the CIF was a critical objective of our **Long-Range Financial Plan**. Some \$3.7 million in cumulative capital improvement projects had been cut or deferred over the last six years due to a lack of revenue. Without the recent Village Board action, the Capital Improvement Fund would have been fully depleted by sometime in early 2008.

General Fund reserves will have grown to \$11,642,813 by the end of 2007. The end of General Fund transfers in support of the Village Hall financing plan, strong revenue growth and controlled spending will result in an estimated 29.3% reserve at year's end (this total takes into account some \$862,000 in storm related emergency expenditures.) Maintaining a 25% General Fund reserve (of current year General Fund expenditures) is the standing policy of the Village Board. Amounts above the 25% target (approximately \$1.7 million) are available to fund various capital projects such as replacement of the Village's phone system (a critical need) or to write down the cost of the anticipated Fire Station 14 reconstruction project.

As has been noted in previous years, a number of programs within departments are actually self-supporting in that the specific program generates revenues that either partially or fully subsidize the cost of providing the service. In some cases, revenues actually exceed expenditures. While the revenues are recorded in the General Fund, the program costs are recorded in the particular department's operating budget as expenditures; sometimes falsely contributing to the appearance of extraordinary program costs. Several examples of this phenomenon can be found in the Human Services budget. Expense line items throughout the budget that are either partially or completely offset by an associated revenue source carry the designation "(RO)" within the account description.

2007 YEAR-END REVIEW

As 2007 draws to a close, it is important to pause and take into account what has transpired over the past year. Citizens, elected officials and staff need to have an understanding of our current financial condition, recent accomplishments and unfinished business so as to have a common ground from which to consider our financial plan for 2008.

Items of note in 2007:

- On August 23, 2007 the community was hit by a **severe thunderstorm and high wind event** that caused well over a million dollars in damage to both public and private property and over \$910,000 in emergency response and recovery expenditures. Winds in excess of 70 mph downed trees and power lines throughout the Village resulting in thousands of flooded basements and lost personal property. Over 2000 mature parkway trees were damaged by the storm, including nearly 300 trees that have, or will need to be, completely removed.

At the same time, Public Works personnel were monitoring the steady rise in the elevation of the Des Plaines River, at the Village's northeast border. Heavy rains upstream of Mount Prospect the previous week had prompted severe flood warnings. The August 23rd storm greatly accelerated a rise in the river and forced Village crews to construct a temporary levee wall in order to protect 200 homes immediately adjacent to the river. Thankfully, the river crested at the base of the levee and receded without causing property damage.

On September 25, 2007, a Federal Disaster Declaration was made for the State of Illinois to include the Counties of Dekalb, Kane and LaSalle for public assistance. On October 19, 2007, Cook, Knox and Warren Counties were added to the Disaster Declaration. As such, the Village is now eligible to seek reimbursement for emergency expenditures related to the August 23rd storm event. Staff is currently in the process of working with the Federal and Illinois Emergency Management Agencies on various submittals for reimbursement. The village could see \$100,000 to \$300,000 in reimbursement monies from FEMA. None of these funds are included in the estimated fund balance calculations appearing in this message.

- The Village's **Street Improvement Program** was approved in 1996 as a 10 year accelerated paving plan to eliminate the large backlog of streets in need of reconstruction or resurfacing. During the first five years, the reconstruction backlog was targeted. The last five years were to place an emphasis on eliminating the resurfacing backlog. After reevaluating the condition of the street system in 2004 the accelerated program was reduced over the past two years and was extended an additional three years to 2009. 2007 was the eleventh year of the program. During the first five years all streets in the reconstruction category (16.6 miles) were completed at an average of 3.3 miles per year and at an average cost of \$689,000 per mile. In addition, during the eleven years of the program, 66.6 miles of streets have been resurfaced; an average of 6 miles per year at a cost of \$307,000 per mile. Total funds expended in 2007 were \$2,900,000 (\$1,220,000 from MFT and \$1,680,000 from Street Improvement Construction Fund).
- The second year of a multi-year effort to **standardize neighborhood intersection traffic controls and speed limits** was completed. Tasks included engineering evaluations of five neighborhood zones, sign installations/modifications in 3 neighborhood zones and post studies following sign modifications in 3 additional zones. 111 stop sign modifications (91 added, 20 replaced), 94 speed limit sign improvements (66 added, 28 replaced), and the removal of 95 signs (12 stop signs, 25 yield signs and 58 speed limit signs). Total estimated funds expended in 2007 were \$255,000.
- 2007 saw the completion of the third year of a multi year commitment to rehabilitate approximately 260,000 LF of **combined sewer mains** ranging in size from 8" to 72" diameter. As part of this year's effort, over 20,000 linear feet of combined sewer (storm and sanitary) were repaired using the cured-in-place (CIPP) lining process. In addition, approximately 218 linear feet of severely failed (Category 4 & 5) sewer pipe was excavated and replaced. In total, during the first three years of this program, 52,400 linear feet of pipe has been lined and 428 linear feet of pipe has been replaced. Over 98% of all Category 5 defects (the worse) and 42% of all Category 4 defects have been repaired to date. Total funds expended during 2007 were \$1 million.
- In October, 2007 the Village rolled out a new **E-Pay option** for making Village utility payments via the internet. Village utility customers are now able to access their water and refuse accounts and schedule payments 24/7. The introduction of

this new service (through the Finance Department) was prompted by many requests from billing customers for additional alternatives in making Village payments. For those who choose the new service, it will eliminate the need to write checks and help avoid late payment penalties. The service is provided through Chase Bank and can be accessed from the Village's website. The option to pay for various Village licenses, parking tickets and other fees is being considered in the future. The Village is in the process of adding a direct debit option for payment of Village utility bills. This option is expected to be rolled out in February 2008.

- The Fire Department concentrated its efforts on improving the Village's **Emergency Preparedness Capabilities**. The newly hired part-time Emergency Management Coordinator undertook a complete re-write of our Emergency Operations Plan (EOP); coordinated a pharmaceutical distribution simulation in anticipation of an Avian flu pandemic; and assisted Village Hall in practicing a variety of emergency response drills. By way of a Homeland Security Grant the department coordinated the training and equipping of all Elementary, High School and Day Care facilities within the Village as well as assisting in developing standardized school crisis and disaster plans. This emphasis on emergency preparedness throughout 2007 enhanced our response capabilities in the face of the August 23 storm and flood event.

Work also continued on the Station 14 replacement project. A Draft Space Needs Study was completed and an alternate site review is underway. Improvements to the Public Works facility to accommodate Fire vehicle maintenance and an enhanced Emergency Operations Center (EOC) are part of this project.

- The Community Development Department was active in a number of areas in 2007. The Village was the recipient of three (3) **Grants** totaling \$192,000 to be used for 1) assistance to first time homebuyers, 2) studying the feasibility of a Neighborhood Resource Center with an emphasis on immigrant integration and 3) proposing improvements to our local public transportation network. The **Administrative Adjudication** program has proven highly successful in dealing with housing and property maintenance violations. The volume and scope of cases expanded significantly in 2007. The **Crime Free Housing** (in conjunction with the Police Department) and **Neighborhood Inspection** programs saw their start up in 2007 with positive results.

Economic Development Activity of note in 2007 included:

- ◆ Opus Briarwood-500,000 square feet of industrial/warehouse completed
- ◆ Alter/Lake Center Park-250,000 square feet of industrial/warehouse approved and under construction
- ◆ Downtown/Norwood -"The Emerson" completed (52 condos, 14,000 square feet retail) "Founders Row" (14 row homes) first phase under construction
- ◆ Downtown/Other-Blues Bar, Vino 100, Busse Florist relocated
- ◆ Mount Prospect Plaza – Garden Fresh Market
- ◆ Alexian Brothers Medical Offices

- 2007 brought significant **Command Staff** changes to the Police Department. Chief Richard Eddington left the department for Evanston, Illinois and Deputy Chief John Dahlberg succeeded him and became the first in-house appointment in over 30 years. Subsequent promotions to the ranks of Deputy Chief of Operations, Operations Commander and Sergeant followed in a smooth “changing of the guard”. The **Traffic Unit** began active operation with a Sergeant and 2 (of three) Patrol Officers writing some 2000 citations and making 50 arrests in their first 3 months of operation. Department wide traffic initiatives involving “Click-It or Ticket”, Vehicle Tag compliance and DUI enforcement have resulted substantial increases in citation volumes. Specially trained **Problem Solving** officers assist residents and businesses in addressing a variety of criminal and quality of life issues. **Hispanic Outreach** continues to be a priority. In conjunction with the Community Development Department, the Police Department has taken the lead in implementing the nationally based **Crime Free Housing** program designed to reduce crime and improve the quality of life in rental housing.

Beyond the highlights mentioned above all Village Departments and Divisions distinguished themselves by providing high quality services to our residents and businesses. Our senior population continues to receive special attention from the Human Services Department. We also endeavor to keep the community informed by way of our cable television channels, web site, newsletter and numerous publications. The Village’s Annual Budget and Audit Documents were again recognized for their clarity and usability and Mount Prospect was recognized as Tree City U.S.A. for the 22nd consecutive year.

2008 BUDGET

The 2008 Budget represents the Village’s plan for expected expenditures over the coming year and identifies the means by which those expenditures will be funded. **The General Fund budget, as presented, is balanced and totals \$39,971,831.** The 2008 forecast budget for the General Fund in the 2007 Budget cycle originally anticipated a deficit of \$373,361.

Items of note regarding the 2008 Budget include:

- The **total Budget** represents a 7.0% increase from the amended 2007 Budget and totals \$87,466,279. Much of the increase is due to redevelopment expenses in the Downtown TIF District (\$2,396,213) and mid-range capital projects supported by the Capital Improvement Fund (\$403,882). The General Fund increased 4.7% from the prior year primarily due to general wage and benefit cost increases for Village employees.
- The Village’s **Operating Budget** (that part which funds the Village’s day-to-day operations) is up 3.3% from 2007 and totals \$57,272,858. The Operating Budget includes all General Fund expenditures as well as refuse disposal, water and sewer service, and various special revenue activities.

- Total revenues and other financing sources, excluding the Library, are estimated at \$89,061,655. This represents an increase of 10.0%. The increase is due to a \$2.5 million TIF related bond issue anticipated in 2008 where none was budgeted for 2007. In addition, the new .25% home rule sales tax will generate approximately \$1.3 million for the CIF and **interest earnings** are expected to grow \$1.4 million or 25.3% due to higher rates in the market and larger surplus funds on hand to invest.
- Recurring revenues are estimated at \$86,501,655, an increase of \$5,597,720 (6.9%) from the 2007 Budget. A detailed analysis of revenues and other financing sources can be found beginning on page 33.
- The increase in the proposed 2007 **Property Tax Levy** (payable in 2008) is 3.76% for a total levy of \$14,014,838. That portion of the tax levy allocated for operations and pensions is up 4.2%. The portion allocated for debt service on municipal debt is up less than .5%. It is important to note that the portion of the levy attributable to the payment of debt service is under 9.5% of the total levy. This ratio is very low and along with strong fund balances, and a diversified revenue base, reflects favorably with bond rating agencies. Much of the levy requirements for debt service are abated utilizing other sources of revenue.
- Total personal service costs in 2008 are estimated to be \$25,805,345. This is an increase of \$1,183,530 or 4.8% from 2007. A 3.5% general wage increase for non-union employees is included in the Budget. Collective bargaining agreements with Fire and Public Works Unions are currently under negotiation. Negotiations with the Police Union were completed in the fall with a final contract being ratified this past November. Anticipated wage increases for the remaining union contracts are expected to be in line with that of non-union personnel. Greater employee contributions for health insurance are also being sought.
- The only change in staffing levels is the conversion of an intern position in the Village Manager's Office to a full time Administrative Analyst position. This individual will be tasked with overseeing special projects and assisting in organizational process reviews. The additional cost to the village budget of this position is approximately \$40,000.
- The Village's Capital Budget for 2008 is budgeted at \$11,794,775. This is an increase of \$2,896,937 or 32.6% from the prior year. A majority of the increase is related to capital improvements in the downtown TIF Redevelopment District.
- The Water and Sewer Fund budget actually decreased by about one-half of one percent from 2007. In mid November 2007 the Village learned of a water rate increase of 15% for 2008 from the City of Chicago; with additional increases of 15% and 14.9% in 2009 and 2010 respectively. The budget for the purchase of water was subsequently increased \$256,000 for 2008. Had it not been for the increase for Chicago water, the budget would have decreased \$295,426 or 2.5% from the prior year. A 5.0% rate increase (per plan) is included in this Budget. A water rate study will be done in early 2008 to determine an appropriate combined water and sewer rate adequate to cover ongoing expenses, in light of the Chicago increase. The total budget for water and sewer is \$11,636,493 for 2008.

- The Refuse Fund accounts for expenditures related to the solid waste/recycling and leaf collection programs for the Village. The total budget for refuse and leaf collection is \$4,135,231. Refuse collection expenditures total \$3,925,270 while leaf program expenditures total \$209,961. Funding sources for refuse collection are Property Taxes and a \$75 per household direct charge. Staff is currently researching the feasibility of an exclusive commercial waste hauling contract for Mount Prospect businesses.

2009 FORECAST

The 2009 Forecast Budget is currently showing total projected expenditures of \$83,614,100, excluding the Library. This represents a 4.4% decrease from 2008. 2009 General Fund expenditures are forecast to increase \$1.2 million or 2.9%.

The proposed Property Tax increase for the 2008 Levy year (2009 Budget) is 4.5% with the portion allocated for operations increasing 5.0% and the debt service portion remaining flat. **The 2009 General Fund Forecast Budget, as presented, is currently showing a deficit of \$256,727.**

ACKNOWLEDGMENTS

Preparation of the Budget is always a long and arduous task. Substantial deliberation and difficult decisions are made throughout the preparation phase of the process. The Finance Commission and Village Board's review and amendment over the past two months have strengthened it and set the course for addressing future revenue and expenditure discussions. I wish to thank all management team members for their cooperation and support in preparing this Budget. Their commitment and that of their staffs to provide Mount Prospect residents and businesses with low-cost, yet high-quality services is evidenced throughout this document.

Special thanks are in order for Finance Director David Erb. Without his considerable talents, this Budget would not have been possible. Special recognition is also in order for the Deputy Finance Director Carol Widmer, Accounting Supervisor Lynn Jarog and Administrative Assistant Lisa Burkemper as well as the entire Finance Department staff who labor under very trying conditions during the Budget preparation process. This is Carol Widmer's last Village Budget as she retires after 21 years with Mount Prospect. She will be sorely missed.

CONCLUSION

Municipal government is constantly implored to act like a private business. I believe, in Mount Prospect, we do practice many of the attributes of a well-run business. We do so even though we do not benefit from the same flexibility and freedom that the private sector enjoys. We cannot, to a great extent, pick and choose the products and services we provide. We cannot pick and choose our customers. We cannot just close our doors when market conditions become unfavorable nor can we move to a new location where the economy is better and the problems less intractable. Our decisions are made in public rather than in the safety and security of a closed boardroom. I am skeptical that many businesses could thrive and prosper given these constraints.

Yet, as was highlighted previously, Mount Prospect municipal government has long been recognized for providing its residents with cost-effective, quality services. The result is that the community has historically been viewed as an outstanding place to live, work, and raise a family. Looking back over the years, most would agree that our community has matured gracefully and with dignity. Looking forward, we will continually be tested.

As we move into 2008, we will need to constantly monitor our revenue estimates and be prepared to make expenditure adjustments as necessary. Likewise, we will need to start planning in earnest for 2009. The financial health of the Village must remain the #1 priority of the Village Board and Administration in 2008 and beyond.

Along the way, we can be certain that our community will be required to address a plethora of modern day dilemmas. Issues such as crime, gangs, societal problems, property maintenance, infrastructure needs and the provision of basic municipal services all compete for limited resources, yet each requires our full, unfailing attention. Difficult decisions regarding the allocation of limited resources will be a constant challenge in years to come. Urban and societal issues will increasingly place more demands on our service delivery system, especially as the Federal and State levels of government continue to shift responsibility for the provision of basic social and welfare services to the local level.

While these challenges will require our undivided and constant attention, we face the tasks at hand confident in the knowledge that Mount Prospect's underlying financial condition remains solid and the community's collective will to prosper is unflinching. Each year, our stewardship of the community begins with the preparation of the annual Budget. The 2008 Budget represents well-conceived revenue/spending plan that balances current economic realities with our need to continue to provide high quality core services to the residents and businesses in our community. Looking out toward the 2009 fiscal year, we can expect difficult deliberations and decisions over the coming months as we pursue our quest to keep Mount Prospect a strong, vital community. Regardless of these looming difficulties, I remain optimistic that in the final analysis, the community will be well served by the deliberation we will engage in, and the resulting decisions made over the coming months.

Finally, on behalf of the entire staff, I would like to acknowledge and thank the Village Board and Finance Commission for their individual and collective support in providing the necessary leadership to carry out our daily mission of providing Mount Prospect residents and businesses with a full range of high-quality municipal services.



MICHAEL E. JANONIS
Village Manager

MEJ/dj



VILLAGE OF MOUNT PROSPECT
2008 BUDGET
BUDGET INTRODUCTION

LONG-TERM FINANCIAL POLICIES

In its budgeting activities, the Village seeks to adhere to defined long-term financial policies. These policies have been formally adopted by the Village Board and cover three (3) specific categories:

Revenues
Expenditures
Financial Planning

The policies were developed in accordance with the Government Finance Officers Association's (GFOA) *Recommended Practices* for Budgeting and Fiscal Policy.

The Village maintains the following long-term financial policies for revenues:

- **Maintain a diversified revenue structure.** It is the desire of the Village to create and maintain a well diversified revenue structure to reduce the impact to operations resulting from a shortfall in a single revenue source.
- **Limit total property tax levy increases to 5% annually (exclusive of the Library).** Although the Village is not restricted in its annual levy of taxes, the governing Board has imposed a self-imposed cap on the annual increase in the property tax levy. This will limit the Village's dependence on a single source of revenue and prevent property owners from being overburdened by spikes in the tax rate.

The Village maintains the following long-term financial policies for expenditures:

- **Maintain the General Fund fund balance at 25% of subsequent year budgeted expenditures.** An adequate level of fund balance is essential to reduce potential current and future risks (e.g., revenue shortfalls and unanticipated expenditures) and to ensure stable tax rates.
- **Maintain the fund balance of each debt service fund supported by property taxes at an amount equal to the next interest payment.** Due to the timing of the receipt of property taxes it will be necessary to maintain sufficient funds on hand to ensure the timely payment of debt service.
- **Maintain the fund balance of each debt service fund supported by alternative revenues (property tax increment and home-rule sales tax) at 50% of the next year's principal and interest requirements.** Alternate revenue streams for debt service are not as reliable as revenue streams supported by property taxes. As such, it is prudent for the Village to maintain a higher level of fund balance for these debt service funds than those supported by property taxes.

The Village maintains the following long-term financial policies for financial planning:

- **Maintain a balanced General Fund budget (expenditures less than or equal to revenues) except for planned draw-downs of the fund balance when the fund balance exceeds the 25% target.** In an effort to maintain fund balance at the policy benchmark, a commitment to a balanced budget under normal business conditions is necessary. The balanced budget shows prudent use of the Village's resources and helps instill a confidence in the public eye of the governing Board and management staff.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
BUDGET INTRODUCTION

LONG-TERM FINANCIAL POLICIES (cont.)

Long-term financial policies for financial planning (cont.):

- **Continue to include a forecast budget in the annual operating budget. (The forecast budget is a projection of the operating budget for the year after the budget year.)** The forecast expenditure plan proves helpful in planning for and bidding out capital projects, determining with greater accuracy property tax levy requirements and, in general, making the Budget document a more useful planning tool.
- **Maintain the Police Pension Fund and Fire Pension Fund at 100% of actuarially recommended funding.** State statute requires the Village's Police and Fire Pension funds to be fully funded by 2033. In order to achieve this level of funding by the desired date the Village Board has committed to funding the pension funds at the 100% level. Funding is derived, in part, from the property tax levy which has specific components of the levy dedicated for this purpose.
- **Update the five-year Capital Improvement Plan on an annual basis.** The development of the capital improvement plan is a prelude to the work on the annual budget. It addresses the need for replacement, upgrade, and expansion of infrastructure and other long-lived assets. Since capital projects are often large dollar amounts and will impact the operating budget it is imperative to be able to have a long-term plan for funding requirements.
- **Update the five-year operating financial forecast on an annual basis.** The long-term perspective helps the Village foresee both future capital and operating needs and the demand for funds which they create. Revenue shortfalls are identified and spawn the development of separate long-term funding plans.

The Village will continue to evaluate its long-term financial policies and make additions and modifications as necessary. The Village approved an expanded Fund Balance policy that in addition to establishing minimum fund balance levels for all funds includes direction as to the disposition of the surplus fund balance as well as remedies for returning fund balance to the minimum level if deficient. A copy of this policy is included immediately following this section. It is anticipated that additional policies will be added during 2008 to more closely meet the GFOA's recommended practice for long-term financial policies.

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FUND BALANCE RESERVE POLICY

- I. **Purpose:** The purpose of this policy is to establish guidelines in providing for an unrestricted reserve balance in the Village's General Fund as well as other operating and capital funds.

- II. **Policy Considerations:** Adequate fund balance is necessary to provide for operational stability and to provide for needs caused by unforeseen events. Additional benefits of maintaining a strong fund balance include higher interest earnings to support the annual budget and the maintenance and potential upgrade to the Village's bond rating. This policy provides for a minimum amount of unreserved fund balance the General Fund and other funds should maintain. As with other financial policies established by the Village, the fund balance policy will use recommended practices from the Government Finance Officers Association as a guide. All fund balances will be reviewed annually during the budget process.

- III. **General Policy:** Unreserved and reserved fund balances are established for the following funds:
 - a. **General Fund**
 - i. Fund balance shall be maintained at a level equal to 25% of the subsequent fiscal year's expenditures.
 - ii. Should the unreserved fund balance drop below the 25% level, notification will be given to the Village Board and a plan developed to return the balance to the minimum level within a reasonable period of time.
 - iii. Planned drawdown of fund balance below the 25% level will be permitted for operational purposes to cover extraordinary expenditures or bridge a revenue shortfall. Reductions in fund balance are meant to be short term only and must be resolved through the implementation of a new permanent revenue source or reduction in expenditure levels.
 - iv. Surplus fund balance above the 25% level may be transferred to another operating or capital fund to cover expenditures. Any fund balance not transferred for the purpose of funding an operational shortfall or one-time expense, must be transferred to the Capital Improvement Fund to support future capital projects.
 - v. Fund balance for the General fund will be capped at 50% of the subsequent fiscal year's expenditures. If at any time this fund balance exceeds the cap, the Village Board will be mandated to transfer excess funds in an amount sufficient to bring fund balance below the cap.

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FUND BALANCE RESERVE POLICY (cont.)

b. Capital Improvement Fund

- i. Fund balance shall be maintained at 50% of the five-year average for capital expenditures supported by this fund to a maximum of \$1 million.
- ii. Should the fund balance drop below the minimum level, notification will be given to the Village Board and a plan developed to return the balance to the minimum level within a reasonable period of time.
- iii. Planned drawdown of fund balance below the minimum level will be permitted to cover extraordinary expenditures or high cost projects that occur infrequently.
- iv. Surplus fund balance above the minimum level can be used to support ongoing capital projects, transferred to support projects in other capital funds or transferred to other funds as designated by the Village Board.
- v. Fund balance may be permitted to grow beyond the minimum level to cover anticipated high-cost projects in future years.

c. Debt Service Funds

- i. Fund balance for debt service funds supported by property taxes shall be maintained at a level equal to the amount of the next interest payment.
- ii. Fund balance for debt service funds supported by alternative revenues shall be maintained at a level equal to 50% of the next year's principal and interest payment.
- iii. Should fund balance drop below the minimum level, notification will be given to the Village Board and a plan developed to return the balance to the minimum level within a reasonable period of time.
- iv. Planned draw down of fund balance for debt service funds is permitted only to account for fluctuations in the bond repayment schedule.
- v. Surplus fund balance above the minimum level can be used to reduce the Debt Service portion of the property tax levy or the amount of alternative revenues needed to meet the current years budgeted expenditures.

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FUND BALANCE RESERVE POLICY (cont.)

d. Water and Sewer Fund

- i. Fund balance for water and sewer purposes shall consist of cash and investment balances.
- ii. The cash and investment balance shall be maintained at a level equal to 33% of subsequent fiscal year's expenditures.
- iii. Should the cash and investment balance drop below the 33% level, notification will be given to the Village Board and a plan developed to return the balance to the minimum level within a reasonable period of time.
- iv. Planned drawdown of the cash and investment balance below the 33% level will be permitted for operational purposes to cover extraordinary expenditures or bridge a revenue shortfall. Reductions in the balance are meant to be short term only and must be resolved through a fee adjustment dictated by a water and sewer rate study, implementation of a new permanent revenue source or reduction in expenditure levels.
- v. Surplus cash and investment balances above the 33% level can be used to support ongoing water and sewer capital projects or to defer or decrease future rate increases.

e. Risk Management Fund

- i. Fund balance shall be maintained at a level equal to unpaid claims liability (as prepared by enrolled actuary), plus 50% of the self-insured retention level for auto and general liability claims, plus 50% of the subsequent fiscal year's expenditures for workers' compensation claims.
- ii. Should the unreserved fund balance drop below the minimum level, notification will be given to the Village Board and a plan developed to return the balance to the minimum level within a reasonable period of time.
- iii. Planned drawdown of fund balance below the minimum level will be permitted for operational purposes to cover extraordinary expenditures or to reduce the impact of increasing premiums or claims experience from health, workers' compensation or liability coverages. Reductions in the fund balance are meant to be short term only and must be resolved through rate adjustments, implementation of a new permanent revenue source or reduction in expenditure levels.
- iv. Surplus fund balance above the minimum level may be used to defer or reduce payments needed to support risk management operations.

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FUND BALANCE RESERVE POLICY (cont.)

f. Internal Service Funds, Excluding Risk Management (Vehicle Maintenance, Vehicle Replacement, Computer Replacement)

- i. Fund balance shall be maintained at a level sufficient for the ongoing maintenance of computer and motor vehicle machinery and equipment. Fund balances shall also support the replacement of machinery and equipment according to its designated replacement schedule.
- ii. Should fund balance drop below the minimum level, notification will be given to the Village Board and lease payments by the departments will be adjusted to return balances to the minimum level within a reasonable period of time.
- iii. Surplus fund balance above the minimum level can be used to reduce future lease payments.

g. Refuse Disposal Fund

- i. Fund balance shall be maintained at a level equal to 25% of subsequent fiscal year's expenditures.
- ii. Should the fund balance drop below the minimum level, notification will be given to the Village Board and a plan developed to return the balance to the minimum level within a reasonable period of time.
- iii. Planned drawdown of fund balance below the 25% level will be permitted for operational purposes or to cover extraordinary expenditures. Reductions in the fund balance are meant to be short term only and must be resolved through rate adjustments or reduction in expenditure levels.
- iv. Surplus fund balance above the 25% level can be used to support ongoing operations, reduce that portion of the property tax levy or defer future rate increases.

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FUND BALANCE RESERVE POLICY (cont.)

h. Parking Funds

- i. Fund balance shall be maintained at a level equal to 25% of subsequent fiscal year's operating expenditures plus, adequate funds to complete all projects in the most recent Capital Improvement Plan for the year they are budgeted.
- ii. Should the unreserved fund balance drop below the minimum level, notification will be given to the Village Board and a plan developed to return the balance to the minimum level within a reasonable period of time. Capital projects planned for the year may need to be scaled back or deferred until a funding source is identified.
- iii. Planned drawdown of fund balance below the 25% level will be permitted for operational purposes to cover extraordinary expenditures or bridge a revenue shortfall. Reductions in the fund balance are meant to be short term only and must be resolved through rate adjustments or reduction in expenditure levels.
- iv. Surplus fund balance above the 25% level can be used to support ongoing parking capital projects or to defer future rate increases.

i. Motor Fuel Fund

- i. Fund balance shall be maintained at a level equal to 25% of subsequent fiscal year's expenditures.
- ii. Should the fund balance drop below the minimum level, notification will be given to the Village Board and a plan developed to return the balance to the minimum level within a reasonable period of time. Some capital projects planned for the year may need to be scaled back or deferred until additional funding becomes available.
- iii. Planned drawdown of fund balance below the 25% level will be permitted to cover extraordinary expenditures or bridge a revenue shortfall. Reductions in the fund balance are meant to be short term only and must be resolved through a reduction in expenditure levels.
- iv. Surplus fund balance above the 25% level can be used to support ongoing capital projects.

j. Pension Fund

- i. The fund balance shall be adequate to fully fund the Police and Firefighter Pension Funds by the date required by state statute. An annual actuarial study will be performed to determine the appropriate level of funding.

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FUND BALANCE RESERVE POLICY (cont.)

k. All Other Funds

- i. All other funds are used primarily for capital improvements or special revenue purposes. These balances will be reviewed annually to determine their adequacy for the expenditures scheduled.

IV. **Excess Reserve Levels:** Unless specifically noted for a particular fund, reserves will not be permitted to exceed 100% of their fund's subsequent fiscal year's expenditures. If at any time these reserves exceed the maximum amount allowed, the Village Board will be mandated to transfer excess funds in an amount sufficient to bring reserves below the appropriate amount.

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LONG-TERM NON-FINANCIAL GOALS & OBJECTIVES

It is recommended by the Government Finance Officer's Association (GFOA) that governmental entities utilize strategic planning to develop and coordinate long-term goals and objectives for service delivery and budgeting. Doing so will provide a direct link between the wide-ranging organizational goals and annual spending plan.

During 2006, a number of strategic and budget planning sessions were held to discuss the long-term priorities of the Village. Included in the meetings were members of the Board of Trustees, Village Manager's Office and senior department staff. These planning sessions were the first of their kind held specifically for the purpose of creating long-range goals and objectives that will 1) fulfill the Village's mission, 2) adapt to changing mandates, and 3) meet the needs of its constituents. The Village feels that a comprehensive strategic plan will improve on existing budgeting and planning procedures by developing a process for evaluating existing and future operating conditions and linking the broader organizational goals and objectives with individual departmental goals.

The purpose of the first strategic planning meeting held in February, 2006 was to narrow the focus of external issues which are outside the control of the Village from internal issues within the control of the Village. Staff from the Village Manager's Office facilitated the discussion while the members of the Village Board rated the importance of internal and external issues. Emphasis in the discussion was placed on identifying priorities. At this meeting a SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis was performed. Issues were rated for a more detailed discussion at a follow-up planning meeting. In December, 2006 a second strategic planning meeting was held where the priority issues identified at the February planning meeting were categorized into broader organizational goals. Again, staff from the Village Manager's Office facilitated discussion while the Village Board discussed organizational priorities. In addition, senior department staff was on hand to provide input into the issues and answer questions as needed.

In April, 2007 a financial planning workshop was held to review results of operations from 2006 and a first quarter review for 2007. In addition, Village Board members and staff discussed capital program priorities, funding sources and impacts to municipal operations due to pending state legislation. Both financial and organizational priorities were discussed.

Ten (10) strategic goals were identified from the first strategic planning meeting in 2006. Some of these goals had been previously identified by staff and Village Board where some level of action has already taken place. The strategic goals are as follows:

1. **Funding Source for Capital Improvement Fund**
2. Commercial and Residential Property Maintenance
3. **Financial Planning Workshop**
4. Efficiency Model - Internal Process Improvement
5. Maintenance of Non-Local Routes (Routes Under State and County Jurisdiction)
6. Review of Board and Commission Structure
7. **Traffic Control and Traffic Enforcement**
8. **Space Needs Study for Public Works and Public Safety Departments**
9. Economic Development of Existing TIF and Other Commercial Corridors
10. **Emergency and Disaster Management Preparedness**

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Strategic goals included in the list that are highlighted were the initial focus for 2007. Following is an update on the progress of the aforementioned goals.

At the April 2007 workshop options for a permanent funding source for the Capital Improvement Fund were discussed. Several alternatives including property tax increase, utility tax increase and home rule sales tax increase were offered to the Village Board for consideration. It was determined that a home rule sales tax increase of .25% would provide sufficient funds to support the ongoing capital program with the least amount of impact to Village residents. The additional home rule tax will go into effect January 1, 2008 and is expected to generate \$1.3 million.

As was mentioned earlier, a financial planning workshop was held in April 2007. The Village Board and staff also met in August at the Committee of the Whole meeting for a mid-year review and pre-budget workshop. First quarter and mid-year reviews and pre-budget workshops are now a permanent part of the annual budget process.

Traffic control and enforcement efforts continued through 2007. The Village's Engineering and Police Departments work together to tackle traffic safety issues. Those issues are addressed using the three "E's" approach consisting of education, enforcement and engineering. Several public workshops were held throughout the year furthering those efforts.

A space needs study was completed in 2007 to determine operational space needs for the Police and Fire Departments both immediate and into the future. The study will help the Village Board to make decisions on a new fire station and the reorganization of staff among the Fire and Public Works Departments. Further planning and public discussions are expected in the late Fall 2007 with construction commencing in early 2008.

The Village's emergency and disaster management preparedness was put to the test in August when a severe storm cut through the heart of the Village destroying hundreds of trees and knocking out power to 60% of the utility customers. Earlier in the year a Disaster Management Coordinator was hired to lead our preparedness program. Although having only six months in at the Village, the new coordinator was able to implement many procedures that were used in our response efforts and reduce the impact to our constituents.

The 2008 budget addresses a number of the strategic goals and priorities, including the following:

- A separate financial planning workshop has been included as part of the budget process and included in the budget calendar. The next workshop will be held in Spring, 2008.
- Funds are included in the Capital and Street Improvement Funds for traffic control and enforcement. The third year of a five-year traffic study program is funded that will work to standardize neighborhood traffic regulation applications with the intention of reducing speeding and neighborhood cut-through traffic.
- A proposed redevelopment of Sub-Area #1 in the Downtown TIF District is expected to begin in 2008. Monies are budgeted for the purchase of various parcels in the TIF to make way for a public parking facility and a mixed use project.

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- Construction of Fire Station #14 and companion projects (PW Expansion and Emergency Operations Center) is budgeted for 2008 supported primarily with bond proceeds as well as surplus funds on hand.

The next strategic planning meeting is scheduled for first quarter 2008. At this meeting an *Organizational Mission Statement* will be prepared which will further focus the Village' s purpose and provide guidance as to how the strategic goals will be addressed. Quarterly meetings are planned going forward.

The formal strategic planning process for the Village is dynamic and will continue to evolve. It is anticipated that many changes will occur before a final plan is in place. In addition to helping the Village identify long-term goals of the Village; the strategic plan will also work to align individual department goals with the overall goals of the Village, incorporate performance measures to measure the success in meeting the objectives of the plan and provide a process for monitoring and reassessing the plan as internal and external conditions change.

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THE BUDGET PROCESS

Public officials generally recognize that the preparation and adoption of the annual budget is one of the most important duties with which they are charged. However, the adoption of the budget is not an end in itself, but it is just one step in an ongoing process. The process encompasses an extended period of planning, review, and priority setting. When the budget is adopted, it then becomes the fiscal plan which spells out how services will be provided and community improvements will be achieved. After the budget is adopted, it also becomes a control mechanism by which to measure the resources expended to meet the approved objectives and to measure the adequacy of the fiscal plan.

A calendar identifying the specific dates for the 2008 calendar year budget and the tentative dates for the 2009 budget is included at the end of this section. Following is a description of the various phases of this budget process.

The Capital Improvements Plan

The development of the Capital Improvements Plan (CIP) is the prelude to work on the annual budget. The CIP is the Village's five-year plan for capital expenditures. It addresses the Village's needs for replacement, upgrade, and expansion of infrastructure and other long-lived, high-cost assets. Generally included in the CIP are planned capital expenditures of \$25,000 or more, proposed additions to the Village motor vehicle fleet, and all IT purchases for the coordination of the computer program. The replacement of vehicles existing in the fleet are not included in the CIP but are programmed for replacement through the Vehicle Replacement Fund. Prior to the commencement of work on the 2008 Budget, the 2008-2012 CIP was prepared.

The CIP development process begins in March with the Finance Department distributing CIP project request forms to the operating departments. The operating departments complete a request form for each proposed project and return the completed forms to the Finance Department in April for compilation. In formulating their requests, the operating departments review the current condition of the Village's infrastructure and other capital assets. They also consider whether additions to the capital asset inventory are warranted. Input received from residents, community groups, and elected officials throughout the preceding year is carefully reviewed to help gauge the needs of the community. A CIP project request must include the following:

- Description of the Project
- Justification for the Project
- Estimation of Project Costs
- Identification of Potential Revenue Sources to Support the Project
- Annual Dollar Impact Upon the Operating Budget if the Project is Undertaken

After the Finance Department compiles the draft CIP, the Village Manager and Finance Director meet with the director of each department individually for the purpose of conducting an administrative review and setting Village-wide priorities. During these meetings, project needs are clarified.

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Upon conclusion of the meetings with the department directors, the Finance Director revises the CIP project requests as directed by the Village Manager and assembles the proposed CIP. The proposed CIP is submitted to both the Village Board and the Finance Commission in early June. Meetings of the Village Board, convening as a Committee of the Whole (COW), and the Finance Commission concerning the CIP take place in June and July.

The Finance Commission is a citizen's commission. Its stated purpose is to assist the Village Board in maintaining a sound tax structure and overall fiscal policy for the Village. Each operating department discusses its CIP project requests with the Finance Commission in meetings held in June. Upon consideration of the project requests, the Finance Commission makes recommendations to the Village Board as to which should be included in the final CIP. The Finance Commission also may comment upon the feasibility and acceptability of potential revenue sources contemplated to support the various project requests.

After having received the recommendations of the Finance Commission, the COW meets to consider the proposed CIP. The operating departments present their requests to the COW. The COW considers each project in terms of its costs and benefits to the community. Based upon Finance Commission and staff recommendations and its own findings, the COW may direct additions, deletions, or revisions to the proposed CIP.

As stated above, the CIP covers the next five fiscal years. This long-term perspective helps the Village foresee both future capital expenditure needs and the demand for funds which they create. Revenue shortfalls are identified and spawn the development of separate long-term funding plans. However, CIP requests for the immediately upcoming fiscal year are subject to the closest scrutiny. This is because the Village must attempt to fund these requests through the next fiscal year's operating budget.

Based upon the direction of the COW, the Finance Director revises the proposed CIP. The Village Manager submits the revised document to the Village Board for acceptance in July. The final CIP is published as a stand-alone document. In the 2008 budget, line-items which are included in the 2008-2012 CIP carry the designation "(CIP)" within the account description.

The Annual Budget

The Village has adopted sections 5/8-2-9.1 through and including sections 5/8-2-9.10 of Chapter 65 of the Illinois Compiled Statutes providing for a municipality's financial operation under an annual budget in lieu of an appropriation ordinance. The approved budget provides the authority to expend funds in the new fiscal year.

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Prior to staff work on the annual budget, the Village Manager and the Finance Director meet with the Village Board to discuss long-term strategies at a long-range financial planning workshop typically held in April. Staff then present a mid-year financial review of the execution of the current fiscal year's budget and an update of the upcoming year's "forecast" to the Village Board. This typically takes place in August. While state law only requires that local governments adopt an appropriation ordinance or budget for one fiscal year, the Village includes in its annual budget the projected financial operating plan for the subsequent fiscal year. This projected plan is termed the "forecast". For example, this 2008 annual budget includes a 2009 forecast. The forecast is not legally binding but it enables the Village to look into its financial operating future.

During the mid-year financial review, the Finance Director advises the Village Board of the Village's current financial condition. During the update of the forecast, the Village Board sets programmatic priorities and offers guidance for the staff's work on the next fiscal year's budget. To illustrate, the Village Board will establish policies regarding revenue sources, tax levies, and the level of services to be provided. This is the policy-setting stage. Given the Village Board's priorities and guidance, the staff begins work on the budget.

The formulation of the Village's annual budget parallels the development of the CIP in many respects. In July, the Finance Department distributes budget worksheets to the operating departments. The operating departments prepare their budget requests and submit them to the Finance Department in August. Departmental budget requests must be consistent with Village Board's stated priorities and guidance. As with the CIP, requests for service made by residents and community groups are also carefully considered.

Upon receipt of the departmental budget requests, the Finance Department compiles the draft budget. Revenue estimates are prepared by the Finance Department based upon historical trends, economic forecasts of authoritative sources, and anticipated activities and events in the community which are expected to have a local economic impact. Expense line items that are either partially or completely offset by an associated revenue source carry the designation "(RO)" within the account description.

The Village Manager and Finance Director meet with the director of each department individually in September to discuss his budget request. The Village Manager reviews all departmental budget requests, ensures that they are consistent with the priorities and guidance of the Village Board, and fashions a feasible fiscal plan. The product is the proposed budget which the Village Manager submits to the Village Board and the Finance Commission.

As with the CIP, departments present their budget requests to the Finance Commission and the COW. These hearings take place in October and November. Based upon Finance Commission and staff recommendations and its own findings, the COW may direct additions, deletions, or revisions to the proposed budget.

The Finance Director revises the proposed budget as directed by the COW and the Village Manager submits it to the Village Board for formal approval in December. The final budget is adopted by ordinance. According to state law, the budget ordinance must be adopted prior to the start of the fiscal year and filed with the county clerk within 30 days of adoption.

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The budget process does not end with the adoption of the budget ordinance; it actually marks the beginning of a new cycle. Services and programs will be evaluated, needs will be identified and then the formal process will begin again for the next year.

During the budget year, the fiscal plan will be monitored and changes made as appropriate. When priorities change or unanticipated expenditures are required, the Finance Director is authorized to transfer budgeted amounts within a department or between departments within a fund. The Finance Director must notify the Village Manager in writing of interdepartmental transfers. Any revisions that increase the total expenditures of any fund must be approved by the Village Board as budget amendments. Expenditures may not legally exceed budgeted appropriations at the fund level.

THE BUDGET MODEL

Generally Accepted Accounting Principles (GAAP) and state statutes require an Illinois municipality to account for revenues and expenditures on a "fund" basis. A fund is a separate accounting entity which is organized with a set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenses or expenditures. The General Fund, Motor Fuel Tax Fund and the Water and Sewer Fund are examples of Village funds. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions.

The Village uses the three following fund types:

Governmental Funds are used to account for the Village's general governmental activities and include the General Fund, special revenue funds, debt service funds, and capital project funds. Governmental funds use the modified accrual basis of accounting whereby revenues are recognized when they are "measurable and available" and expenditures are recorded when the related fund liability is incurred.

Proprietary Funds use the full accrual basis of accounting and include the enterprise funds (Water and Sewer Fund and Parking Fund) and internal service funds. Under the full accrual basis, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Fiduciary Funds account for assets held by the Village in a trustee capacity or as an agent on behalf of others. Fiduciary funds include Village pension funds and are accounted on a full accrual basis.

The budgets of the governmental funds are prepared on a modified accrual basis and the budgets of the proprietary funds and the fiduciary funds are prepared on a full accrual basis. With the exception of the treatment of depreciation, the budget basis is consistent with GAAP. Depreciation is not shown in the budget, although the full purchase price of capital expenditures is included. A reconciliation of this difference is provided in the Village's Comprehensive Annual Financial Report.

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Although the Village is required to account for revenues and expenditures on a fund basis, the fund structure is not necessarily the most appropriate model for reporting the delivery of services. Many authorities believe that a budget organized on the basis of "programs" is more meaningful. A program budget groups all the expenditures associated with a specific service, or program, regardless of the fund from which the resources are obtained. A true program budget includes actual expenditures for personnel, services and supplies as well as indirect expenditures or allocations for facilities, equipment, and administrative services.

In actual practice there are a number of variations in the ways in which budgets are organized. These variations range from a fund line-item, or appropriation budget, to a true program budget as described above. The Village of Mount Prospect uses a "modified program budget" whereby services, or programs, are organized around a department or a division. A department or division is a unit that has been designated by management as a means for providing a specific service. The Village's Fire Department and Street Division of the Public Works Department are examples of these units of management. Thus the department or division is the way expenditure amounts are organized in the budget rather than around a fund structure.

Under the Village's modified program budget structure, services or programs are designated within the departmental or divisional unit. Each program includes line-item costs which are categorized by personal services, employee benefits, contractual services, commodities and capital expenditures. All costs which can be reasonably identified with the program are included regardless of the source of funding. A summary page at the beginning of each budget expenditure section lists the program totals, expenditure category totals, the source of funding, and extraordinary increases or decreases.

The Village complies with state and accounting mandated requirements to account for revenues and expenditures on the fund basis by identifying each line-item expenditure within a department or division with the fund that will provide the resources. These amounts are summarized at the beginning of each departmental or divisional section and then included as an overall fund total in the Budget Summaries Section. It should be noted that revenues are not departmentalized but are reported directly in the appropriate fund structure in the Revenues Section. As a result, the Village's annual budget fulfills legal reporting requirements and provides a meaningful way to present the costs associated with a service.

THE BUDGET DOCUMENT

The Budget document has been organized in such a way as to provide varying levels of detail to satisfy the information needs of Village residents, elected officials, advisory commission members, Village administrators and other persons interested in the fiscal plan of the Village. The Budget contains a Table of Contents which itemizes the general categories of information that are contained in the six sections identified by the gray tabs. The six sections are: Introduction, Budget Summaries, Revenues, Departmental Expenditures, Non-Departmental Expenditures and Appendix. Each section may be reviewed independently or certain sections may be used to expand on the information found in the Introduction or the Budget Summaries sections. A description of the information found in the six sections follows:

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Introduction - This section contains a list of Village officials, the Village Organization Chart, copy of the Budget Ordinance and the Village Manager's Budget Message. The Village Organization Chart provides an overview of the structure of Village government and the Village Manager's Budget Message is an essential first step in understanding the fiscal plan of the Village. It describes some of the accomplishments of the prior year and defines the goals for the coming year along with highlights of revenues and expenditures. The Budget Message sets the tone for how Village services and public improvements will be accomplished in the new fiscal year.

Also included in the Introduction is a description of the Budget Process, the Budget Model, the Budget Document, the Distinguished Budget Award, Fund Descriptions and a Budget Calendar.

Budget Summaries - This section presents an overview of the fiscal plan for the coming year through graphics and schedules. The total Village budget is presented graphically and by a schedule which contains prior year actual figures, current year budget and estimated amounts, the proposed budget amounts and forecast amounts for the next year. (Throughout the budget, the current year (2007) budget amounts reflect transfers and amendments as of September 30, 2007.) More specific summary information is provided in a similar format for Revenues and Other Sources and Budget Expenditures. Additionally, similar schedules are presented for Revenues By Fund, Expenditures By Fund, and Available Fund Balances at the start and at the end of the budget year and the forecast year.

This section also provides supplemental information regarding Authorized Positions, Personal Services, Property Taxes, Long-Term Debt, the results of the Park Ridge Survey of the cost of Municipal Services, and finally, a profile of the Village of Mount Prospect.

Revenues - This section provides an explanation of revenue sources expected to finance the budget along with a summary of revenues by category and a summary of revenues by fund. These summaries are followed by detail line-items that are totaled by category within a fund. The summary pages in this section are the same as the summary pages in the Budget Summaries Section.

Departmental Expenditures - This section of the budget contains specific information regarding each operating department, division and/or program. Each sub-section contains an organization chart, statement of activities, accomplishments, objectives for the budget year, performance measures, detail line-items totaled by expenditure classifications within a program, and supplemental summary information regarding the number of authorized employee positions, personal service costs, and capital expenditures.

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Non-Departmental Expenditures - Expenditures which are not associated with an operating department or division are included in this section of the budget. Capital Improvements, Debt Service, Pensions, Insurance and Contingencies and the Mount Prospect Library, a component unit, are the specific sub-sections included under Non-Departmental Expenditures. Generally the information in this section is similar to what is provided under Departmental Expenditures with the exception of the organization charts.

Appendix - This section includes a glossary of fiscal terminology that is unique to governmental finance and budgeting. For example, the terms revenues, expenditures, General Fund and available fund balance, along with many other fiscal terms are included in the Glossary.

A user of the budget who is looking for an overview or a general picture of the Village's plans for the coming year can usually find this information in the Introduction or the Budget Summaries sections of the budget. A user who is interested in a more comprehensive picture, would be directed to the Revenue, Departmental Expenditures and/or Non-Departmental Expenditures sections along with the appropriate summary and supplemental information. Terminology in the budget that may not be clear, generally will be found in the glossary in the Appendix section of the budget.

After more than eight months of planning and critical review, the budget becomes the fiscal plan for the new budget year. However, just as other plans are subject to change, the Village's fiscal plan (budget) is subject to change during the year. Emergency situations, emerging needs, new opportunities and unforeseen obstacles may require a change in plans during the year. When these circumstances arise, appropriate action will be taken. If the change involves reassigning priorities within a fund, Village management is authorized to make these changes. If the change requires an expenditure that will exceed the amount appropriated for a specific fund, the Village Board will be requested to amend the budget.

Thus the budget is a dynamic plan that fulfills its purpose of providing the fiscal framework for providing services to Village residents during the budget year and serves as a basis to plan for the future.

BUDGET AWARD

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the Village of Mount Prospect, Illinois for its annual budget for the fiscal year beginning January 1, 2007. In order to receive this award a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communication device.

The award is valid for a period of one year only. We believe our 2008 budget continues to conform to program requirements, and we are submitting it to the Government Finance Officers Association to determine its eligibility for another award.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Village of Mount Prospect
Illinois**

For the Fiscal Year Beginning

January 1, 2007

Oliver S. Cox

President

Jeffrey R. Egan

Executive Director

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
BUDGET INTRODUCTION

FUND DESCRIPTIONS

General Fund. To account for resources traditionally associated with governments which are not required to be accounted for in another fund.

Special Revenue Funds

Refuse Disposal Fund. To account for the revenues and expenditures associated with providing solid waste collection services. Financing is provided by property taxes, user fees, and recycling income.

Motor Fuel Tax Fund. To account for the activities involved with street maintenance and construction. Financing is provided by the Village's share of state gasoline taxes. State law requires these gasoline taxes to be used to maintain streets.

Local Law Enforcement Block Grant Fund. To account for the revenue and expenditures of the Local Law Enforcement Block Grant from the federal government.

Community Development Block Grant Fund. To account for the revenue and expenditures of the Community Development Block Grant from the federal government.

Asset Seizure Fund. To account for the revenue and expenditures of proceeds from the federal asset seizure program. Expenditures are restricted for use in the fight against drug abuse.

DEA Shared Funds Fund. To account for the revenue and expenditures of proceeds from the Federal DEA Shared Funds Program. Expenditures are restricted for use in the fight against drug abuse.

DUI Fine Fund. To account for the revenue and expenditures of proceeds from DUI Fines as collected by the Circuit Court of Cook County. Expenditures are restricted for use in law enforcement activities.

Foreign Fire Tax Board Fund. To account for the revenues and expenditures of proceeds of the Foreign Fire Insurance Tax. Expenditures are limited for the maintenance, use and benefit of the Fire Department.

Debt Service Funds

Series 2001 B&I, Village Hall. To accumulate monies for payment of principal and interest on general obligation bonds issued to fund a portion of the costs of construction of a new Village Hall and Community Center and a multi-level parking structure. Financing is being provided by an annual property tax levy and transfers from other funds. The bonds were issued October 1, 2001 and mature December 1, 2021.

Series 2003 B&I, Village Hall. To accumulate monies for payment of principal and interest on general obligation bonds issued to fund the balance of costs associated with construction of a new Village Hall, Community Center and a multi-level parking structure. Financing is expected to be provided by an annual property tax levy and transfers from other funds. The bonds were issued February 1, 2003 and will mature December 1, 2022.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
BUDGET INTRODUCTION

Series 1999 B&I, TIF. To accumulate monies for payment of principal and interest on taxable general obligation bonds issued on March 1, 1999 for the acquisition of property in Downtown Redevelopment Tax Increment Financing District No. 1. Financing is being provided by property tax increment revenues and land sale proceeds. The bonds mature August 1, 2008.

Series 2000 B&I, Flood. To accumulate monies for payment of principal and interest on \$2,165,000 of general obligation bonds issued on June 15, 2000 for various flood control projects. Financing will be provided from a portion of a home rule sales tax. The bonds mature on December 1, 2008.

IEPA Flood Control Loans B&I. To accumulate monies for payment of principal and interest on loans from the Illinois Environmental Protection Agency for sewer and flood control improvements. The Village received three separate loans during 1994, another loan in 1996 and a fifth loan in 1999. The debt service on each loan spans approximately 20 years. The final installment payment on the loans will be December 3, 2019. Financing is being provided by a portion of home rule sales tax.

Capital Projects Funds

Capital Improvement Fund. To account for the resources to provide for certain capital improvements and the replacement of Village equipment. Financing is being provided by developer contributions, interest income, the sale of property, and interfund transfers.

Downtown Redevelopment Construction Fund. To account for the resources to acquire property and construct certain improvements in the Downtown Redevelopment Tax Incremental Financing District No. 1. Financing is being provided by the sale of various general obligation bonds, the sale of property, and incremental property taxes. Other monies are being provided by interest income.

Street Improvement Construction Fund. To account for resources to carry out the Village's Street Improvement Program from 1998 through 2010. Financing will be provided by a portion of a home rule sales tax and a local motor fuel tax. Other monies will be provided by interest income.

Flood Control Construction Fund. To account for the resources to implement flood control projects throughout the Village. Financing has been provided by the sale of general obligation bonds in 1996, 1998, 2000 and 2002, installment loans from the Illinois Environmental Protection Agency (IEPA), grants, and interest income.

Enterprise Funds

Water and Sewer Fund. To account for the provision of water and sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
BUDGET INTRODUCTION

Village Parking System Fund. To account for the provision of public parking services of Village owned lots for a fee. All activities are accounted for including administration, operations, maintenance, financing and related debt service and billing and collection.

Parking System Revenue Fund. To account for the provision of public parking services of Metra owned lots for a fee. All activities are accounted for including administration, operations, maintenance, financing and related debt service and billing and collection.

Internal Service Funds

Vehicle Maintenance Fund. To account for the maintenance and repair of all Village vehicles except Fire Department vehicles. Financing is being provided by charges to various Village funds.

Vehicle Replacement Fund. To account for the acquisition and depreciation of Village vehicles. Financing is being provided by charges to the General, Refuse Disposal, Water & Sewer, Village Parking System Fund and Parking System Revenue Funds.

Computer Replacement Fund. To account for the acquisition and depreciation of Village computer hardware. Financing is being provided by charges to the General, Refuse Disposal, Vehicle Maintenance, and Water & Sewer Funds.

Risk Management Fund. To account for the servicing and payment of liability, property, and casualty insurance and self-insurance as well as workers' compensation and medical benefits. Financing is being provided by charges to various Village funds.

Pension Trust Funds

Police Pension Fund. To account for the resources necessary to provide retirement and disability benefits to personnel of the Mount Prospect Police Department. Revenues are provided by a property tax levy, employee withholdings, and investment income.

Fire Pension Fund. To account for the resources necessary to provide retirement and disability benefits to personnel of the Mount Prospect Fire Department. Revenues are provided by a property tax levy, employee withholdings, and investment income.

Component Unit Fund

Mount Prospect Library Fund. To account for revenues and expenditures of the Mount Prospect Public Library. Also included in this fund are the principal and interest payments the Series 2002 Library Bonds issued by the Village.

VILLAGE OF MOUNT PROSPECT
BUDGET CALENDARS
2008 and 2009

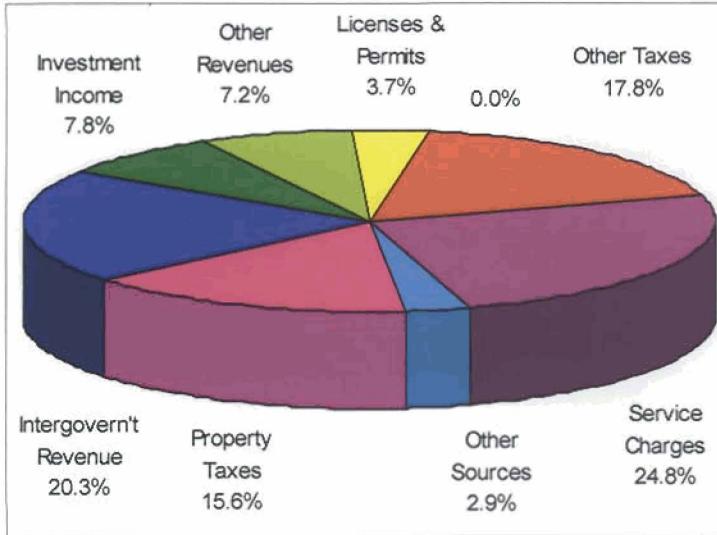
2008 DATE	ACTION	2009 DATE
3/9/07	Capital Improvement Plan (CIP) Worksheets forwarded to Department Directors	3/7/08
	Completed Computer CIP Worksheets returned to Finance Department	3/21/08
4/6/07	Remaining CIP Worksheets returned to Finance Department	4/4/08
4/24/07	Prior Year Budget Wrap-up and Preliminary Q1 Review	4/29/08
5/14/07 to 5/18/07	Department CIP reviews with Village Manger and Finance Director	5/12/08 to 5/16/08
5/25/07	Complete Proposed CIP Amounts	5/23/08
6/8/07	Deliver Proposed CIP to Village Board and Finance Commission	6/6/08
6/28/07	Review Proposed CIP with Finance Commission	6/26/08
7/10/07	Committee of the Whole - CIP Review Session	7/8/08
7/17/07	Acceptance of Proposed CIP at Village Board Meeting	7/15/08
7/20/07	Budget Kickoff Meeting (Staff) and Budget Worksheets forwarded to Department Directors	7/18/08
	Departmental Staffing Request Submittals Due to Village Manager	7/31/08
8/14/07	Committee of the Whole - Mid-Year Budget Review and Pre-Budget Workshop	8/12/08
8/10/07	CIP available for distribution	8/8/08
8/10/07	Completed Budget Worksheets returned to Finance Department	8/8/08

VILLAGE OF MOUNT PROSPECT
BUDGET CALENDARS
2008 and 2009

2008 DATE	ACTION	2009 DATE
8/10/07	Revenue Estimates completed by Finance Department	8/8/08
9/4/07 to 9/7/07	Department Budget reviews with Village Manager and Finance Director	9/2/08 to 9/5/08
9/14/07	Complete Proposed Budget Amounts	9/12/08
10/5/07	Deliver Proposed Budget to Village Board and Finance Commission	10/3/08
10/5/07	Proposed Budget available for public inspection at the Village Clerk's Office and the Mount Prospect Public Library	10/3/08
10/11/07 10/18/07 10/25/07	Review of Proposed Budget with the Finance Commission	10/9/08 10/16/08 10/23/08
10/23/07	Committee of the Whole - First Budget Hearing (7:00pm - 10:00pm) Overview, Departmental Presentations	10/28/08
11/13/07	Committee of the Whole - Second Budget Hearing (7:00pm - 10:00pm) Departmental Presentations	11/11/08
11/27/07	Committee of the Whole - Third Budget Hearing (7:00pm - 10:00pm) (If Necessary)	11/25/08
12/4/07	Truth in Taxation Public Hearing	12/2/08
12/4/07	First Reading of Proposed Budget Ordinance at Village Board Meeting	12/2/08
12/18/07	Public Hearing and Second Reading of Proposed Budget Ordinance at Village Board Meeting	12/16/08
1/18/08	Approved Budget available for distribution	1/16/09

VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
TOTAL VILLAGE BUDGET

2008 Revenues & Other Sources



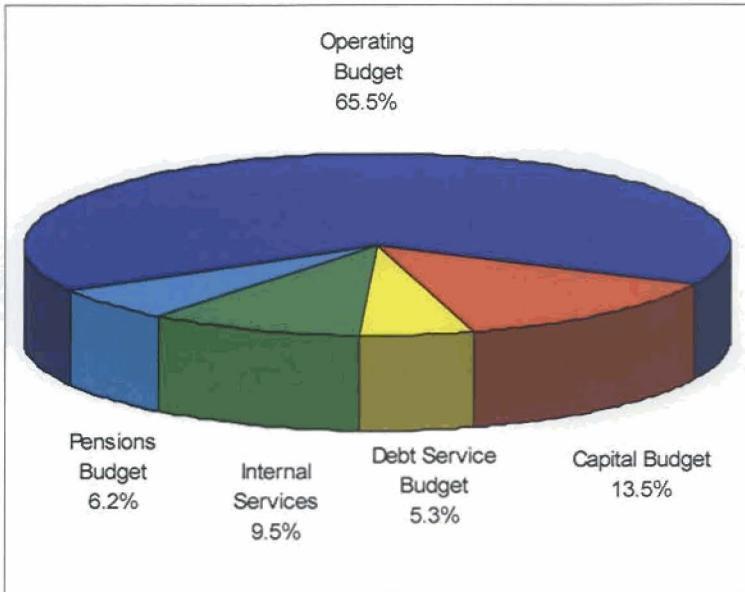
January 1 - December 31, 2008

Other Taxes	15,909,500
Service Charges	22,053,887
Other Sources	2,560,000
Property Taxes	13,873,756
Intergovern't Revenue	18,133,476
Investment Income	6,893,250
Other Revenues	6,353,886
Licenses & Permits	3,283,900

Village Totals	89,061,655
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Library Revenues	8,645,501
Budget Resources	97,707,156

2008 Budget Expenditures



January 1 - December 31, 2008

Operating Budget	57,272,858
Capital Budget	11,794,775
Debt Service Budget	4,664,639
Internal Services	8,324,857
Pensions Budget	5,409,150

Village Totals	87,466,279
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Library Expenditures	8,645,501
Budget Expenditures	96,111,780

The purpose of this graphic is to provide an overview of the total Village of Mount Prospect budget for January 1, 2008 through December 31, 2008. The schedule on the next page shows revenues and other sources of financing, budget expenditures and available fund balances for 2007 through 2009. More detailed schedules are included on pages 3 - 6.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
TOTAL VILLAGE BUDGET

	2006 Actual	2007 Budget	2007 Estimate	2008 Budget	2009 Forecast
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REVENUES AND OTHER SOURCES					
Property Taxes	13,010,983	13,374,952	13,612,676	13,873,756	14,497,500
Other Taxes	14,359,742	15,384,659	14,146,156	15,909,500	16,272,500
Licenses, Permits & Fees	3,234,467	2,954,888	3,337,529	3,283,900	3,328,100
Intergovernmental Revenue	16,632,591	16,480,809	17,158,638	18,133,476	17,820,776
Charges for Service	19,694,091	21,409,733	21,181,721	22,053,887	23,182,574
Fines and Forfeits	553,146	553,000	608,500	598,500	598,500
Investment Income	8,300,292	5,501,950	5,906,950	6,893,250	6,981,250
Reimbursements	336,763	271,240	271,000	220,000	223,000
Other Revenue	4,956,214	4,972,704	5,107,364	5,535,386	5,952,932
Interfund Transfers	548,292	-	-	-	-
Other Financing Sources	64,753	60,000	60,000	2,560,000	60,000
Village Revenues and Other Sources	81,691,334	80,963,935	81,390,534	89,061,655	88,917,132
Mount Prospect Library Revenues	7,839,781	8,572,028	8,572,028	8,645,501	(a)
Total Revenues and Other Sources	89,531,115	89,535,963	89,962,562	97,707,156	88,917,132

BUDGET EXPENDITURES					
Village Operating Budget	50,446,008	55,421,034	56,325,011	57,272,858	58,806,614
Village Capital Budget	6,129,324	8,897,839	7,611,195	11,794,775	8,357,500
Debt Service Budget	3,971,001	4,163,928	4,179,528	4,664,639	1,905,202
Pension Systems Budget	5,037,566	5,137,624	5,246,844	5,409,150	5,539,550
Internal Services Budget (b)	7,099,580	8,150,304	8,012,243	8,324,857	9,005,234
Total Village Expenditures	72,683,479	81,770,729	81,374,821	87,466,279	83,614,100
Mount Prospect Library Budget	5,639,651	8,572,028	8,572,028	8,645,501	(a)
Total Expenditures (d)	78,323,130	90,342,757	89,946,849	96,111,780	83,614,100

CHANGES IN FUND BALANCES					(d)
Excess (Deficiency) of Revenues & Other Sources Over Expenditures	11,207,985	(806,794)	15,713	1,595,376	5,303,032
Fund Balances					
Start of Budget Year	106,032,921	117,240,906	117,240,906	117,256,619	118,851,995
End of Budget Year	117,240,906	116,434,112	117,256,619	118,851,995	124,155,027
Less: Pension Fund Balances (c)	(80,251,532)	(79,207,198)	(83,138,261)	(87,334,511)	(91,998,261)
Available Fund Balances	36,989,374	37,226,914	34,118,358	31,517,484	32,156,766

- (a) Not available as of December 18, 2007.
- (b) Internal Services Budget includes Vehicle Maintenance Fund and Risk Management Fund. The Equipment Replacement Fund and Computer Replacement Fund are included in the Village Capital Budget.
- (c) Pension Fund Balances are reserved for pension benefits and not available for appropriation.
- (d) Does not include the results of operation of the Mount Prospect Library for 2009 Forecast.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
REVENUES AND OTHER SOURCES BY REVENUE TYPE

	2006 Actual	2007 Budget	2007 Estimate	2008 Budget	2009 Forecast
PROPERTY TAXES	13,010,983	13,374,952	13,612,676	13,873,756	14,497,500
OTHER TAXES					
Home Rule Sales Tax	3,896,511	4,080,000	3,866,249	5,304,000	5,412,000
Food & Beverage Tax	755,045	775,000	775,000	798,500	822,500
Special Service Area Taxes	1,541,494	1,534,100	1,508,500	1,508,500	1,508,500
Property Tax Increment	2,093,020	2,308,359	2,224,407	2,480,000	2,670,000
Real Estate Transfer Tax	1,082,498	1,331,000	800,000	785,000	800,000
Utility Taxes	4,359,595	4,818,000	4,420,000	4,474,500	4,495,500
Municipal Motor Fuel Tax	415,648	328,700	360,000	363,500	367,000
Other Taxes	215,931	209,500	192,000	195,500	197,000
	<u>14,359,742</u>	<u>15,384,659</u>	<u>14,146,156</u>	<u>15,909,500</u>	<u>16,272,500</u>
LICENSES, PERMITS & FEES					
Vehicle Licenses	1,379,430	1,385,000	1,405,000	1,405,000	1,405,000
Other Licenses	346,058	341,500	361,000	355,500	355,500
Permit Fees	760,050	532,000	553,000	568,500	585,000
Franchise Fee	408,129	375,000	467,500	491,000	516,000
Other Fees	340,800	321,388	551,029	463,900	466,600
	<u>3,234,467</u>	<u>2,954,888</u>	<u>3,337,529</u>	<u>3,283,900</u>	<u>3,328,100</u>
INTERGOVERNMENTAL REVENUE					
State Sales Tax	8,824,103	8,511,000	8,850,000	9,027,000	9,207,500
State Income Tax	4,606,804	4,524,000	4,900,000	5,126,000	5,255,000
State Motor Fuel Tax	1,647,423	1,587,500	1,664,000	1,664,000	1,664,000
Other State Taxes	1,068,256	1,071,500	1,138,438	1,192,000	1,226,000
Community Devl Block Grant	283,900	489,809	478,000	666,976	413,076
Other Grants	202,105	297,000	128,200	457,500	55,200
	<u>16,632,591</u>	<u>16,480,809</u>	<u>17,158,638</u>	<u>18,133,476</u>	<u>17,820,776</u>
CHARGES FOR SERVICE					
Water & Sewer Charges	8,460,405	9,420,000	9,072,500	9,780,000	10,230,000
Parking Charges	191,887	198,000	190,100	190,000	190,000
Refuse Disposal Charges	2,039,084	2,211,475	2,219,000	2,278,000	2,344,500
Internal Service Fund Charges	7,815,485	8,028,251	8,028,251	8,075,262	8,632,399
Other Service Charges	1,187,230	1,552,007	1,671,870	1,730,625	1,785,675
	<u>19,694,091</u>	<u>21,409,733</u>	<u>21,181,721</u>	<u>22,053,887</u>	<u>23,182,574</u>
FINES AND FORFEITS	553,146	553,000	608,500	598,500	598,500
INVESTMENT INCOME					
General Fund	474,141	397,000	520,500	461,000	411,000
Pension Funds	6,796,262	4,335,500	4,239,000	5,372,000	5,634,000
Other Funds	1,029,889	769,450	1,147,450	1,060,250	936,250
	<u>8,300,292</u>	<u>5,501,950</u>	<u>5,906,950</u>	<u>6,893,250</u>	<u>6,981,250</u>

VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
REVENUES AND OTHER SOURCES BY REVENUE TYPE

	2006 Actual	2007 Budget	2007 Estimate	2008 Budget	2009 Forecast
REIMBURSEMENTS	336,763	271,240	271,000	220,000	223,000
OTHER REVENUE					
Village Police & Fire Pension Contributions	2,484,717	2,677,040	2,677,040	2,970,800	3,262,800
Developer Donations	9,400	14,500	14,500	-	-
Employee & Retiree Contributions	2,113,164	2,050,064	2,126,224	2,306,086	2,486,632
Other Revenue	348,933	231,100	289,600	258,500	203,500
	<u>4,956,214</u>	<u>4,972,704</u>	<u>5,107,364</u>	<u>5,535,386</u>	<u>5,952,932</u>
TOTAL VILLAGE REVENUES	81,078,289	80,903,935	81,330,534	86,501,655	88,857,132
INTERFUND TRANSFERS	548,292	-	-	-	-
OTHER FINANCING SOURCES					
Bond Proceeds	-	-	-	2,500,000	-
Sale of Property	64,753	60,000	60,000	60,000	60,000
	<u>64,753</u>	<u>60,000</u>	<u>60,000</u>	<u>2,560,000</u>	<u>60,000</u>
TOTAL VILLAGE REVENUES AND OTHER SOURCES	81,691,334	80,963,935	81,390,534	89,061,655	88,917,132
MOUNT PROSPECT LIBRARY REVENUES	7,839,781	8,572,028	8,572,028	8,645,501	(a)
TOTAL REVENUES AND OTHER SOURCES VILLAGE AND LIBRARY (b)	89,531,115	89,535,963	89,962,562	97,707,156	88,917,132
CHANGES IN FUND BALANCES					(b)
Total Revenues & Other Sources	89,531,115	89,535,963	89,962,562	97,707,156	88,917,132
Total Expenditures	78,323,130	90,342,756	89,946,849	96,111,780	83,614,100
Additions to <Use of> Fund Balances	<u>11,207,985</u>	<u>(806,793)</u>	<u>15,713</u>	<u>1,595,376</u>	<u>5,303,032</u>
ANALYSIS OF CHANGES IN FUND BALANCES					(b)
Additions to Pension Fund Balances	(4,993,957)	75,870,844	76,188,223	83,698,105	83,424,082
Additions to Other Fund Balances					
<Use of> Other Fund Balances	<u>16,201,942</u>	<u>(76,677,637)</u>	<u>(76,172,510)</u>	<u>(82,102,729)</u>	<u>(78,121,050)</u>
	<u>11,207,985</u>	<u>(806,793)</u>	<u>15,713</u>	<u>1,595,376</u>	<u>5,303,032</u>

(a) Figures not available as of December 18, 2007.

(b) Does not include the Mount Prospect Library for 2009 Forecast.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
BUDGET EXPENDITURES

	2006 Actual	2007 Budget	2007 Estimate	2008 Budget	2009 Forecast
VILLAGE OPERATING BUDGET					
PUBLIC REPRESENTATION	116,279	130,480	130,030	131,176	133,946
VILLAGE ADMINISTRATION					
Village Manager's Office	2,110,672	2,490,110	2,427,642	2,637,569	2,583,614
Television Services Division	174,164	178,567	174,225	183,164	192,130
Village Clerk's Office	195,420	205,188	207,575	208,499	215,688
Finance Department	1,676,813	1,726,380	1,757,821	1,652,794	1,652,143
Totals	4,157,069	4,600,245	4,567,263	4,682,026	4,643,575
COMMUNITY DEVELOPMENT					
Community Development	1,782,290	2,046,634	2,095,926	2,390,450	2,217,868
Community Development/CDBG	320,761	752,309	678,369	746,976	438,076
Totals	2,103,051	2,798,943	2,774,295	3,137,426	2,655,944
HUMAN SERVICES DEPARTMENT					
	728,017	756,007	771,180	787,447	818,594
PUBLIC SAFETY AND PROTECTION					
Police Department	12,485,881	13,552,976	13,495,101	14,146,913	14,724,181
Fire Department	9,961,624	10,409,062	10,404,311	10,880,023	11,451,045
Totals	22,447,505	23,962,038	23,899,412	25,026,936	26,175,226
PUBLIC WORKS DEPARTMENT					
Administration	1,179,043	1,259,759	1,260,981	1,239,180	1,286,224
Streets/Bldgs/Parking	2,531,375	2,741,700	3,786,557	2,832,224	2,869,809
Forestry	1,392,717	1,802,279	1,894,080	1,976,747	2,026,353
Engineering	1,297,254	1,311,207	1,302,368	1,326,046	1,588,268
Water/Sewer	9,200,273	11,675,919	11,533,719	11,636,493	11,958,302
Refuse Disposal	3,752,450	4,029,607	4,050,667	4,135,231	4,271,101
Totals	19,353,112	22,820,471	23,828,372	23,145,921	24,000,057
COMMUNITY & CIVIC SERVICES					
	333,148	352,850	354,459	361,926	379,272
CONTINGENCIES & EQUITY TRANSFERS					
	1,207,827	-	-	-	-
TOTAL OPERATING BUDGET					
	50,446,008	55,421,034	56,325,011	57,272,858	58,806,614

VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
BUDGET EXPENDITURES

	2006 Actual	2007 Budget	2007 Estimate	2008 Budget	2009 Forecast
VILLAGE CAPITAL BUDGET					
Village Improvements & Equip	1,124,627	891,993	783,749	1,295,875	1,401,750
Community Improvement Projects	44,996	60,000	60,000	30,000	235,000
Downtown Redevelopment Constr	840,963	2,454,287	1,634,518	4,850,500	318,000
Flood Control Projects	299,860	244,000	94,000	515,000	510,000
Street Improvement Projects	2,819,234	3,591,698	3,514,218	3,701,000	3,632,000
Motor Equipment Replacement	857,347	1,406,811	1,284,710	1,263,900	2,069,300
Computer Replacement	142,297	249,050	240,000	138,500	191,450
Totals	6,129,324	8,897,839	7,611,195	11,794,775	8,357,500
DEBT SERVICE BUDGET					
Debt Service - Property Tax	1,450,359	1,685,359	1,700,959	1,296,859	1,291,848
Debt Service - Tax Increment	1,013,188	1,069,675	1,069,675	1,754,900	-
Debt Service - Home Rule Sales Tax 1	1,386,841	1,408,894	1,408,894	1,612,880	613,354
Debt Service - Home Rule Sales Tax 2	120,613	-	-	-	-
Totals	3,971,001	4,163,928	4,179,528	4,664,639	1,905,202
PENSION SYSTEMS BUDGET					
Miscellaneous Pensions	43,609	44,533	44,533	45,600	46,500
Police Pensions	2,419,352	2,465,133	2,512,546	2,580,050	2,647,050
Fire Pensions	2,574,605	2,627,958	2,689,765	2,783,500	2,846,000
Totals	5,037,566	5,137,624	5,246,844	5,409,150	5,539,550
VILLAGE INTERNAL SERVICES BUDGET					
Vehicle Maintenance Services	1,441,500	1,578,353	1,480,553	1,568,128	1,599,593
Risk Management					
Casualty and Property Insurance	1,621,995	1,360,353	1,306,224	1,182,700	1,277,200
Medical Insurance	4,036,085	5,211,598	5,225,466	5,574,029	6,128,441
Totals	7,099,580	8,150,304	8,012,243	8,324,857	9,005,234
TOTAL VILLAGE EXPENDITURES	72,683,479	81,770,729	81,374,821	87,456,279	83,614,100
MOUNT PROSPECT LIBRARY BUDGET	5,639,651	8,572,028	8,572,028	8,645,501	(a)
TOTAL - BUDGET EXPENDITURES (b)	78,323,130	90,342,757	89,946,849	96,111,780	83,614,100

- (a) Figures not available as of December 18, 2007.
(b) Does not include the Mount Prospect Library for 2009 Forecast.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
FUND SUMMARIES

Explanation of Fund Summaries

Illinois Statutes and Generally Accepted Accounting Principles require a municipality to account for revenues and expenditures on a "fund" basis. A fund is a separate accounting entity which is organized with a set of self-balancing accounts and which is established to accomplish a specific purpose. Funds may be required by state statute, Village ordinance, or by the Government Accounting Standards Board (GASB). For example, Illinois Statutes require Motor Fuel Tax monies to be accounted for in the Motor Fuel Tax Fund. Village bond ordinances generally require separate bond proceeds funds and separate bond and interest funds, and the GASB has established specific fund types and fund groups to ensure consistency of reporting by municipalities. The Village's fund structure conforms to these legal and accounting requirements.

Although the Village is required to account for revenues and expenditures on a fund basis, the Village's Annual Budget is not organized along fund lines. Revenues are recorded in the appropriate fund, but expenditures are reported by program within a department or division regardless of the fund that is providing the resources. All line-items are identified by a fund code and fund totals are summarized by department or division. However, overall fund totals are not included in the expenditure portion of the budget document. This type of budget structure emphasizes the overall cost of the program rather than an expenditure from a particular source of revenue.

To satisfy the legal and accounting requirements that revenues and expenditures are accounted for on a "fund" basis, budget line-item amounts are aggregated by fund and presented in the following three summaries: 1) Revenues and Other Sources By Fund; 2) Expenditures By Fund; and 3) Available Fund Balances. The first two schedules show actual amounts for 2006, budget and estimated amounts for 2007, budget amounts for 2008, and forecast amounts for 2009. The Available Fund Balances schedules add the estimated fund balances as of the start of the year with budget revenues and then subsequent budget expenditures to arrive at the estimated fund balances at the end of the year. Available Fund Balances schedules that show the estimated balances as of December 31, 2008 and December 31, 2009 are included.

The Available Fund Balances schedules compare the expected fund balances at the end of the year with the Village's recommended or "target balances" for each fund and fund group. Target balances represent the amounts needed for sound fiscal policy and adequate cash-flow needs. Although the Available Fund Balances schedules are not a required schedule, they provide valuable information for fiscal planning purposes.



VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
REVENUES AND OTHER SOURCES BY FUND

	2006 Actual	2007 Budget	2007 Estimate	2008 Budget	2009 Forecast
GENERAL FUND	37,574,247	38,420,223	39,012,694	39,971,831	40,873,125
SPECIAL REVENUE FUNDS					
Refuse Disposal Fund	4,046,440	4,300,751	4,320,500	4,438,000	4,565,500
Motor Fuel Tax Fund	1,721,611	1,628,750	1,716,000	1,685,000	1,676,000
Law Enforcement Block Grant	-	1,000	1,050	1,000	1,000
Community Dev. Block Grnt	320,761	549,809	571,000	746,976	438,076
Asset Seizure Fund	15,039	2,600	11,000	3,000	3,000
DEA Shared Funds Fund	1,559	2,500	2,500	2,500	2,500
DUI Fine Fund	20,523	20,350	21,250	21,250	21,250
Foreign Fire Tax Board Fund	83,411	51,500	42,500	42,500	42,500
	<u>6,209,344</u>	<u>6,557,260</u>	<u>6,685,800</u>	<u>6,940,226</u>	<u>6,749,826</u>
DEBT SERVICES FUNDS					
G.O. Bonds - Property Taxes	1,781,103	1,321,750	1,541,250	1,324,500	1,319,500
G.O. Bonds - Tax Increment	924,828	1,165,007	1,184,307	1,208,500	-
G.O. Bonds - Home Rule Sales Tax 1	1,311,741	1,367,550	1,275,999	1,331,000	1,353,000
Special Service Area Bonds	14,746	-	1,000	-	-
	<u>4,032,418</u>	<u>3,854,307</u>	<u>4,002,556</u>	<u>3,864,000</u>	<u>2,672,500</u>
CAPITAL PROJECTS FUNDS					
Capital Improvement Fund	208,872	262,800	42,000	1,484,800	1,259,500
Downtown Redevelpmnt Const	1,278,594	1,220,052	1,158,600	3,921,500	2,720,000
Street Improve Const Fund	2,027,587	1,711,100	1,722,900	1,739,500	1,770,000
Flood Control Const Fund	36,794	32,000	25,500	10,000	-
	<u>3,551,847</u>	<u>3,225,952</u>	<u>2,949,000</u>	<u>7,155,800</u>	<u>5,749,500</u>
ENTERPRISE FUNDS					
Water And Sewer Fund	10,250,337	11,149,100	10,867,500	11,576,500	12,027,000
Village Parking System Fund	101,655	96,738	103,869	144,150	144,350
Parking System Revenue Fund	113,641	111,100	100,000	156,000	156,000
	<u>10,465,633</u>	<u>11,356,938</u>	<u>11,071,369</u>	<u>11,876,650</u>	<u>12,327,350</u>
INTERNAL SERVICE FUNDS					
Vehicle Maintenance Fund	1,457,170	1,573,353	1,576,453	1,568,128	1,599,593
Vehicle Replacement Fund	1,221,166	1,093,626	1,241,126	1,212,700	1,212,700
Computer Replacement Fund	188,044	189,547	197,047	191,800	207,150
Risk Management Fund	6,500,101	6,473,939	6,565,449	6,720,720	7,368,588
	<u>9,366,481</u>	<u>9,330,465</u>	<u>9,580,075</u>	<u>9,693,348</u>	<u>10,388,031</u>

**VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
REVENUES AND OTHER SOURCES BY FUND**

	2006 Actual	2007 Budget	2007 Estimate	2008 Budget	2009 Forecast
FIDUCIARY FUNDS					
Police Pension Fund	5,492,855	4,125,500	4,032,250	4,783,500	5,086,500
Fire Pension Fund	4,998,509	4,093,290	4,056,790	4,776,300	5,070,300
	10,491,364	8,218,790	8,089,040	9,559,800	10,156,800
TOTAL REVENUE & OTHER SOURCES VILLAGE FUNDS					
	81,691,334	80,963,935	81,390,534	89,061,655	88,917,132
MOUNT PROSPECT LIBRARY FUND					
	7,839,781	8,572,028	8,572,028	8,645,501	(a)
TOTAL REVENUE & OTHER SOURCES VILLAGE & LIBRARY FUNDS (b)					
	89,531,115	89,535,963	89,962,562	97,707,156	88,917,132

- (a) Figures not available as of December 18, 2007.
(b) Does not include the Mount Prospect Library for 2009 Forecast.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
EXPENDITURES BY FUND

	2006 Actual	2007 Budget	2007 Estimate	2008 Budget	2009 Forecast
GENERAL FUND	36,282,759	38,192,984	39,176,949	39,971,831	41,129,852
SPECIAL REVENUE FUNDS					
Refuse Disposal Fund	3,752,450	4,029,607	4,050,667	4,135,231	4,271,101
Motor Fuel Tax Fund	2,049,300	1,764,301	1,862,186	1,777,302	2,016,391
Local Law Enforcement Block Grant	-	1,000	1,000	1,000	1,000
Community Development Block Grant	320,761	752,309	678,369	746,976	438,076
Asset Seizure Fund	-	1,000	5,000	1,000	1,000
DEA Shared Funds Fund	5,629	1,000	1,000	1,000	1,000
DUI Fine Fund	1,957	1,000	26,000	1,500	1,500
Foreign Fire Tax Board Fund	30,877	10,473	10,500	10,500	10,500
Totals	6,160,974	6,560,690	6,634,722	6,674,509	6,740,568
DEBT SERVICE FUNDS					
G.O. Bonds - Property Taxes	1,450,359	1,685,359	1,700,959	1,296,859	1,291,848
G.O. Bonds - Tax Increment	1,013,188	1,069,675	1,069,675	1,754,900	-
G.O. Bonds - Home Rule Sales Tax 1	1,507,454	1,408,894	1,408,894	1,612,880	613,354
Special Service Area Bonds	-	-	-	-	-
Totals	3,971,001	4,163,928	4,179,528	4,664,639	1,905,202
CAPITAL PROJECTS FUNDS					
Capital Improvement Fund	1,040,168	1,026,993	843,749	1,425,875	1,636,750
Downtown Redevelop Const Fund	841,763	2,455,187	1,635,418	4,851,450	318,955
Street Improvement Const Fund	1,365,771	2,258,907	2,241,907	2,360,000	2,372,000
Flood Control Const Fund	299,860	244,000	94,000	515,000	510,000
Totals	3,547,562	5,985,087	4,815,074	9,152,325	4,837,705
ENTERPRISE FUNDS					
Water and Sewer Fund	9,200,273	11,675,919	11,533,719	11,636,493	11,958,302
Village Parking System Revenue Fund	139,303	123,154	123,154	122,269	126,241
Parking System Revenue Fund	280,170	156,448	159,148	142,164	145,617
Totals	9,619,746	11,955,521	11,816,021	11,900,926	12,230,160
INTERNAL SERVICE FUNDS					
Vehicle Maintenance Fund	1,441,500	1,578,353	1,480,553	1,568,128	1,599,593
Vehicle Replacement Fund	857,347	1,406,811	1,284,710	1,263,900	2,069,300
Computer Replacement	142,297	249,050	240,000	138,500	191,450
Risk Management Fund	5,666,336	6,585,214	6,544,953	6,767,971	7,417,220
Totals	8,107,480	9,819,428	9,550,216	9,738,499	11,277,563

**VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
EXPENDITURES BY FUND**

	2006 Actual	2007 Budget	2007 Estimate	2008 Budget	2009 Forecast
FIDUCIARY FUNDS					
Police Pension Fund	2,419,352	2,465,133	2,512,546	2,580,050	2,647,050
Fire Pension Fund	2,574,605	2,627,958	2,689,765	2,783,500	2,846,000
Totals	4,993,957	5,093,091	5,202,311	5,363,550	5,493,050
TOTAL EXPENDITURES - VILLAGE FUNDS	72,683,479	81,770,729	81,374,821	87,466,279	83,614,100
MOUNT PROSPECT LIBRARY BUDGET	5,639,651	8,572,028	8,572,028	8,645,501	(a)
TOTAL EXPENDITURES - VILLAGE AND LIBRARY FUNDS (b)	78,323,130	90,342,757	89,946,849	96,111,780	83,614,100

- (a) Figures not available as of December 18, 2007.
(b) Does not include the Mount Prospect Library for 2009 Forecast.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
AVAILABLE FUND BALANCES 12-31-2008

	Estimated Balance 1-1-08	2008 Budget Revenues	2008 Budget Expenditures	Estimated Balance 12-31-08	Recommended Fund Balance 12-31-08
GENERAL FUND	11,642,813	39,971,831	39,971,831	11,642,813	10,282,463
SPECIAL REVENUE FUNDS					
Refuse Disposal Fund	2,250,610	4,438,000	4,135,231	2,553,379	1,067,775
Motor Fuel Tax Fund	391,117	1,685,000	1,777,302	298,815	504,098
Local Law Enf. Block Grant	213	1,000	1,000	213	-
Community Development Block Grnt	(107,369)	746,976	746,976	(107,369)	-
Asset Seizure Fund	80,769	3,000	1,000	82,769	-
DEA Shared Funds Fund	50,993	2,500	1,000	52,493	-
DUI Fine Fund	31,024	21,250	1,500	50,774	-
Foreign Fire Tax Board Fund	84,533	42,500	10,500	116,533	-
TOTAL	2,781,890	6,940,226	6,674,509	3,047,607	1,571,873
DEBT SERVICES FUNDS					
G.O. Bonds - Property Taxes	363,861	1,324,500	1,296,859	391,502	282,824
G.O. Bonds - Tax Increment	546,503	1,208,500	1,754,900	103	-
G.O. Bonds - Home Rule Sales Tax I	(622,347)	1,331,000	1,612,880	(904,227)	306,677
Special Service Area Bonds	17,830	-	-	17,830	-
TOTAL	305,847	3,864,000	4,664,639	(494,792)	589,501
CAPITAL PROJECTS FUNDS					
Capital Improvement Fund	123,939	1,484,800	1,425,875	182,864	840,225
Downtown Redevelop Const Fund	970,252	3,921,500	4,851,450	40,302	-
Street Improvement Const Fund	909,901	1,739,500	2,360,000	289,401	-
Flood Control Const Fund	557,897	10,000	515,000	52,897	-
TOTAL	2,561,989	7,155,800	9,152,325	565,464	840,225
ENTERPRISE FUNDS					
Water and Sewer Fund (a)	3,244,970	11,576,500	11,636,493	3,184,977	3,946,240
Village Parking System Fund (a)	48,194	144,150	122,269	70,075	31,560
Parking System Revenue Fund (a)	(55,733)	156,000	142,164	(41,897)	36,404
TOTAL	3,237,431	11,876,650	11,900,926	3,213,155	4,014,204

(a) Estimated balances reflect cash and investment balance, not fund equity.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
AVAILABLE FUND BALANCES 12-31-2008

	Estimated Balance 1-1-08	2008 Budget Revenues	2008 Budget Expenditures	Estimated Balance 12-31-08	Recommended Fund Balance 12-31-08
INTERNAL SERVICE FUNDS (b)					
Vehicle Maintenance Fund	649,146	1,568,128	1,568,128	649,146	649,146
Vehicle Replacement Fund	6,177,150	1,212,700	1,263,900	6,125,950	6,125,950
Computer Replacement Fund	658,732	191,800	138,500	712,032	712,032
Risk Management Fund	1,737,021	6,720,720	6,767,971	1,689,770	1,788,795
TOTAL	9,222,049	9,693,348	9,738,499	9,176,898	9,275,923
PENSION FUNDS (c)					
Police Pension Fund	41,604,351	4,783,500	2,580,050	43,807,801	55,493,113
Fire Pension Fund	41,533,910	4,776,300	2,783,500	43,526,710	54,932,365
TOTAL	83,138,261	9,559,800	5,363,550	87,334,511	110,425,478
Totals - Village Funds	112,890,280	89,061,655	87,466,279	114,485,656	136,999,667
Less: Pension Funds (c)	(83,138,261)	(9,559,800)	(5,363,550)	(87,334,511)	(110,425,478)
TOTAL AVAILABLE BALANCES VILLAGE FUNDS	29,752,019	79,501,855	82,102,729	27,151,145	26,574,189
MOUNT PROSPECT LIBRARY FUND	4,366,339	8,645,501	8,645,501	4,366,339	4,366,339
TOTAL AVAILABLE BALANCES VILLAGE & LIBRARY FUNDS	34,118,358	88,147,356	90,748,230	31,517,484	30,940,528

(b) Estimated balances for Internal Service Funds reflect unrestricted net assets only.

(c) Pension Funds are restricted for future pension benefits and do not constitute "Available Fund Balances."

VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
AVAILABLE FUND BALANCES 12-31-2009

	Estimated Balance 1-1-09	2009 Budget Revenues	2009 Budget Expenditures	Estimated Balance 12-31-09	Recommended Fund Balance 12-31-09
GENERAL FUND	11,642,813	40,873,125	41,129,852	11,386,086	10,796,586
SPECIAL REVENUE FUNDS					
Refuse Disposal Fund	2,553,379	4,565,500	4,271,101	2,847,778	1,121,164
Motor Fuel Tax Fund	298,815	1,676,000	2,016,391	(41,576)	529,303
Local Law Enf. Block Grant	213	1,000	1,000	213	-
Community Development Block Grnt	(107,369)	438,076	438,076	(107,369)	-
Asset Seizure Fund	82,769	3,000	1,000	84,769	-
DEA Shared Funds Fund	52,493	2,500	1,000	53,993	-
DUI Fine Fund	50,774	21,250	1,500	70,524	-
Foreign Fire Tax Board Fund	116,533	42,500	10,500	148,533	-
TOTAL	3,047,607	6,749,826	6,740,568	3,056,865	1,650,467
DEBT SERVICES FUNDS					
G.O. Bonds - Property Taxes	391,502	1,319,500	1,291,848	419,154	269,330
G.O. Bonds - Tax Increment	103	-	-	103	-
G.O. Bonds - Home Rule Sales Tax I	(904,227)	1,353,000	613,354	(164,581)	306,677
Special Service Area Bonds	17,830	-	-	17,830	-
TOTAL	(494,792)	2,672,500	1,905,202	272,506	576,007
CAPITAL PROJECTS FUNDS					
Capital Improvement Fund	182,864	1,259,500	1,636,750	(194,386)	882,336
Downtown Redevelop Const Fund	40,302	2,720,000	318,955	2,441,347	-
Street Improvement Const Fund	289,401	1,770,000	2,372,000	(312,599)	-
Flood Control Const Fund	52,897	-	510,000	(457,103)	-
TOTAL	565,464	5,749,500	4,837,705	1,477,259	882,336
ENTERPRISE FUNDS					
Water and Sewer Fund (a)	3,184,977	12,027,000	11,958,302	3,253,675	4,143,552
Village Parking System Fund (a)	70,075	144,350	126,241	88,184	33,138
Parking System Revenue Fund (a)	(41,897)	156,000	145,617	(31,514)	38,224
TOTAL	3,213,155	12,327,350	12,230,160	3,310,345	4,214,914

(a) Estimated balances reflect cash and investment balance, not fund equity.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
AVAILABLE FUND BALANCES 12-31-2009

	Estimated Balance 1-1-09	2009 Budget Revenues	2009 Budget Expenditures	Estimated Balance 12-31-09	Recommended Fund Balance 12-31-09
INTERNAL SERVICE FUNDS (b)					
Vehicle Maintenance Fund	649,146	1,599,593	1,599,593	649,146	649,146
Vehicle Replacement Fund	6,125,950	1,212,700	2,069,300	5,269,350	5,269,350
Computer Replacement Fund	712,032	207,150	191,450	727,732	727,732
Risk Management Fund	1,689,770	7,368,588	7,417,220	1,641,138	1,863,795
TOTAL	9,176,898	10,388,031	11,277,563	8,287,366	8,510,023
PENSION FUNDS					
Police Pension Fund	43,807,801	5,086,500	2,647,050	46,247,251	58,267,769
Fire Pension Fund	43,526,710	5,070,300	2,846,000	45,751,010	57,678,983
TOTAL	87,334,511	10,156,800	5,493,050	91,998,261	115,946,752
Totals - Village Funds	114,485,656	88,917,132	83,614,100	119,788,688	142,576,985
Less: Pension Funds (c)	(87,334,511)	(10,156,800)	(5,493,050)	(91,998,261)	(115,946,752)
TOTAL AVAILABLE BALANCES VILLAGE FUNDS	27,151,145	78,760,332	78,121,050	27,790,427	26,630,233
MOUNT PROSPECT LIBRARY FUND	4,366,339	(d)	(d)	(d)	(d)
TOTAL AVAILABLE BALANCES VILLAGE & LIBRARY FUNDS (e)	31,517,484	78,760,332	78,121,050	27,790,427	26,630,233

- (b) Estimated balances for Internal Service Funds reflect unrestricted net assets only.
(c) Pension Funds are restricted for future pension benefits and do not constitute "Available Fund Balances."
(d) Not available as of December 18, 2007.
(e) Does not include Mount Prospect Library except for Estimated Balance 1-1-09.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
SUPPLEMENTAL INFORMATION

Supplemental Schedules and Graphics

The following schedules and graphics present historical and current information regarding Personal Services, Property Taxes, Long-Term Debt, the Cost of Providing Municipal Services, and a Profile of the Village of Mount Prospect. Following is an introduction to each presentation:

Real Estate Taxes - There are three graphics and schedules included which contain information on Real Estate Taxes. The first graphic, Village Property Tax Levies and Tax Rates, shows Village tax levies and tax rates from 1999 - 2008. The schedule also lists equalized assessed valuation and the annual percentage change in the tax levies for the same period. The next schedule, Real Estate Tax Levies and Rate Comparisons, shows Village, Library and Special Service Area Tax Rates and Tax Levies by purpose for 2006, 2007, and 2008. The last graphic, Where Property Taxes Go, shows how property taxes are distributed to the various taxing bodies and the actual distribution of the 2005 property tax rate.

Number of Authorized Positions - This schedule shows the number of full-time, part-time, seasonal and full-time equivalent positions for 2006, 2007, and 2008.

Personal Services - The payment of wages and other compensation represent 45% of the operating budget. This schedule shows 2006 actual, 2007 budget and estimated amounts, budget amounts for 2008 and forecast amounts for 2009. The schedule organizes the personal service amounts by the type of Village Service provided.

Long-Term Debt - One graphic and two schedules are included. The graphic shows the relative speed of how outstanding debt issues will be paid. The first schedule shows the maturity dates, the original amounts issued and outstanding balances of current and proposed bond issues. The second schedule shows the Annual Principal Requirements for 2008 through 2011 and the balance of payments due from 2012 through 2022. This schedule classifies the various bond issues by the sources of revenue that will be used to fund the debt service payments.

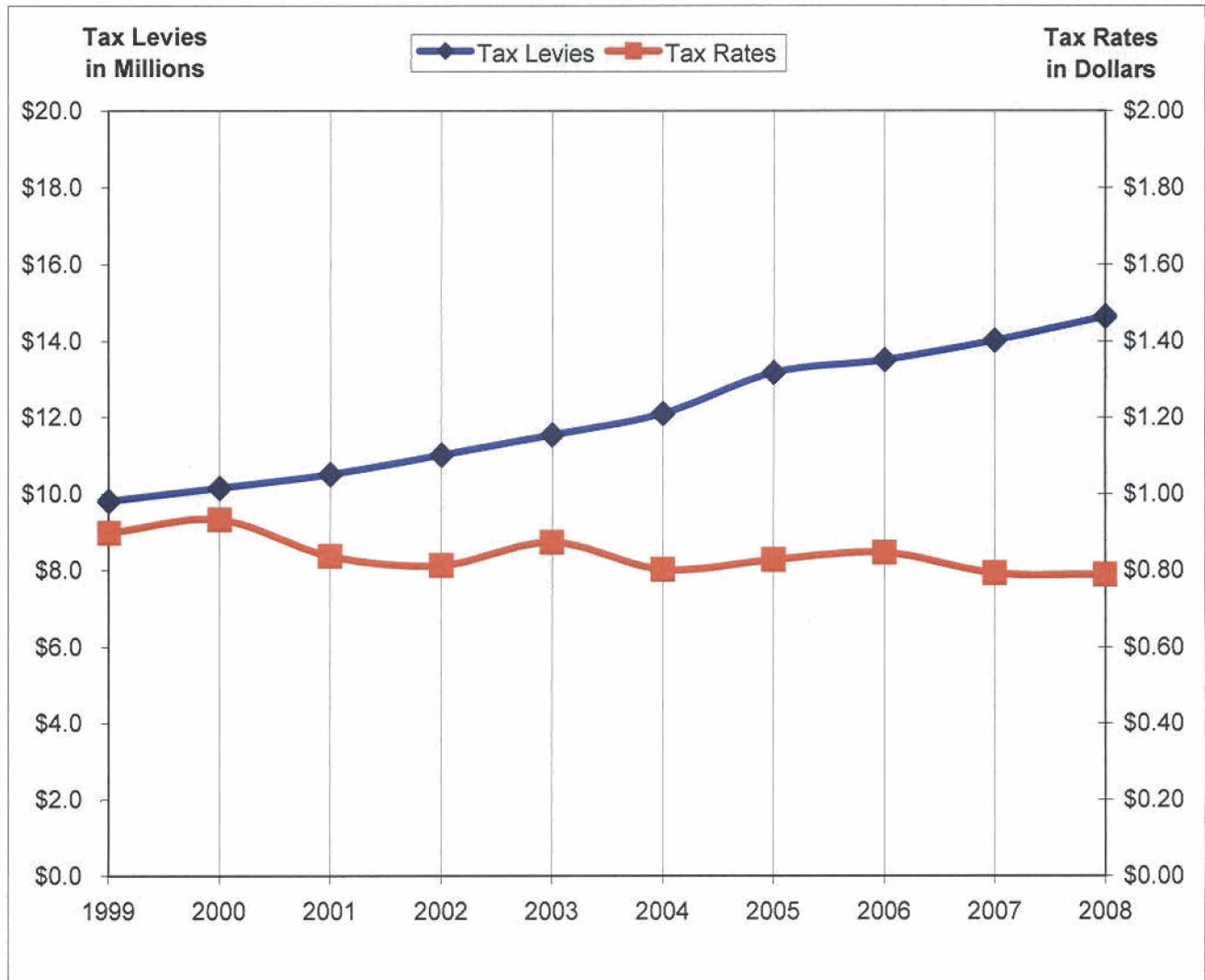
Cost of Municipal Services - Park Ridge Survey - This graph compares the Cost of Municipal Services per Resident in Mount Prospect to the Average Cost per Resident of all communities in the survey for the last ten years. Mount Prospect has consistently ranked near the bottom for this category. For the most recent survey, Mount Prospect was third lowest out of eleven communities.

Village Profile - This schedule presents information about the Village of Mount Prospect and its facilities and services.

These schedules and graphics are included to help gain a better understanding of some of the trends and influences that affect the Village's current and future fiscal plans.



**VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
VILLAGE PROPERTY TAX LEVIES AND TAX RATES**



Year	Equalized Assessed Valuation	Village Extended Tax Levies	Annual % Change	Village Tax Rates
1999	1,093,616,836	9,803,695	7.1%	0.896
2000	1,089,103,983	10,146,824	3.5%	0.932
2001	1,255,360,556	10,501,972	3.5%	0.837
2002	1,355,301,118	11,010,747	4.8%	0.812
2003	1,321,886,943	11,539,755	4.8%	0.873
2004	1,491,117,145	12,093,915	4.8%	0.801
2005	1,594,975,722	13,175,689	8.9%	0.827
2006	1,597,309,461	13,506,574	2.5%	0.846
2007	1,768,700,000	14,014,838	3.8%	0.792
2008	1,859,200,000	14,648,613	4.5%	0.788

VILLAGE OF MOUNT PROSPECT

2008 BUDGET SUMMARY

Real Estate and Special Service Area Tax Levies and Tax Rate Comparisons (1)

	2006 Tax Levy Actual		2007 Tax Levy Actual		2008 Tax Levy Projected	
	Rate	Amount	Rate (2)	Amount	Rate (2)	Amount

Village Levies						
General Corporate	\$.4690	\$ 7,491,516	\$.4394	\$ 7,772,448	\$.4337	\$ 8,063,915
Garbage	.1256	2,006,404	.1168	2,066,597	.1145	2,128,594
G.O.Bonds	.0827	1,320,654	.0747	1,321,572	.0708	1,316,461
Police Pension	.0851	1,359,949	.0812	1,436,591	.0850	1,580,250
Fire Pension	.0831	1,328,051	.0802	1,417,630	.0839	1,559,393
Village Totals	\$.8455	\$13,506,574	\$.7923	\$14,014,838	\$.7879	\$14,648,613

Library Levies						
Operations	\$.3839	\$6,132,588	\$.3744	\$6,621,497		(4)
Debt Service	.0981	1,566,890	.0889	1,572,453		
Library Totals	\$.4820	\$7,699,478	\$.4633	\$8,193,950		(4)

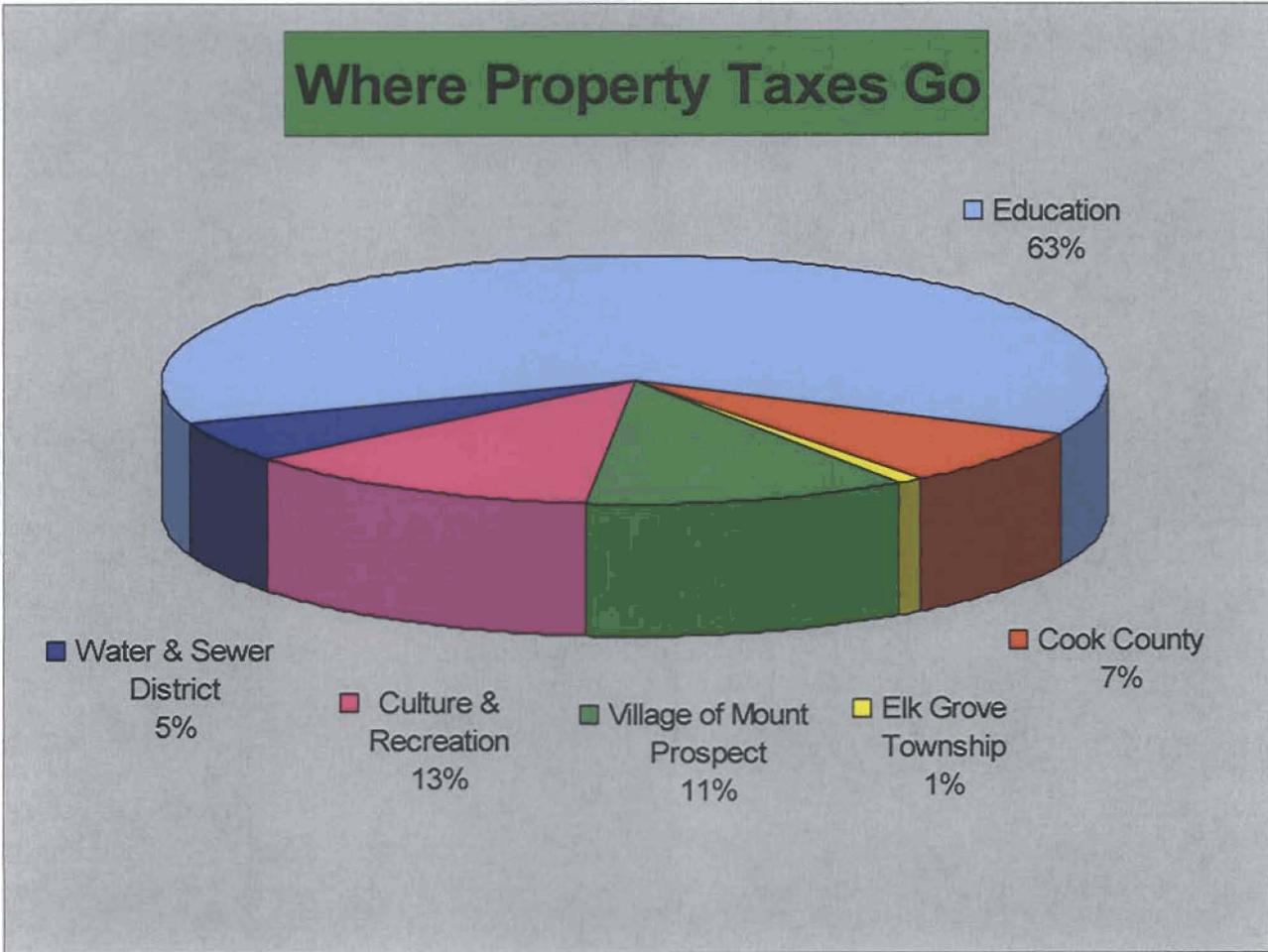
Totals - Village and Library	\$1.3275	\$21,206,052	\$ 1.2556	\$22,208,788	\$.7879	\$14,648,613
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Equalized Assessed Valuation (3)	\$1,597,309,461	\$1,768,700,766	\$1,859,150,206
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Special Service Area No. 5 JAWA Water Agency	\$.1173	\$1,545,773	\$.1000	\$1,545,773	\$.0951	\$1,545,773
EAV (3)	\$1,317,938,729	\$1,545,942,129	\$1,624,939,772			

- (1) Tax rates per \$100 Equalized Assessed Valuation.
- (2) Tax rates are estimated.
- (3) Changes in Equalized Assessed Valuation are based on 10 year historical trends.
- (4) Not available as of the date of this report.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
DISTRIBUTION OF 2006 PROPERTY TAXES



DISTRIBUTION OF 2006 PROPERTY TAX RATE (1)

	Tax Rate	%		Tax Rate	%
Education:			Village:		
School District 57	\$ 2.694	35.3%	Mount Prospect	\$ 0.846	11.1%
High School District 214	\$ 1.823	23.9%			
Harper District 512	\$ 0.288	3.8%	Culture and Recreation		
<u>\$ 4.805</u>		<u>62.9%</u>	M.P. Park District	\$ 0.474	6.2%
Cook County:			M.P. Library	\$ 0.482	6.3%
County Government	\$ 0.500	6.5%	<u>\$ 0.956</u>		<u>12.5%</u>
Cook County Forest	\$ 0.057	0.8%	Water & Sewer District		
Other	\$ 0.014	0.2%	Water Reclamation	\$ 0.284	3.7%
<u>\$ 0.571</u>		<u>7.5%</u>	SSA #5	\$ 0.118	1.5%
Elk Grove Township	\$ 0.062	0.8%	<u>\$ 0.402</u>		<u>5.2%</u>
			TOTAL	<u>\$ 7.642</u>	<u>100.0%</u>

(1) Sample property located in the Village of Mount Prospect, Elk Grove Township, and School District #57. The tax rate is applied to each \$100 of Equalized Assessed Valuation.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
Number of Authorized Positions

	Full-Time Employees			Part-Time Employees			Seasonal Employees			Full-Time Equivalent		
	2006	2007	2008	2006	2007	2008	2006	2007	2008	2006	2007	2008

Public Representation	0.15	0.15	0.15	7.00	7.00	7.00	-	-	-	.85	.85	.85
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Village Administration												
Village Manager's Office	9.85	10.85	11.85	-	-	-	1.00	1.00	-	10.35	11.35	11.85
Television Services Division	2.00	2.00	2.00	1.00	1.00	1.00	1.00	2.00	2.00	2.80	3.10	3.10
Village Clerk's Office	2.00	2.00	2.00	-	-	-	-	-	-	2.00	2.00	2.00
Finance Department	13.00	13.00	13.00	4.00	4.00	4.00	-	-	-	15.00	15.00	15.00
Totals	26.85	27.85	28.85	5.00	5.00	5.00	2.00	3.00	2.00	30.15	31.45	31.95

Community Development												
Community Development	19.95	22.00	22.00	1.00	1.00	1.00	2.00	2.00	4.00	20.85	22.90	23.40
Community Develop/CDBG	1.05	1.00	1.00	-	-	-	1.00	1.00	1.00	1.25	1.20	1.20
Totals	21.00	23.00	23.00	1.00	1.00	1.00	3.00	3.00	5.00	22.10	24.10	24.60

Human Services Department	7.00	7.00	7.00	1.00	1.00	1.00	2.00	2.00	2.00	7.60	7.60	7.60
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Public Safety and Protection												
Police Department	108.50	109.50	109.50	2.00	2.00	2.00	5.00	5.00	5.00	110.50	111.50	111.50
Fire Department	80.00	83.00	83.00	-	1.00	1.00	22.00	21.00	21.00	80.90	84.20	84.20
Totals	188.50	192.50	192.50	2.00	3.00	3.00	27.00	26.00	26.00	191.40	195.70	195.70

Public Works Department												
Administration	3.00	3.00	3.00	0.70	0.70	0.70	-	-	-	3.35	3.35	3.35
Streets/Bldgs/Parking	13.10	13.10	13.10	1.00	1.00	1.00	5.00	5.00	6.00	14.60	14.60	14.80
Forestry	9.20	9.20	9.20	-	-	-	8.00	8.00	8.00	10.80	10.80	10.80
Engineering	7.10	7.10	7.10	1.00	1.00	1.00	4.00	4.00	4.00	8.30	8.30	8.30
Water/Sewer	23.40	23.40	23.40	2.70	2.70	2.70	4.00	7.00	7.00	25.55	26.15	26.15
Refuse Disposal	2.60	2.60	2.60	0.60	0.60	0.60	-	-	-	2.90	2.90	2.90
Vehicle Maintenance	8.00	8.00	8.00	1.00	1.00	1.00	2.00	2.00	2.00	9.10	9.10	8.90
Totals	66.40	66.40	66.40	7.00	7.00	7.00	23.00	26.00	27.00	74.60	75.20	75.20

Community and Civic Svcs	0.10	0.10	0.10	1.00	1.00	1.00	-	-	-	0.20	0.20	0.20
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Village Totals	310.00	317.00	318.00	24.00	25.00	25.00	57.00	60.00	62.00	326.90	335.10	336.10
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VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
PERSONAL SERVICES

	2006 Actual	2007 Budget	2007 Estimate	2008 Budget	2009 Forecast
PUBLIC REPRESENTATION	35,087	35,466	35,466	33,170	33,460
VILLAGE ADMINISTRATION					
Village Manager's Office	801,948	898,539	888,925	955,561	996,810
Television Services Division	102,212	102,484	102,482	105,924	110,072
Village Clerk's Office	112,007	113,075	114,775	119,672	123,813
Finance Department	755,705	796,825	794,717	870,558	847,555
Totals	1,771,872	1,910,923	1,900,899	2,051,715	2,078,250
COMMUNITY DEVELOPMENT					
Community Development	1,105,361	1,255,645	1,253,237	1,328,043	1,374,065
Community Development/CDBG	47,887	52,004	52,004	58,450	60,497
Totals	1,153,248	1,307,649	1,305,241	1,386,493	1,434,562
HUMAN SERVICES DEPARTMENT	476,374	478,186	480,959	500,462	517,925
PUBLIC SAFETY & PROTECTION					
Police Department	7,946,970	8,592,849	8,540,946	9,004,702	9,258,470
Fire Department	6,601,559	6,833,619	6,823,409	7,138,872	7,441,775
Totals	14,548,529	15,426,468	15,364,355	16,143,574	16,700,245
PUBLIC WORKS DEPARTMENT					
Administration	234,194	237,193	238,020	248,300	256,542
Streets/Bldgs/Parking	1,050,687	1,108,580	1,496,060	1,163,722	1,203,790
Forestry	664,966	697,162	694,986	721,680	747,145
Engineering	574,731	622,116	629,772	645,250	678,738
Water/Sewer	1,669,829	1,783,337	1,769,337	1,833,971	1,898,042
Refuse Disposal	214,645	230,544	231,564	237,697	245,973
Vehicle Maintenance	669,976	695,541	695,541	745,697	733,719
Totals	5,079,028	5,374,473	5,755,280	5,596,317	5,763,949
COMMUNITY & CIVIC SERVICES	77,830	88,650	88,650	93,614	96,885
VILLAGE TOTALS	23,141,968	24,621,815	24,930,850	25,805,345	26,625,276

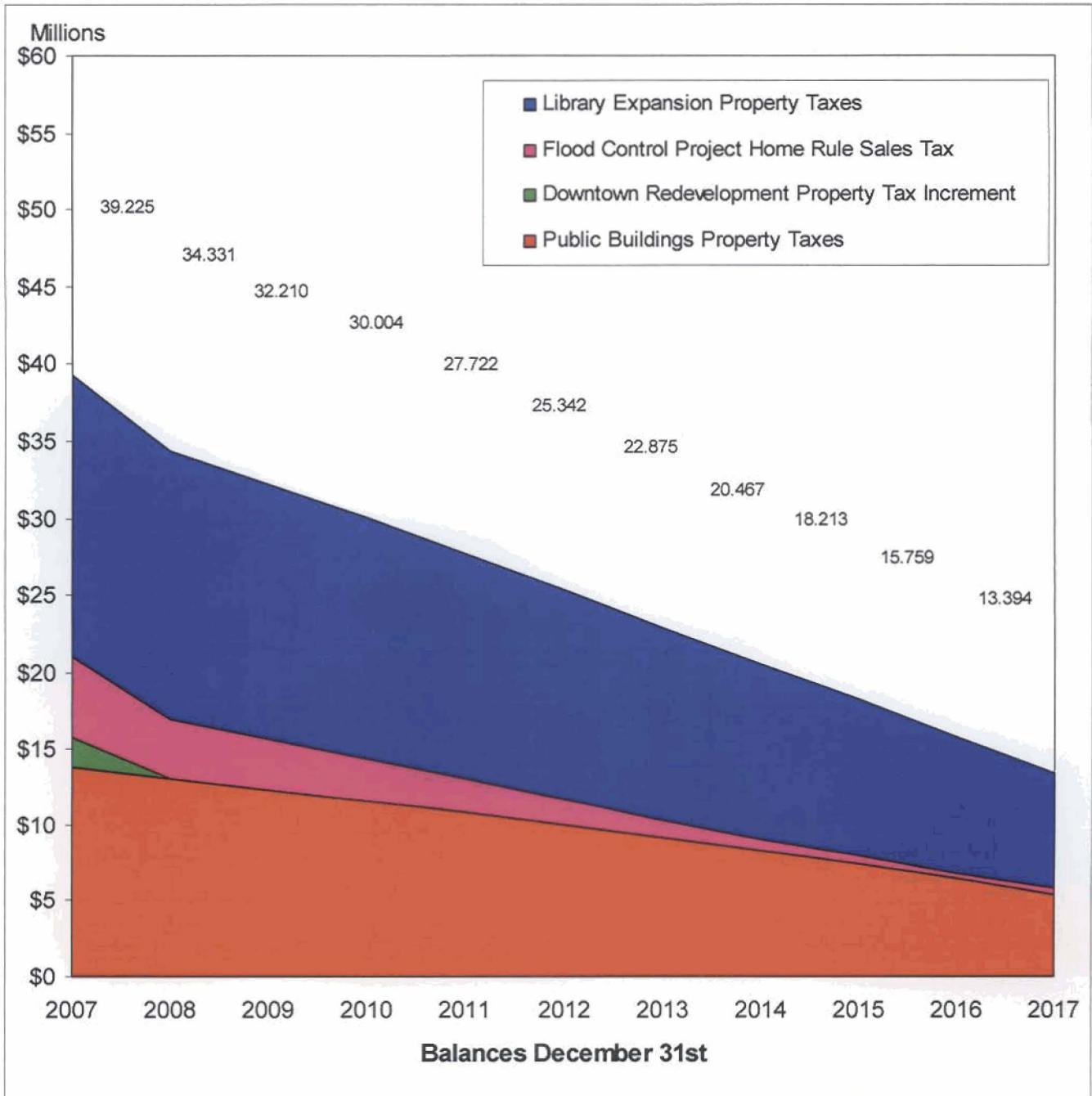


VILLAGE OF MOUNT PROSPECT

2008 BUDGET

LONG-TERM DEBT

PRINCIPAL AMOUNT OUTSTANDING



The graphic "Principal Amount Outstanding" shows the relative speed with which the Village is paying its outstanding debt. Total debt of \$39.225 million as of December 31, 2007 will be reduced to \$13.394 million by 2017. All current debt will be retired by the end of 2022.

VILLAGE OF MOUNT PROSPECT

2008 BUDGET SUMMARY

LONG-TERM DEBT

Series	Purpose	Original Maturity Date	Original Par Amount	Current Balance 1/01/08
General Obligation Bonds and Notes				
1999	Downtown Redevelopment	08/01/08	\$ 5,550,000	\$ 1,655,000
2000	Flood Control	12/01/08	2,165,000	950,000
2001	Village Hall/Parking Structure	12/01/21	5,000,000	3,915,000
2003	Village Hall	12/01/22	12,235,000	9,895,000
2004	7 South Emerson Installment Note	9/01/09	705,000	355,000
			\$ 25,655,000	\$ 16,770,000
Installment Contracts				
L 170744	Flood Control - Prospect Manor	05/01/14	\$ 3,695,354	\$ 1,486,638
L 170856	Flood Control - Fairview Gardens	07/12/13	558,474	211,889
L 170857	Flood Control - Hatlen Heights	12/10/14	1,711,671	744,872
L 170855	Flood Control - See Gwun/Milburn	11/01/17	1,203,550	696,979
L 171087	Flood Control - Maple/Berkshire	06/03/19	1,760,422	1,150,036
			\$ 8,929,471	\$ 4,290,414
TOTAL - VILLAGE DEBT ONLY			\$ 34,584,471	\$ 21,060,414
General Obligation Bonds - Library				
2002	Library Expansion	12/01/22	\$ 20,500,000	\$ 8,250,000
2006	Library Refunding	12/01/22	10,000,000	9,945,000
			\$ 30,500,000	\$ 18,195,000
TOTAL -VILLAGE AND LIBRARY DEBT			\$ 65,084,471	\$ 39,255,414

As a home rule municipality the Village does not have any legal debt margin.

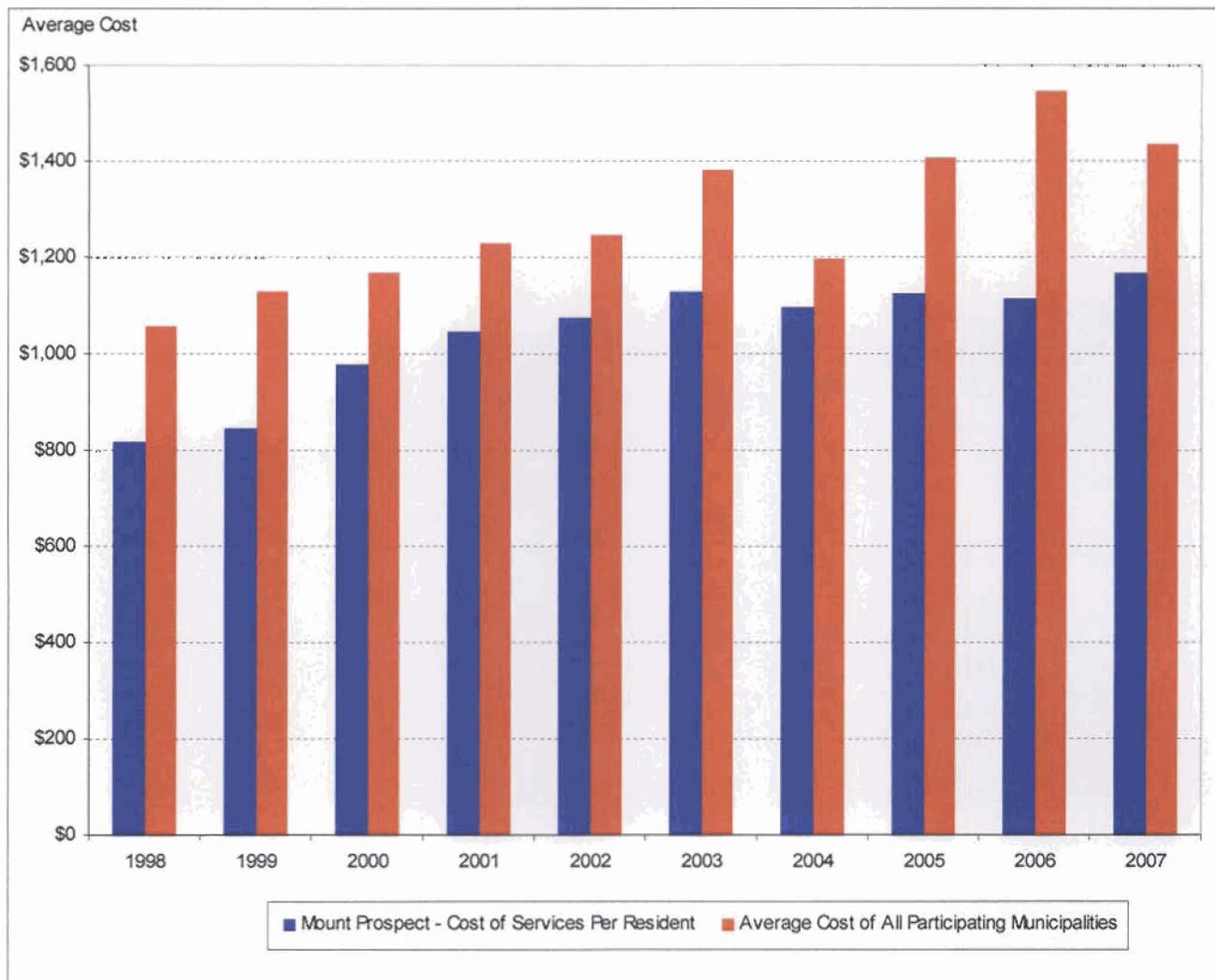
The Village's debt position including debt issued on behalf of the Library is at a favorable level with total debt at \$698 per capita and debt to be paid from property taxes at \$569 per capita as of December 31, 2007. Moody's Investors Service has rated Village debt at Aa3. In Moody's latest credit report dated December 7, 2006 they stated that the Village's rating assignment reflects the village's moderate tax base growth with above-average socioeconomic indices, healthy financial position with solid liquidity position, and manageable debt burden with average principal amortization.

Debt Service requirements for the next four years and all subsequent years for the outstanding and proposed debt issues are identified on the next page.

**VILLAGE OF MOUNT PROSPECT
LONG-TERM DEBT
ANNUAL PRINCIPAL REQUIREMENTS**

	2008	2009	2010	2011	2012-	Totals
					2022	
Debt To Be Paid From Property Taxes						
General Obligation Bonds						
Series 2001 - Village Hall	210,000	215,000	225,000	235,000	3,030,000	3,915,000
Series 2003 - Village Hall	495,000	510,000	530,000	550,000	7,810,000	9,895,000
Total	705,000	725,000	755,000	785,000	10,840,000	13,810,000
Debt To Be Paid From Property Tax Increment						
General Obligation Bonds						
Series 1999, Taxable	1,655,000	-	-	-	-	1,655,000
7 S. Emerson Installment Note	355,000	-	-	-	-	355,000
Total	2,010,000	-	-	-	-	2,010,000
Debt To Be Paid From Home Rule Sales Tax (1st Quarter Percent)						
General Obligation Bonds						
Series 2000	950,000	-	-	-	-	950,000
Subtotal	950,000	-	-	-	-	950,000
Installment Contracts						
IEPA Loan #1	96,074	99,329	102,695	106,174	340,600	744,872
IEPA Loan #2	32,440	33,539	34,675	35,850	75,385	211,889
IEPA Loan #3	208,290	215,347	222,644	230,187	610,170	1,486,638
IEPA Loan #4	61,048	62,825	64,654	66,536	441,916	696,979
IEPA Loan #5	86,884	89,179	91,536	93,954	788,483	1,150,036
Subtotal	484,736	500,219	516,204	532,701	2,256,554	4,290,414
Total	1,434,736	500,219	516,204	532,701	2,256,554	5,240,414
TOTAL VILLAGE DEBT SERVICE	4,149,736	1,225,219	1,271,204	1,317,701	13,096,554	21,060,414
Debt To Be Paid By Mount Prospect Public Library						
General Obligation Bonds						
Series 2002 Library Bonds	730,000	850,000	890,000	920,000	4,860,000	8,250,000
Series 2006 Library Refunding Bonds	45,000	45,000	45,000	45,000	9,765,000	9,945,000
Total	775,000	895,000	935,000	965,000	14,625,000	18,195,000
TOTAL DEBT SERVICE PAYMENTS	4,924,736	2,120,219	2,206,204	2,282,701	27,721,554	39,255,414

VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
COST OF MUNICIPAL SERVICES PER RESIDENT
CITY OF PARK RIDGE SURVEY



Each year the City of Park Ridge, Illinois conducts a survey of comparable municipalities to determine the cost of providing municipal services. Survey methodology includes adjusting each municipality's budget as necessary to include only the expenditures for similar basic services. Services included are police and fire protection, emergency ambulance service, street maintenance, human services, refuse disposal, water and sewer service, administrative services and library services. Services excluded are electric utilities, parks and recreation, grant projects, services performed outside the municipality, and sewage treatment. Also excluded are projects financed from bond proceeds, interfund transfers, payments to Internal Service Funds, and contingencies.

Currently there are eleven communities, including Park Ridge, that participate in this survey: Arlington Heights, Downers Grove, Mount Prospect, Naperville, Niles, Wilmette, Palatine, Morton Grove, Schaumburg, and Skokie. Since the survey's conception in 1983 there have been several other communities that have participated at one time or another. The participants have changed as the demographics of these communities have changed.

Mount Prospect's cost of municipal services per resident typically has been in the lower quartile of participating communities. For the 2007 survey, Mount Prospect had the third lowest per capita cost of municipal services.

**VILLAGE OF MOUNT PROSPECT
COST OF MUNICIPAL SERVICES PER RESIDENT
CITY OF PARK RIDGE SURVEY
JANUARY 2007**

Rank	Municipality	Adjusted Budget (1)	Population	Expenditures Per Capita
1	Schaumburg (2)	217,074,307	75,386	2,880
2	Wilmette	58,127,579	27,051	2,149
3	Niles	57,984,019	30,063	1,929
4	Arlington Heights	120,199,014	76,943	1,562
5	Skokie	94,310,671	63,634	1,482
6	Downers Grove (2)	70,785,257	49,403	1,433
7	Naperville	192,483,673	138,802	1,387
8	Morton Grove (2)	27,532,030	22,451	1,226
9	Mount Prospect	65,681,407	56,265	1,167
10	Palatine	74,455,926	66,244	1,124
11	Park Ridge	33,818,400	37,775	895
MEAN^b		92,040,207	53,668	1,437

Source – City of Park Ridge

- (1) Adjusted budget includes total Municipal Budget including MFT, Library, Garbage and excluding Park Districts, Electric Utility, Sanitary Districts, Community Development Block Grants, Bus Service, Performing Arts Centers, Airparks, Capital Projects financed from Bond Proceeds, Tax Increment Financing Districts, Employee Retirement Contributions and expenditures of Police and Fire Pension Funds.
- (2) The budget has been increased for these municipalities for the amount paid by all households for scavenger service.

VILLAGE OF MOUNT PROSPECT

2008 BUDGET SUMMARY

VILLAGE PROFILE

The Village of Mount Prospect was incorporated in 1917 and operates under the Board/Manager form of government. It is a home rule community as defined by the Illinois Constitution. Mount Prospect is located approximately fifteen miles northwest of the City of Chicago in Cook County with a land area of 10.3 square miles.

The Village grew slowly from 1917 to 1950 with the 1950 population totaling 4,009. By 1960, the Village's population had increased to 18,905, then almost doubling to 34,995 at the 1970 Census and leveling off at 53,168 at the 1990 Census. The 2000 Census figure is 56,265. The Village's most notable characteristics are its residential streets which are shaded by more than 19,000 parkway trees, outstanding schools and parks, Randhurst Mall Shopping Center, the first under-one-roof retail complex of its kind, and the more recently developed Kensington Center for Business which consists of 300 acres of quality industrial and office buildings in a spacious park-like environment.

VILLAGE FACILITIES AND SERVICES

Number of Full-Time Employees	318
Number of Part-Time Employees	24
Miles of Streets & Roads	165
Number of Permits Issued in 2006	2,918
Value of Construction in 2006	\$54,374,801
Fire Protection	
Number of Firefighters	72
Number of Stations	3
Number of Fire Hydrants	2,200
I.S.O. Rating	Class 2
Police Protection	
Number of Police Officers	86
Number of Crossing Guards	5
Number of Police Stations	1
Library Services	
Number of Libraries	1
Number of Books	359,749
Number of Registered Borrowers	44116
Municipal Water Utility	
Average Daily Gallons Billed	3,804,868
Miles of Water Mains	164
Number of Metered Accounts	11,760
Elections	
Number of Registered Voters	27,639
Number of Votes Cast in Last Municipal Election	11,929
Percentage of Registered Voters Voting in Last Municipal Election	43.16%

SOCIOECONOMIC INFORMATION

Median Home Value	\$217,700
Number of Single Family Homes	12,382
Percent of Homes Valued:	
Under \$50,000	0.4%
\$50,000 - \$99,999	2.0%
\$100,000 - \$149,999	7.0%
\$150,000 - \$199,999	29.6%
\$200,000 or more	<u>61.0%</u>
Total	<u>100.0%</u>
Median Family Income	\$67,262
Median Household Income	\$57,165
Per Capita Income	\$26,464

Employed Persons by Occupational Category

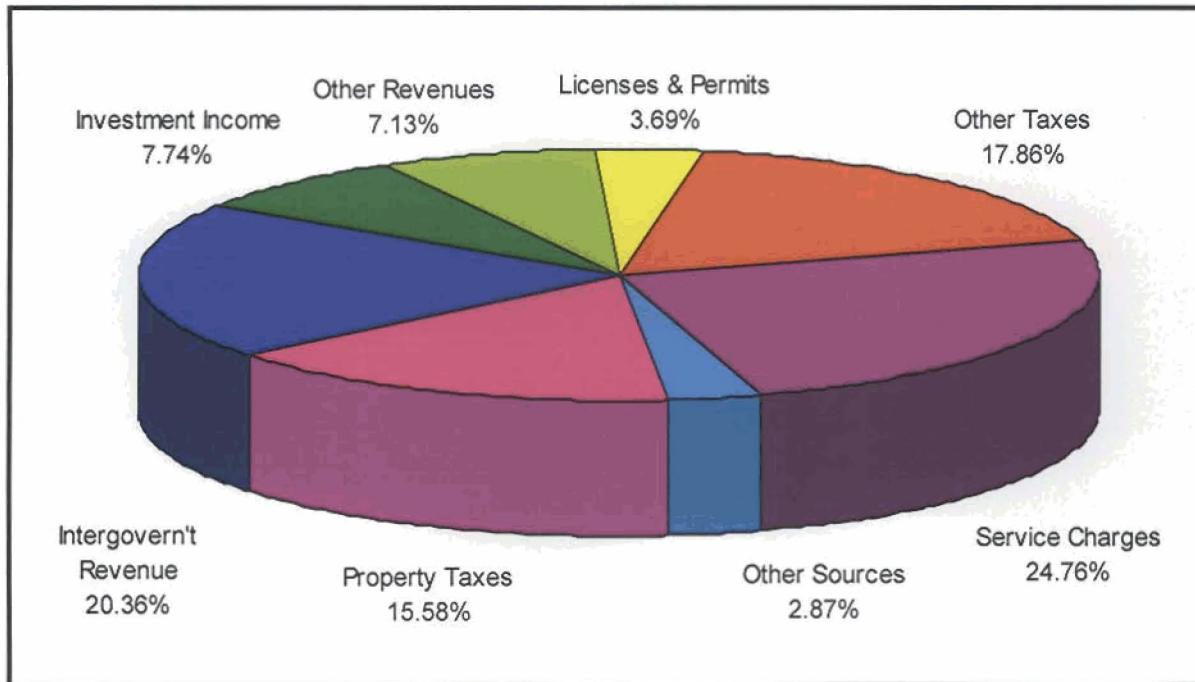
<u>Occupational Category</u>	<u>Number</u>	<u>Percent of Total</u>
Management, Professional and Related Occupations	11,661	39.4%
Sales and Office Occupations	9,281	31.3%
Production, Transportation, and Material Moving Occupations	3,834	12.9%
Service Occupations	3,083	10.4%
Construction, Extraction and Maintenance Occupations	1,740	5.9%
Farming, Fishing and Forestry Occupations	<u>18</u>	<u>0.1%</u>
Total	<u>29,617</u>	<u>100.0%</u>

Employed Persons by Industry

<u>Industry</u>	<u>Number</u>	<u>Percent of Total</u>
Manufacturing	5,254	17.8%
Educational, Health and Social Services	4,440	15.1%
Professional, Scientific, Management, Administrative and Waste Management Services	3,645	12.3%
Retail Trade	3,493	11.8%
Finance, Insurance, Real Estate and Rental and Leasing	2,672	9.0%
Arts, Entertainment, Recreation, Accommodation and Food Service	2,055	6.9%
Food Service	1,932	6.5%
Transportation and Warehousing, and Utilities	1,689	5.7%
Wholesale Trade	1,347	4.5%
Construction	1,214	4.1%
Other Services (Except Public Administration)	1,192	4.0%
Information	663	2.2%
Public Administration	<u>21</u>	<u>0.1%</u>
Agriculture, Forestry, Fishing and Hunting, and Mining	<u>29,617</u>	<u>100.0%</u>



**VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
REVENUES AND OTHER SOURCES**



January 1 - December 31, 2008	
Other Taxes	15,909,500
Service Charges	22,053,887
Other Sources	2,560,000
Property Taxes	13,873,756
Intergovern't Revenue	18,133,476
Investment Income	6,893,250
Other Revenues	6,353,886
Licenses & Permits	3,283,900
Village Totals	89,061,655
Library Revenues	8,645,501
Budget Resources	97,707,156

The "Revenues and Other Sources" graphic shows the percentage share of the major revenues and other financing sources that are expected to be received in 2008 by the Village. Total Village revenue and other sources (including Library) are expected to be \$89,061,655.



VILLAGE OF MOUNT PROSPECT
2008 BUDGET
REVENUES AND OTHER SOURCES

The Revenues Section of the budget contains two summary schedules followed by traditional line items for each source of revenue and other financing sources expected in the 2008 fiscal year along with forecast amounts for 2009. The first summary, Village Revenues and Other Financing Sources, shows the major revenues and other financing sources totaled by the type of revenue and the second summary, Revenues by Fund, shows revenues and other financing sources totaled by fund and by fund group. Each of the schedules report actual amounts for the 2006 fiscal year, budget and estimated amounts for 2007, budget amounts for 2008, and forecast amounts for 2009.

Total revenues and other financing sources for all Village funds, excluding the Mount Prospect Library Fund, for 2008 are expected to be \$89,061,655 compared to the amended 2007 budget of \$80,963,935. The following table summarizes the totals for each type of revenue and other financing category and indicates the increase or decrease for 2008 relative to 2007.

Revenue Type	2007 Budget	2008 Budget	Increase (Decrease)	Percent Change
Property Taxes	\$ 13,374,952	\$ 13,873,756	\$ 498,804	3.7%
Other Taxes	15,384,659	15,909,500	524,841	3.4%
Licenses, Permits, & Fees	2,954,888	3,283,900	329,012	11.1%
Intergovernmental Revenue	16,480,809	18,133,476	1,652,667	10.0%
Charges for Services	21,409,733	22,053,887	644,154	3.0%
Fines and Forfeits	553,000	598,500	45,500	8.2%
Investment Income	5,501,950	6,893,250	1,391,300	25.3%
Reimbursements	271,240	220,000	(51,240)	-18.9%
Other Revenue	4,972,704	5,535,386	562,682	11.3%
Total Re-Occurring Revenues	\$ 80,903,935	\$ 86,501,655	\$ 5,597,720	6.9%
Other Financing Sources	60,000	2,560,000	2,500,000	4166.7%
Total Revenues & Other Financing Sources	\$ 80,963,935	\$ 89,061,655	\$ 8,097,720	10.0%

Total re-occurring revenues for 2008 are estimated at \$86,501,655, an increase of 6.9% from 2007. The increase is due primarily to a growth in sales taxes generated by an additional 0.25% home rule sales tax that will go into effect January 1, 2008 and higher investment income resulting from larger surplus balances and higher returns in the market. Growth in the Licenses, Permit and Fees category is due to an increase in cable television franchise fees. This revenue has grown from \$364,000 in 2005 to an estimated \$467,500 in 2007. The budget for cable franchise fees is \$491,000 for 2008. Total revenues and other financing sources for 2008 are expected to be \$89,061,655 which is an increase of \$8.1 million (10.0%) from 2007. The increase in total revenues and other financing sources is mostly due to the fact the 2008 budget includes \$2.5 million in proceeds from the proposed sale of bonds, compared to none for 2007.

Property Taxes

Property taxes are the largest single source of revenue the Village receives. They provide resources for the General Fund, the Refuse Disposal Fund, the Police and Fire Pension Funds and certain debt service funds.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
REVENUES AND OTHER SOURCES (Continued)

In 2008, property tax revenues are expected to total \$13,873,756 compared to \$13,374,952 budgeted for 2007, an increase of 3.7%. Property taxes are levied by the Village, but are extended and collected by Cook County. Although the tax levy is expected to increase 3.8%, actual receipts are estimated to be less due to unpaid taxes or assessment appeals. They are payable in two installments on or about March 1 and September 1 in the year after the taxes are levied. Property tax revenues in the 2008 Budget represent receipts from the 2007 tax levy.

The state legislature has imposed a tax cap of the lower of 5% or the consumer price index on non home-rule units of government in Cook County. As a home-rule municipality, the Village does not have any property tax rate or levy limitations. Nevertheless, in keeping with the spirit of the tax cap, the Village Board adopted a policy in 1990 that limited the growth in property taxes to no more than 5% per year. That policy was revised in 1993 to limit the growth to 4% per year. In 2001, the Village Board approved a short-term increase to the limit at which the property tax rate could grow for levy years 2002-2005. This was done to phase in debt service requirements for the Series 2001 and 2003 Bonds. The tax levies for 2002 through 2006 reflected the following increases:

2002	4.8%
2003	4.8%
2004	4.8%
2005	8.9%
2006	4.1%

The levy for 2005 increased 8.9% from the prior year's levy. This one-time deviation from policy was done to capture the increase in pension contributions while allowing for a regular increase in the general portion of the levy.

The proposed 2007 tax levy for the Village is reflecting an overall increase of 3.8%. The levy supports different areas of operation and is broken down by 1) General Corporate; 2) Refuse Collection; 3) Debt Service; and 4) Pensions. The General Corporate levy was increased 3.75% while the Refuse levy was increased 3.0%. Levies for Debt Service are based on the payment schedule set in the original bond ordinance. There was no increase from 2006 to 2007 in the levy for Debt Service. The property tax levy for Pensions supports the Police and Fire Pension Funds. The levy amount is based on actuarial recommendations done every year for each Pension Fund. For 2007, the Police Pension levy increased 5.7% while the Fire Pension levy increased 6.7%.

It should be pointed out that although the Mount Prospect Public Library is governed by an elected board of trustees, the Village is required to levy property taxes for the Library. Accordingly, the revenues and expenditures of the Mount Prospect Library are included in the final Village Budget as a component unit. Library property taxes are reported separately and are not included in the above totals. As of the date the proposed budget was prepared, the Library had not yet approved their 2007 property tax levy request.

Other Taxes

Overall, revenues from Other Taxes are expected to total \$15,909,500, an increase of \$524,841 (3.4%) over the 2007 budget. Following is a summary of some of the larger revenue sources categorized as "Other Taxes".

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
REVENUES AND OTHER SOURCES (Continued)

Home-Rule Sales Tax - On September 1, 1991, the Village enacted a ¼ percent home-rule sales tax that is collected by the State of Illinois and remitted monthly to the Village. The Village has earmarked these funds for flood control improvements, or for debt service on debt issued for flood control improvements. This revenue is identified in the budget as “home-rule sales tax 1st”. The Village added a second ¼ percent home-rule sales tax that became effective January 1, 1995. The second ¼ percent tax is earmarked for street improvements and other capital improvements and is reflected in the budget as “home-rule sales tax 2nd”. The revenue from this tax is included in the street improvement capital project fund. In 2003, the Village added a third ¼ percent home-rule sales tax that became effective January 1, 2004. The third ¼ percent will be earmarked to support general Village operations and is reflected in the budget as “home-rule sales tax 3rd”. In 2007, the Village added a fourth ¼ percent home-rule sales tax that became effective January 1, 2008. The fourth ¼ percent is earmarked primarily for the Capital Improvement Fund to support mid-range (\$75,000-\$500,000) capital projects. This revenue is identified in the budget as “home-rule sales tax 4th”. A portion of this tax will also be used to support capital spending in the Village’s two parking funds. The home-rule sales tax applies to all goods sold at retail with the exception of licensed vehicles, groceries and pharmaceuticals.

Originally, the Village expected to receive \$4,080,000 from the home-rule sales tax in 2007. The current projection now shows the home-rule sales tax for 2007 is expected to come in lower than budget by 5.2%. Home-rule sales tax receipts are expected to come in at \$3,866,249 or \$213,751 lower than the 2007 budget. For 2008, the home-rule sales tax is expected to yield \$1,326,000 per each ¼ cent (or \$5,304,000 in total), an increase of 2.9% over the most recent projections for 2007.

Property Tax Increment – Incremental property taxes from the Village’s Downtown Redevelopment TIF District are expected to grow \$255,543 or 11.5% from the prior year. Incremental taxes are generated based on growth in the equalized assessed value over the base value (value of property when TIF was created). The current EAV of the TIF is \$36,180,000 which is an increase of \$28,600,000 since inception. This reflects an average annual growth rate of 7%. The average annual growth rate in the EAV outside the TIF over the same period is under 3%. Incremental taxes are projected at \$2,480,000 in 2008 and \$2,670,000 in 2009.

Real Estate Transfer Tax – The transfer tax has declined significantly since 2005 as a result of the slowdown in the housing market. The Village received over \$1.5 million in Real Estate Transfer taxes in 2005, but is only expecting \$800,000 in 2007. The budget for 2008 is \$785,000 and forecast for 2009 is \$800,000. This tax is calculated at \$3.00 per \$1,000 on the sale of real property in the Village.

Licenses, Permits & Fees

This category of revenue includes vehicle licenses, business licenses, building permits, franchise fees, infrastructure maintenance fees and other fees. Revenues in this category are estimated at \$3,283,900 for 2008, an increase of \$329,012 from 2007. Cable Television Franchise fees are expected to grow 11.5% from 2007 and total \$491,000. No significant changes were seen in any other revenue in this category.

Intergovernmental Revenue

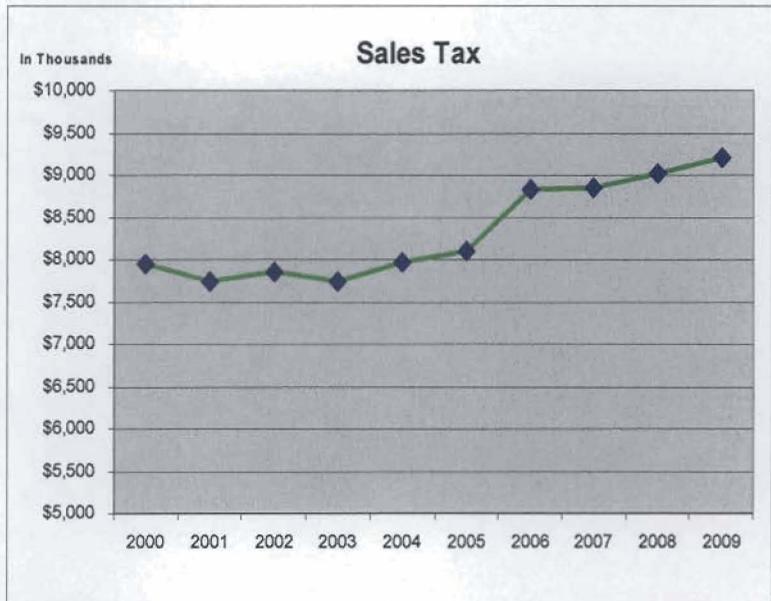
Intergovernmental revenue includes state-shared revenues such as the sales tax, income tax and motor fuel tax, along with other state and federal grant revenues. Intergovernmental revenues are expected to total \$18,133,476 in 2008, an increase of \$1,652,667 (10.0%) from 2007. The increase is generated by growth in the state 1% portion of sales tax and state income tax. Revenue from these two tax sources are expected to grow \$516,000 and \$602,000 respectively over the budget from the prior year.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
REVENUES AND OTHER SOURCES (Continued)

Sales Tax is the second largest source of revenue for the Village and is expected to reach \$9.0 million in 2008, representing 10.5% of all Village operating revenues. The State of Illinois remits 1% of the 6.25% state sales tax to local governments on a point-of-sale basis. Sales tax is recorded as revenue only in the General Fund.

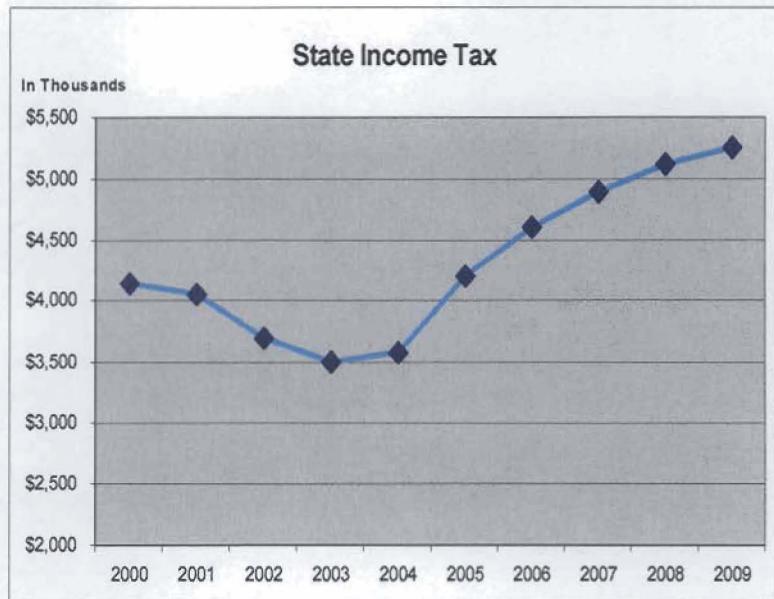
Between 2000 and 2005 sales tax receipts were relatively flat growing from \$7,937,000 in 2000 to just \$8,101,000 in 2005. This is an average annual increase of less than one-half of one percent. This low level of growth resulted from a general slowdown in the economy. In 2006, as the economic landscape improved, sales taxes in the Village jumped 8.9% or \$720,000 in a single year. Since that time the economy has again cooled and growth in the sales tax is expected to be just 5% between 2007 and 2009.

Sales tax receipts for 2008 are estimated at \$9,027,000 and for 2009 \$9,207,500. 2% growth is projected for each of these years.



State Income Tax receipts are estimated at \$4,900,000 for 2007, an increase of 6.4% from 2006. Similar to the sales tax, the period between 2000 and 2005 was a period of no growth for the income tax. In fact as you can see by the accompanying graph, income taxes began to fall in late 2001 and continued to plummet through 2004.

Estimates from the Illinois Municipal League, though indicate a continued growth in this state revenue through 2008. Based on IML estimates, Income Tax revenue is estimated to be \$5,126,000 in 2008. This is an increase of \$226,000 (4.6%) from the prior year.



VILLAGE OF MOUNT PROSPECT
2008 BUDGET
REVENUES AND OTHER SOURCES (Continued)

State Motor Fuel Tax – Receipts from this state-shared tax are expected to come in slightly above budget and total \$1,664,000 in 2007. Receipts for 2008 and 2009 are estimated to remain flat from the updated 2007 projections. Proceeds from the state motor fuel tax are deposited in the Motor Fuel Tax Fund and are earmarked for street maintenance and repairs.

Charges for Services

Charges of Services for 2008 are estimated at \$22,053,887, an increase of \$644,154 or 3.0% over the original budget for 2007. Charges for services include the fees charged for such proprietary activities as water/ sewer, parking, and refuse disposal. Also included in this category are internal service fund charges for the Risk Management, Vehicle Replacement, Vehicle Maintenance, and Computer Replacement funds.

Water and Sewer Charges represent revenue from the sale of water to Village residents and businesses and a small number of businesses and governmental agencies outside the Village's corporate boundaries. The Village supplies about 75% of its residents and businesses with water, with the balance being served by a private water company. It is expected that total water sales will be 1.5 billion gallons in 2008, which is consistent with historical consumption figures. A proposed rate increase in the water and sewer rates is expected for 2008. The rate increase is necessary to fund ongoing operations and support the combined sewer reconstruction and other capital projects on a pay-as-you-go basis. The current combined water and sewer rate is \$5.68 per 1,000 gallons of water consumed. The proposed rate is \$5.96, a 5.0% increase from the current rate. The sewer construction fee remains \$5 per month on all Village sewer accounts.

Refuse Disposal Charges – This revenue source consists of single and multi-family refuse disposal fees and the sale of refuse disposal stickers. A total of \$2,278,000 is projected for 2008, compared to \$2,219,000 estimated for 2007. Actual receipts for 2006 were \$2,039,084. An annual direct charge to single family households of \$75 was implemented in 2006 to supplement the tax levy for refuse collection.

Internal Service Fund Charges represent payments made by the main operating funds to the four internal service funds maintained by the Village. The four funds are: Risk Management, Vehicle Maintenance, Vehicle Replacement and Computer Replacement. The reason for using internal service funds is to be able to show an operating expenditure in the various operating departments and divisions and the aggregate costs in one location in the internal service fund. Total internal service charges for 2008 are budgeted at \$8,075,262, an increase of \$47,011 (0.6%) over the 2007 estimate.

Risk Management Fund charges in 2008 total \$6,720,720, an increase of \$155,271 or 2.4% over 2007. Medical premiums are budgeted for an increase of approximately 7% while expenditures for Liability and Worker Compensation coverage/claims are budgeted to increase 6%. Health insurance rates are estimated at \$12,680 per employee for 2008, a 3.7% increase over the \$12,231 budgeted for 2007. The rates for 2009 are estimated at \$13,641, an increase of 7.6%.

Vehicle Maintenance Fund charges of \$1,568,128 reflect an increase of 5.9% from 2007 year end estimates. Vehicle replacement charges to the various operating funds are budgeted at \$1,263,900 for 2008, a decrease of \$20,810 or 1.6% from 2007. Computer replacement charges of \$138,500 reflect a decrease of \$101,500 or 42.3% from 2007.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
REVENUES AND OTHER SOURCES (Continued)

Investment Income

All investments of general Village surplus funds are made in accordance with an investment policy that was adopted on July 2, 1985 and amended further in 1999 and 2004. Investments for the Police and Fire Pension Funds are governed by State Statute and have their own formal investment policy to follow. Total investment income is estimated at \$6,893,250 for 2008, an increase of \$986,300 from the 2007 estimate. Investment income for 2007 is up significantly due to larger surplus funds to invest and higher rates in the market. Actual investment income for 2007 is expected to come in at \$5,906,950, above the \$5.5 million originally projected.

Reimbursements

The Village is expecting revenue from reimbursements to total \$220,000 for 2008, a decrease of \$51,000 from 2007. This revenue category fluctuates greatly from year to year as reimbursements are sporadic and cannot be accurately anticipated.

Other Revenue

The Other Revenue category includes Village and employee contributions to the Police and Firefighters' Pension Funds, employee and retiree contributions towards health insurance, and various other miscellaneous revenues. Other revenue is estimated at \$5,535,386 for 2008, which is an increase of \$562,682 (11.3%) over the 2007 estimate.

Village contributions to the Police and Firefighters' Pension Funds have been budgeted at \$2,970,800 for 2008 based upon a recent actuarial calculation. This represents an increase of \$293,760, or 10.1%, over the previous year. The increase can mostly be attributed to regular increases for current pension benefits.

Employee and retiree contributions towards the pension plans and health insurance are estimated at \$2,306,086, an increase of \$179,862 or 8.5% from the \$2,126,224 expected for 2007.

Interfund Transfers

There are no interfund transfers budgeted for 2008 or 2009. The final equity transfer from the General Fund occurred in 2006. Between 2002 and 2006 the Village transferred excess fund balance from the General and Street Improvement Funds of approximately \$1.56 million and \$2.0 million respectively to the Series 2001 and Series 2003 Debt Service Funds in order to abate a portion of the property tax levy related to those bond issues. These two bond issues related to the construction of the new Village Hall and Parking Deck.

Other Financing Sources

Other financing sources include monies received from extraordinary events or one-time sources such as the issuance of debt or the sale of property. Other financing sources are expected to total \$2.6 million in 2008 resulting from the sale of certain Village property and the issuance of bonds for the purchase of property within sub-area #1 of the downtown TIF District.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
REVENUES AND OTHER SOURCES (Continued)

Changes in Fund Equity

For the year 2008, Village revenues and other financing sources are expected to come in at \$89,061,655 and total expenditures are budgeted at \$87,466,279. The net result is a projected increase in fund balance/retained earnings of \$1,595,376. The Mount Prospect Public Library is showing a balanced budget with revenues equaling expenditures and a total budget of \$8,645,501. The overall budget surplus for 2008 is the result of a surplus in the Police and Fire Pension Funds. A surplus of \$4,196,250 is projected for these two funds in 2008. In the past, any surplus in the General Fund was transferred to the Capital Projects Fund to fund mid-range capital purchases and projects. The transfer is no longer necessary as now a permanent funding source has been identified.

The General Fund is showing a balanced budget with revenues and expenditures totaling \$39,971,831. Assuming no changes for 2009 the General Fund forecast budget shows a deficit of \$256,727.

In the special revenue funds, revenues are expected to exceed expenditures in 2008 by \$265,717. Total fund balance in special revenue funds (excluding the funds not required to maintain a fund balance) is expected to be \$2,852,194 at December 31, 2008, representing 45.3% of 2009 expenditures. The debt service funds are showing a total operating deficit of \$800,639 for 2008. This is due to changes in amortization schedule for the various debt service issues. The 2008 budget for the Water and Sewer Fund reflects an operating deficit of \$59,993, bringing the ending cash and investment balance to an estimated \$3,184,977. Considering the deficit projected for 2008 and the pending water rate increases planned by the City of Chicago, the Village will perform a water rate study in the 1st quarter of 2008 to determine an appropriate rate to support operations.

The Police and Firefighters' Pension Funds are showing a combined operating surplus of \$4,196,250 for 2008. It is assumed that the funds' investment portfolios will yield 6% in 2008. As of January 1, 2007, the most recent actuarial calculation date, the Police Pension Fund was 75.4% funded and the Firefighters' Pension Fund was 76.7% funded. According to state statute, the Village has until the year 2033 to get the two pension plans fully funded, but expect to achieve that status well before then. Schedules showing the estimated fund balances of each fund for the years 2008 and 2009 can be found in the Budget Summaries Section.

In recent years, the Village Board has made a conscious effort to diversify the Village's revenue base as a means of reducing its reliance on property taxes to finance Village services. One of the principal reasons for this strategy was to attempt to equalize the burden of financing these services between single-family property owners, multi-family residents, and business property owners. Additionally, a more diverse revenue base enables the Village to maintain its financial position during periods of economic change. This revenue policy has proven valuable recently with the downturn in the economy.

The Village has also placed a much higher priority on economic development and redevelopment efforts as a means of growing its economic base. An emphasis on infrastructure improvements, streamlining the permitting process, and aggressively marketing the Village are some of the efforts being used to demonstrate that Mount Prospect is a good place in which to do business. It is expected that these efforts will help ensure an equitable and consistent revenue base for financing Village services in the future.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
PUBLIC REPRESENTATION

STATEMENT OF ACTIVITIES

The Mayor and Board of Trustees develop policies and enact ordinances and resolutions to ensure the health, safety, and welfare of Mount Prospect residents. It is the responsibility of the Village Board to adopt an annual budget outlining the services to be offered to Village residents during the coming year and to establish the revenue sources to be used to finance the proposed services. Additionally, the Village Board establishes the tax levy, acts on all code amendments and directs policy on issues that may arise from time to time.

The Mayor and six Village Trustees are elected at large for staggered terms of four years each. Three Trustees are elected in each odd-numbered year. The current Mayor (Village President) was elected in 2005. The next mayoral election will be in 2009.

The Village Board meets for regular business meetings on the first and third Tuesday of each month and as a Committee of the Whole for preliminary discussion and consensus generating discussions on the second and fourth Tuesdays of each month. Members of the Village Board also participate in informal meetings on the second Saturday morning of each month for the purpose of allowing citizens to voice their opinions in a less structured atmosphere. Since 1986, all Village Board and Committee of the Whole meetings have been televised over the Village's government access cable channel.

In addition to Village Board activities, the Public Representation budget includes expenses related to the many committees, commissions, and boards consisting of citizens volunteering their time and resources in the areas of planning, zoning, finance, traffic safety, economic development, public safety, and recycling.

**VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
PUBLIC REPRESENTATION**

	2006	2007	2007	2008	2009
	Actual	Budget	Estimate	Budget	Forecast

PROGRAMS						
02	- MAYOR AND BOARD OF TRUSTEES	100,340	113,470	113,020	116,840	119,012
03	- ADVISORY BOARDS & COMMISSIONS	15,939	17,010	17,010	14,336	14,934
		116,279	130,480	130,030	131,176	133,946

EXPENDITURE CLASSIFICATION						
50	- PERSONAL SERVICES	35,087	35,466	35,466	33,170	33,460
51	- EMPLOYEE BENEFITS	6,299	6,361	6,361	5,928	6,152
52	- OTHER EMPLOYEE COSTS	2	3,000	3,000	3,200	3,300
54	- CONTRACTUAL SERVICES	69,291	79,553	79,103	81,778	83,934
55	- UTILITIES	413	500	500	500	500
57	- COMMODITIES & SUPPLIES	5,187	5,600	5,600	6,600	6,600
		116,279	130,480	130,030	131,176	133,946

SOURCE OF FUNDS						
001	- GENERAL FUND	116,279	130,480	130,030	131,176	133,946
		116,279	130,480	130,030	131,176	133,946

BUDGET HIGHLIGHTS

- Personal Services

This expenditure classification includes the provision for the annual salaries of the Mayor, Trustees, Liquor Commissioner, and a portion of the salary of the Administrative Assistant in the Village Manager's Office. The Mayor's current annual salary is \$5,500. The Mayor, as Local Liquor Commissioner, receives an additional \$3,000 for serving in this capacity. Trustees receive an annual salary of \$2,750.

- Contractual Services

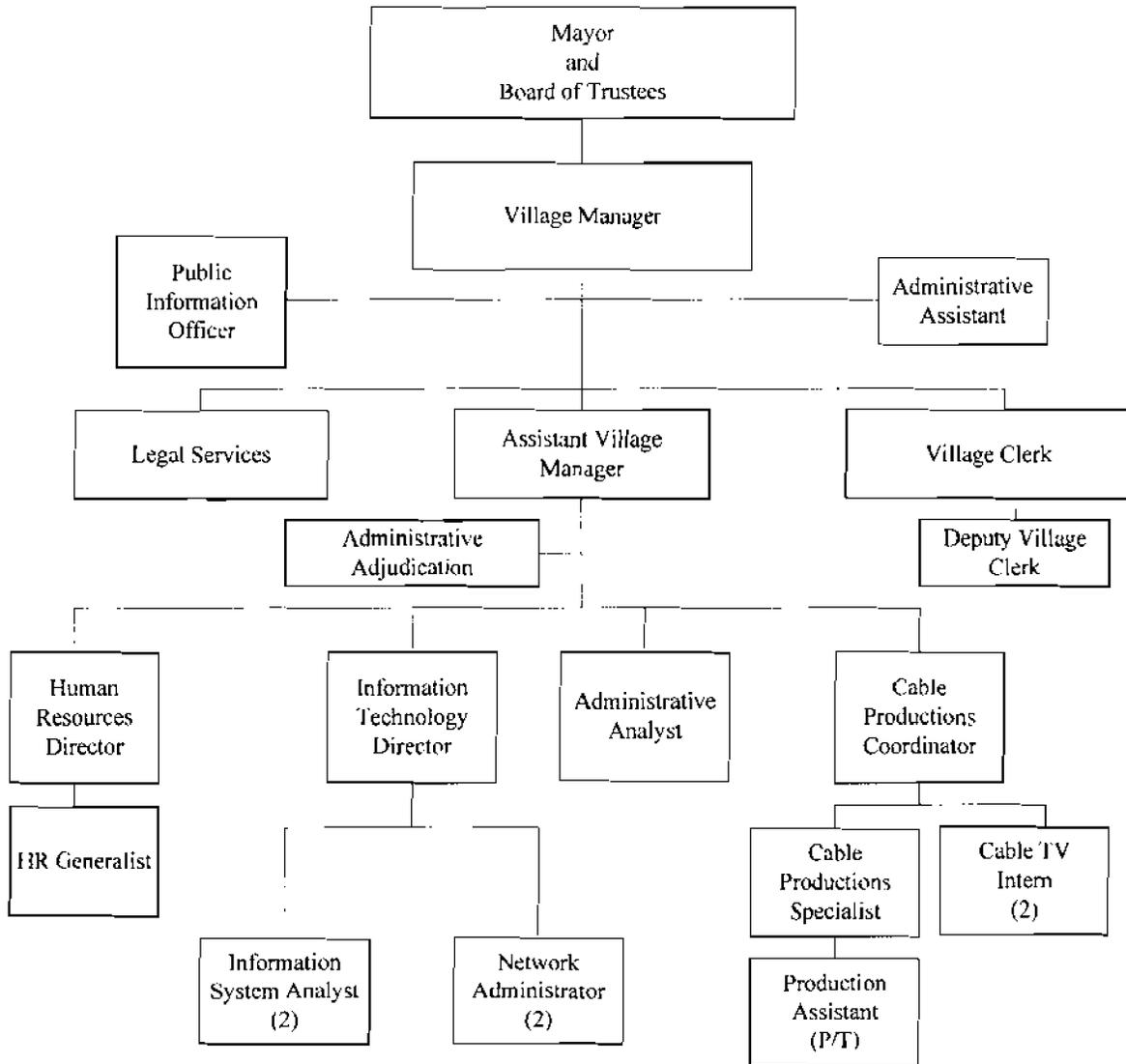
Contractual Services include organization membership dues of approximately \$24,000 for the Northwest Municipal Conference. Also included in contractual services are approximately one-half of the cost for the annual financial audit and \$4,250 for Special Projects, used for one-time expenditures approved by the Village Board.

- Commodities & Supplies

Included in this expenditure classification are Office Supplies, Recognition Supplies and Other Supplies such as business cards, note pads, and subscriptions.

VILLAGE OF MOUNT PROSPECT

VILLAGE ADMINISTRATION



Village Administration includes the Village Manager's Office as well as the Human Resources Division, Television Services Division, Information Technology Division, Administrative Adjudication Division, and Village Clerk's Office. The Village Manager's Office has sixteen full-time employees, one part-time employee and two interns.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
VILLAGE MANAGER'S OFFICE

STATEMENT OF ACTIVITIES

The Village Manager's Office administers the policies and programs adopted by the Village Board. The Village Manager is responsible for the efficient administration of each department, the preparation of the annual budget, administering employment policies, and the preparation of weekly Village Board and Committee of the Whole agendas. Included in the Village Manager's Office are the activities of the Television Services Division, Information Technology Division, Human Resources and the Village Clerk's Office.

2006 ACCOMPLISHMENTS

Streamlined employee orientation and out processing procedures.

Completed and registered the trademark of the Village logo for branding protection.

Monitored redevelopment of old Village Hall site.

Monitored redevelopment of Bank One parking lot site.

Monitored redevelopment of sub area #1.

Established Administrative Adjudication as an alternative dispute resolution process instead of the county court system.

2007 ACCOMPLISHMENTS

Developed new electronic subscription email system for residents which greatly streamlined process.

Initiated development of Village Brand Identity for economic development marketing purposes.

Continued to work with Village Departments to improve and enhance Village web site.

Transitioned to a new medical insurance plan and prescription drug vendor.

Collected storm damage assessment information from residents for submittal to Illinois Emergency Management Agency.

Put on data sharing presentations to staff to demonstrate data relationships between various Village data repositories.

Implemented emergency messaging system to alert staff of impending crises.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
VILLAGE MANAGER'S OFFICE

2008 OBJECTIVES

Proceed with development of Village Marketing Plan including completion of brand identity development and retail market analysis.

Continue to explore new technologies to make web site and information gathering more efficient and usable.

Implement new phone system for Village offices.

Implement e-mail archiving solution necessary to comply with Federal Discovery regulations.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
01 - VILLAGE MANAGER'S OFFICE

	2006	2007	2007	2008	2009
	Actual	Budget	Estimate	Budget	Forecast

PROGRAMS					
01 - VILLAGE MANAGER'S OFFICE	471,519	509,550	499,851	513,052	531,585
02 - LEGAL SERVICES	440,866	630,750	569,000	535,500	435,500
03 - PERSONNEL SERVICES	268,800	285,103	290,758	378,500	402,190
04 - INFORMATION TECHNOLOGY	803,779	921,335	917,918	1,038,369	1,033,813
05 - PUBLIC INFORMATION	125,708	143,372	150,115	172,148	180,526
	<u>2,110,672</u>	<u>2,490,110</u>	<u>2,427,642</u>	<u>2,637,569</u>	<u>2,583,614</u>

EXPENDITURE CLASSIFICATION					
50 - PERSONAL SERVICES	801,948	898,539	888,925	955,561	996,810
51 - EMPLOYEE BENEFITS	249,845	281,625	295,125	328,763	349,561
52 - OTHER EMPLOYEE COSTS	32,321	41,400	35,509	49,150	50,450
54 - CONTRACTUAL SERVICES	969,663	1,217,396	1,158,421	1,250,640	1,131,308
55 - UTILITIES	5,754	10,145	9,320	9,860	10,020
57 - COMMODITIES & SUPPLIES	13,105	12,485	12,022	13,565	14,215
65 - OFFICE EQUIPMENT	30,506	26,920	26,720	28,430	29,650
67 - OTHER EQUIPMENT	7,530	1,600	1,600	1,600	1,600
	<u>2,110,672</u>	<u>2,490,110</u>	<u>2,427,642</u>	<u>2,637,569</u>	<u>2,583,614</u>

SOURCE OF FUNDS					
001 - GENERAL FUND	<u>2,110,672</u>	<u>2,490,110</u>	<u>2,427,642</u>	<u>2,637,569</u>	<u>2,583,614</u>
	2,110,672	2,490,110	2,427,642	2,637,569	2,583,614

BUDGET HIGHLIGHTS

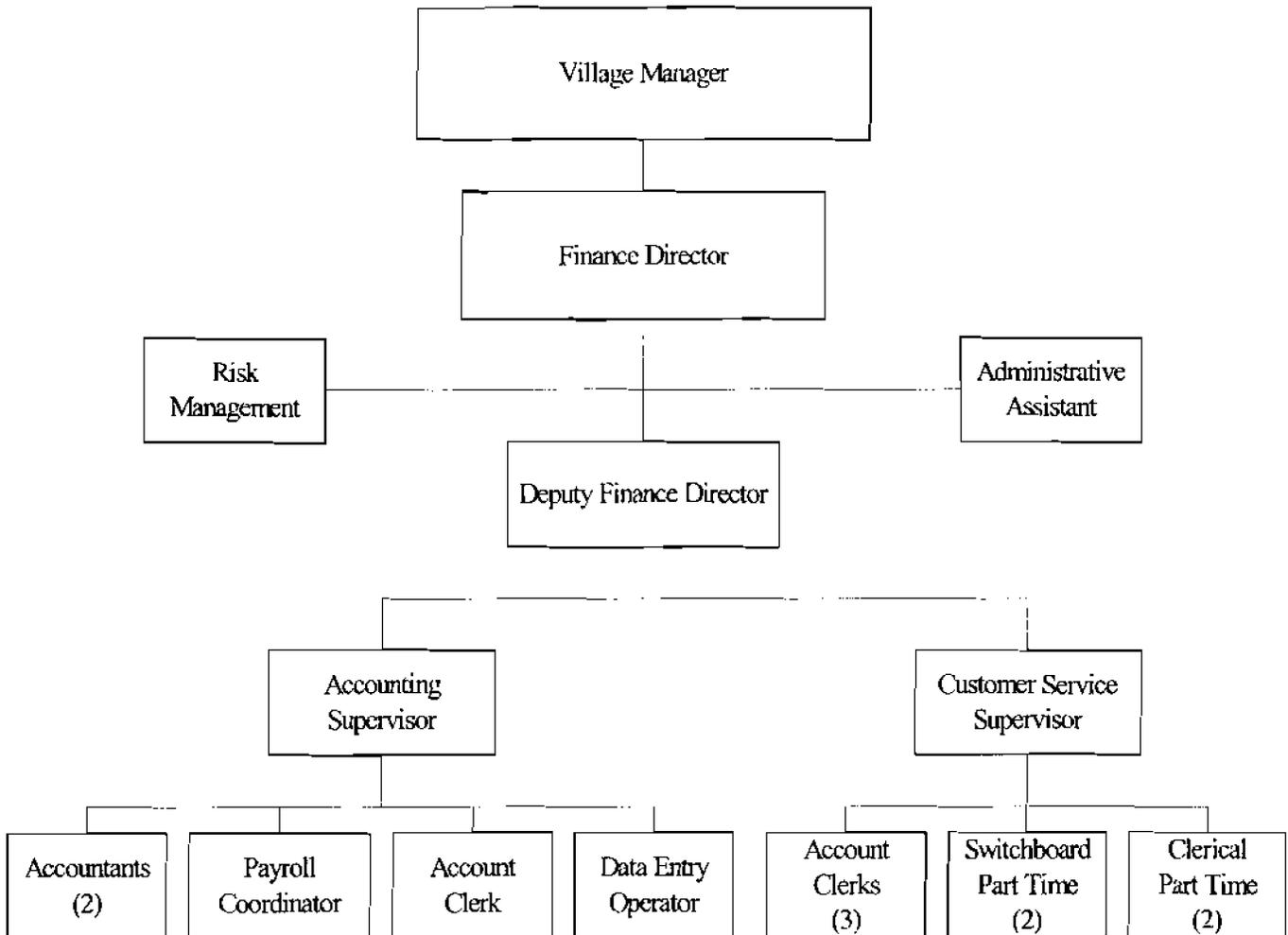
- **Personal Services**

Full-time earnings in the Village Manager's Office reflect the change in the status of the seasonal intern to a full-time position. A new line item in 2008 for \$20,000 under Personnel Services is a Salary Adjustment Pool to allow for the market adjustment salary increases for employees in various departments.

- **Contractual Services**

It is anticipated that labor negotiations will wind down in early 2008. The amount budgeted for Legal – Special Counsel has been reduced from \$235,000 budgeted in 2007 to \$140,000 in 2008.

VILLAGE OF MOUNT PROSPECT FINANCE DEPARTMENT



The Finance Department has two divisions: Accounting and Customer Service. Additionally, Finance personnel administer the Village's Risk Management Program, which is accounted for as an Internal Service Fund. The Finance Department is comprised of thirteen full-time and four part-time employees.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
FINANCE DEPARTMENT

STATEMENT OF ACTIVITIES

The Finance Department administers the fiscal operations of the Village. These activities include the recording and reporting of all financial transactions, billing and collecting all monies due the Village, making payments to employees and vendors, managing cash and investments, preparing the annual financial report, and developing budget and financial forecasts. Additionally, Finance Department personnel administer the Village's self-insurance Property & Casualty program, the Police and Fire Pension programs, and the flex-comp benefit program.

2006 ACCOMPLISHMENTS

In conjunction with the Village Manager's Office, Village Attorney, and Community Development, researched in-house administrative adjudication for all local violations.

Completed audit and preparation of 2005 Comprehensive Annual Financial Report by June 30.

Prepared 2006 Annual Budget.

Prepared 2007-2011 Capital Improvements Plan and five-year financial forecast.

Received GFOA Distinguished Budget Award for the 2006 Budget.

Received GFOA Certificate of Achievement for Excellence in Financial Reports for 2005 Comprehensive Annual Financial Report.

Began accepting water meter readings through internet.

Completed upgrades on the Village Software which includes Financials, Payroll, and Utility Billing.

2007 ACCOMPLISHMENTS

Implemented electronic payment options for Village utility bills.

Completed audit and preparation of 2006 Comprehensive Annual Financial Report by June 30.

Outsourced flexible benefits processing for employees.

Prepared 2007 Annual Budget.

Prepared 2008-2012 Capital Improvements Plan and five-year financial forecast.

Received GFOA Distinguished Budget Award for the 2007 Budget.

Received GFOA Certificate of Achievement for Excellence in Financial Reporting for 2006 Comprehensive Annual Financial Report.

Updated Fund Balance Policy.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
FINANCE DEPARTMENT

2008 OBJECTIVES

Establish standard operating procedures for payroll/fringe benefits.

Review business license fees and update Chapter 11 of the Village code.

Update Long-Term Financial Policy.

Conduct a fixed asset inventory for the Village.

Assemble a comprehensive revenue manual.

Complete audit and preparation of the 2007 Comprehensive Annual Financial Report by June 30.

Prepare 2008 Annual Budget.

Prepare 2009-2013 Capital Improvements Plan and five year financial forecast.

Receive GFOA Distinguished Budget Aware for the 2008 Budget.

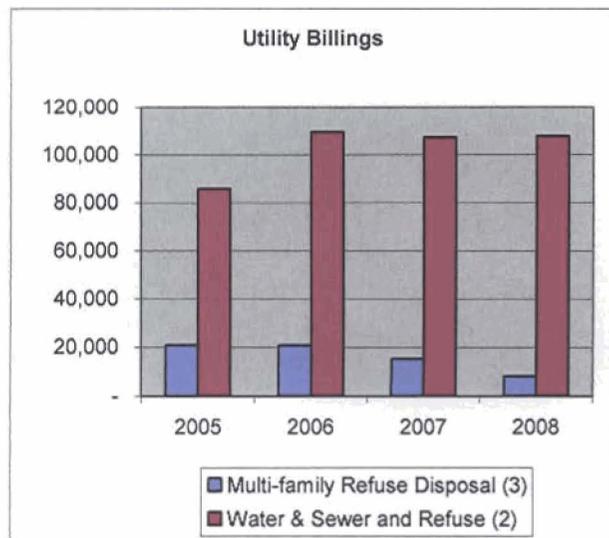
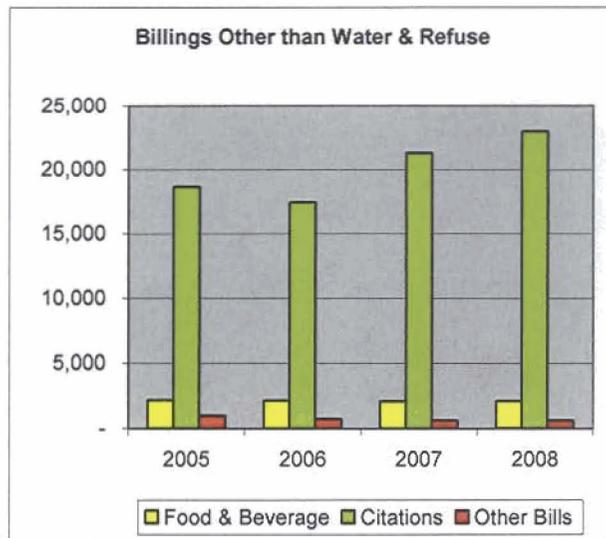
Receive GFOA Certificate of Achievement for Excellence in Financial Reports for 2007 Comprehensive Annual Financial Report.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
FINANCE DEPARTMENT

PERFORMANCE MEASURES

	2005 Actual	2006 Actual	2007 Estimated	2008 Projected
Licenses Issued				
Vehicle Licenses	38,425	38,500	39,000	39,000
Dog Licenses (1)	1,943	-	-	-
Other	8,293	5,096	5,569	5,775
Total Licenses Issued	48,661	43,596	44,569	44,775
Billings				
Water & Sewer and Refuse (2)	85,894	109,704	107,400	108,000
Food & Beverage	2,184	2,160	2,070	2,100
Multi-family Refuse Disposal (3)	20,904	20,796	15,169	8,275
Citations	18,667	17,460	21,300	23,000
Other Bills	983	750	625	625
Total Billings	128,632	150,870	146,564	142,000
Checks Issued	16,502	18,249	18,785	19,000
Real Estate Transfer Tax Transactions	1,903	1,800	1,448	1,450

- (1) In 2006, the Village eliminated the need for residents to acquire dog licenses.
- (2) In 2006 the single-family refuse direct bill program was instituted. Approximately, 3,000 additional customers were added to the utility program.
- (3) In 2007 multi-family refuse bills were consolidated and during the year the frequency was changed from monthly to bi-monthly billing.



**VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
FINANCE DEPARTMENT**

	2006 Actual	2007 Budget	2007 Estimate	2008 Budget	2009 Forecast
PROGRAMS					
01 - FINANCE ADMINISTRATION	275,378	301,287	330,853	380,774	336,506
02 - ACCOUNTING	434,421	444,679	446,179	458,802	478,357
05 - INSURANCE PROGRAMS	545,969	521,445	521,445	345,219	351,509
06 - CUSTOMER SERVICES	387,663	409,237	409,612	416,653	432,298
07 - CASH MANAGEMENT	33,382	49,732	49,732	51,346	53,473
	1,676,813	1,726,380	1,757,821	1,652,794	1,652,143

EXPENDITURE CLASSIFICATION					
50 - PERSONAL SERVICES	755,705	796,825	794,717	870,558	847,555
51 - EMPLOYEE BENEFITS	282,320	295,144	295,144	302,851	319,842
52 - OTHER EMPLOYEE COSTS	10,368	10,640	10,065	12,970	10,265
54 - CONTRACTUAL SERVICES	107,224	137,776	170,400	161,825	164,690
55 - UTILITIES	5,096	5,150	5,200	6,200	6,300
56 - INSURANCE	477,625	450,605	450,605	271,570	274,796
57 - COMMODITIES & SUPPLIES	28,675	24,240	25,690	25,020	25,395
65 - OFFICE EQUIPMENT	9,800	6,000	6,000	1,800	3,300
	1,676,813	1,726,380	1,757,821	1,652,794	1,652,143

SOURCE OF FUNDS					
001 - GENERAL FUND	1,676,813	1,726,380	1,757,821	1,652,794	1,652,143
	1,676,813	1,726,380	1,757,821	1,652,794	1,652,143

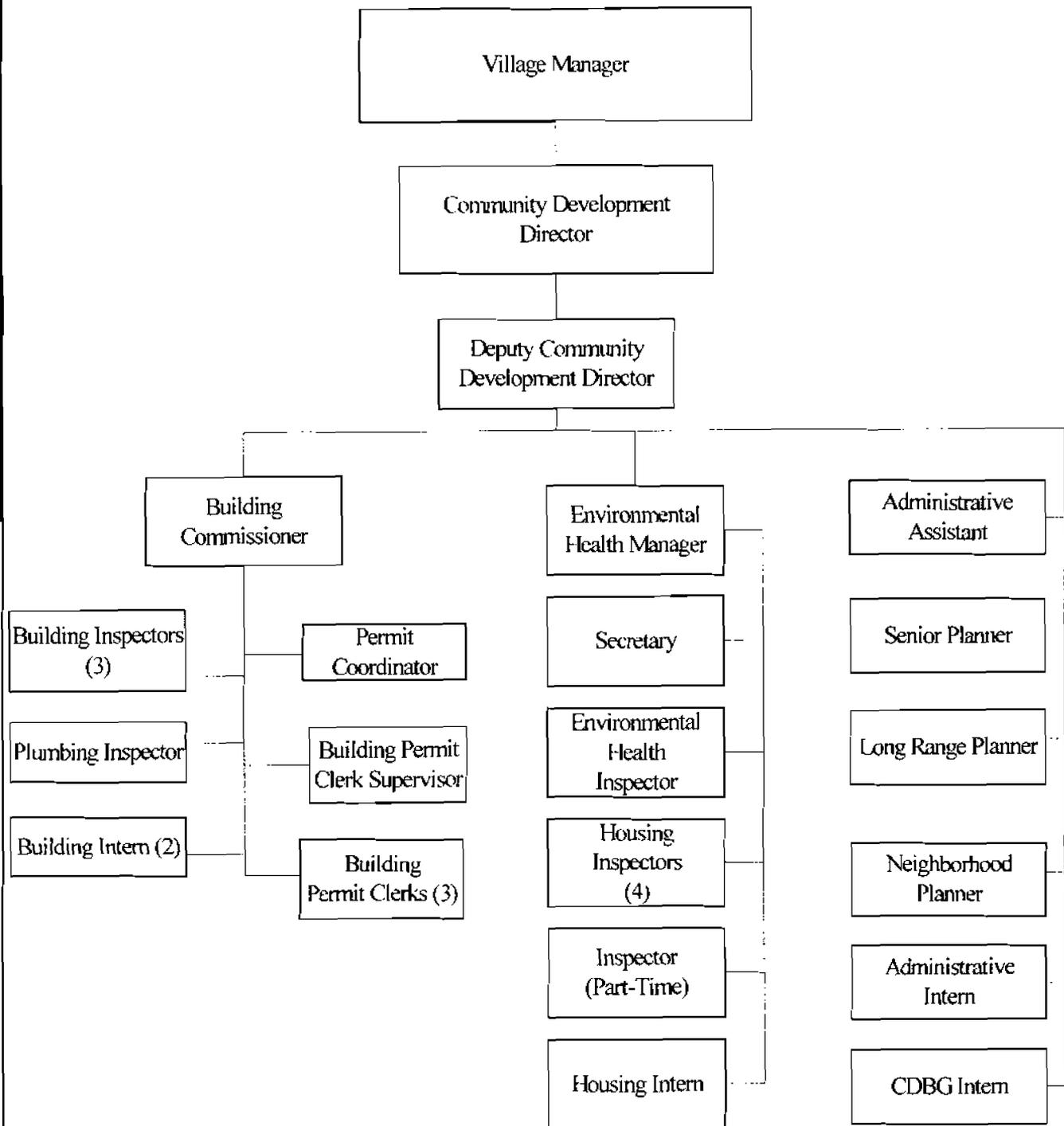
BUDGET HIGHLIGHTS

The Finance Department's budget of \$1,652,794 reflects a decrease of \$73,586 from the 2007 budget. The decrease in the Budget is mainly due to a decrease in insurance program costs.

Under Personal Services, the Vacation/Personal Incentive and Retiree Sick Incentive have been increased in 2008 due to a planned retirement in the Finance Department.

The General Fund's share of Village liability insurance payments to the Risk Management Fund (an internal Service fund) are included in the Finance Department Insurance Program. This transfer is expected to decrease 59.57% from \$444,118 in 2007 to \$264,533 in 2008.

VILLAGE OF MOUNT PROSPECT COMMUNITY DEVELOPMENT DEPARTMENT



The Community Development Department consists of three divisions: Building Inspections, Environmental Health and Planning. The Community Development Department consists of 23 full time employees, 1 part time employee, and 5 seasonal employees.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
COMMUNITY DEVELOPMENT DEPARTMENT

STATEMENT OF ACTIVITIES

The Community Development Department is responsible for administering the Village's building, zoning and development codes to ensure orderly development, redevelopment, and property maintenance within Mount Prospect. Also, the Community Development Department reviews plans, issues permits and performs the necessary inspections to ensure adherence to proper construction and design codes. The department is further responsible for health, housing, and property maintenance inspections to protect the health and well being of Mount Prospect's residents.

2006 ACCOMPLISHMENTS

Coordinated inter-departmental launch of a Village Internal Administrative Adjudication hearing program to facilitate property maintenance throughout the Village.

Introduced a Vacant Structure Property Registration program to achieve property maintenance compliance from chronic problem properties.

Supported the Downtown Merchants Association in expansion of their cooperative marketing and development Program, an initiative led by downtown business and property owners.

Updated and expanded all Building Department forms and applications to include a Residential and Commercial Construction Information Packet, and checklists for permit application submissions and inspections.

Updated the Environmental Health Property Maintenance Guides and created a Farmers Market educational CD.

Created new informational brochures including: Home Based Business Guidelines, Outdoor Dining Guideline, Construction Site Maintenance Guidelines, Small Business Resource Guide and Restaurant Start-up Guide.

Facilitated inter-departmental review and update of Business License process, forms, information packets, and creation of a tracking database all departments can refer to when answering questions regarding license status.

Enhanced the Department's portion of the Village web site including: 1) additional information and forms (from all 3 divisions) for use by residents, contractors and business owners; 2) new MPTV videos on construction site maintenance and property maintenance; 3) a new email link to the Building Commissioner for code interpretation; and 4) Feedback on building process now requested via email link.

Assisted in the coordination and implementation of additional redevelopment efforts within the Village's Downtown, including the construction of the "The Emerson" condominium/retail development and the "Founders Row" townhomes, and the expansion and extension of the downtown Tax Increment Finance District.

Implemented two new computer tracking systems: 1) Service Requests for property maintenance and 2) Building Permit Applications and Inspections.

Business Retention visits made to 90 businesses and meeting held to relay results to the business community.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
COMMUNITY DEVELOPMENT DEPARTMENT

2007 ACCOMPLISHMENTS

The Department applied for and was awarded three grants: Illinois Housing Development Authority First Time Home Buyer Grant for \$42,000; a Chicago Community Trust grant for \$50,000 (Feasibility of a Neighborhood Resource Center to facilitate Immigrant Community Integration); and a Regional Transportation Authority grant for \$100,000 to review and propose improvements to the public transportation system within the Village.

To support the vibrant business district found in South Mount Prospect at the intersection of Algonquin Rd., Dempster St., and Busse Rd., a range of programming was initiated including: monthly meetings with the business community, branding and logo development for the shopping district, and a business directory.

Fifteen (15) Single Family Rehabs & Weatherization projects were to be completed in 2007, exceeding the goal of twelve (12).

Information on the Village's First Time Home Buyers Programs was presented at Homebuyer Seminars sponsored by the Northwest Housing Partnership, Harris Bank, and Baird & Warner.

The Village Comprehensive Land Use Plan was updated through an extensive process involving public participation and review by Village Departments, the Planning and Zoning Commission, and the Village Board.

The Community Development Block Grant Consolidated Plan was amended to include a Neighborhood Revitalization Strategy for the southwest corner of the Village.

The Vacant Structure Registry program was expanded as a tool to achieve property maintenance.

The Tenant Landlord licensing program was expanded to include the Village Crime Free Housing Initiative. Environmental Health staff educated rental dwelling owners of the "Property Maintenance Code" and "Landlord Tenant Rights" during the eight (8) hour Crime Free Housing Certification class. In coordination:

- All housing handouts related to rental properties were updated: Landlord/Tenants Rights Summary, Guide to Property Inspection, Care and Maintenance of Your Rental Dwelling, and Graffiti.
- Staff enforced new rental dwelling license requirements by licensing all known and reported rental dwellings.
- The addition of a Crime Free Housing Inspector to staff has restored the intensity of our rental dwelling inspections, service request response, and licensing enforcement to previous levels.
- Re-establish the importance of licensing and code compliance by multi-family housing owners.

The Administrative Adjudication program expanded as the number of cases doubled over those heard in 2006. Adjudication has proven to be an effective compliance tool where education to encourage compliance has failed.

A "Systematic Inspection Program" was established. A drive by inspection of the community was completed noting property maintenance violations. Program was positively received.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
COMMUNITY DEVELOPMENT DEPARTMENT

Improvements to the Building Permit process included continued software integration, establishment of standardized inspection equipment, cross training of key department staff, on the job training and shadowing, and increased staff training and certification.

The second All Business Breakfast was hosted to discuss the results of the Annual Business Visitation Program and to speak with business owners on issues and opportunities.

Coordinated the design and installation of new banners in the downtown.

2008 OBJECTIVES

Complete a review of and recommend an update of the building permit fee schedule.

Complete building permit software needs assessment. Provide action steps and a plan to further integrate department software with those used by other departments. Evaluate and implement permit paperwork reduction steps to reduce process time and improve service.

Assemble and implement quality service initiative. this may include: surveys (phone, written, and online), customer service training, benchmarking, and TV program ("Ask the Building Commissioner") to provide additional outreach out to the community.

Adopt the 2006 International Building Code with local amendments as needed.

Improve Rental Dwelling Licensing Program and Village Crime Free Housing Initiative.

Expand systematic inspection program to include inspections from the sidewalks of neighborhoods with prevalent violations as identified by 2007 inspection data.

Refine temporary foodservice permitting and inspection process to address increased popularity of organizations selling food to raise money.

Continue to integrate the new computer tracking systems into other Village wide software applications.

Focus efforts on the remaining potential redevelopment parcels within the Village's downtown area to ensure the properties are developed in a manner consistent with the Village's Master Plan.

Continue the provision of neighborhood improvements and related service programs through utilization of the Community Development Block Grant Program.

Expand economic development efforts to help attract new businesses to our community, while also working to retain those businesses currently located within the Village.

Complete an update to Chapter 14, the Village Zoning Code, making changes as recognized in the Comprehensive Land Use Plan Update and through normal course of the development process.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
COMMUNITY DEVELOPMENT DEPARTMENT

PERFORMANCE MEASURES

	2005	2006	2007	2008
	Actual	Actual	Estimated	Projected
Planning Division				
ZBA - Variations	15	8	15	15
ZBA - Conditional Uses	22	8	25	15
ZBA - Text Amendments	3	3	4	5
ZBA - Rezoning	3	1	3	5
Plats of Subdivision	7	5	8	5
Business Retention Visits	27	28	26	30
Minor Variation	-	2	2	5
Administrative Approval of Porches	-	-	2	5
Condo Conversion	1	1	-	1
Signs				
Variation	2	2	5	3
Special Use	3	1	3	5
Community Development Block Grant				
Single Family Rehab Loan	10	10	11	10
Weatherization Projects	5	5	4	2
First Time Homebuyers	2	3	2	2
Building Division				
Permits Issued	3,217	2,918	2,785	2,800
Plan Reviews	744	706	755	725
Building Code Inspections	14,364	10,228	9,700	9,500
C.O. Issued	215	244	165	160
Garage Sale Permits	802	836	730	750
Environmental Health Division				
Inspections				
Food Service	364	400	410	410
Multi-Family Buildings	414	583	600	600
Swimming Pools/Spa	6	33	32	32
Reinspections				
Food Service	316	350	350	400
Multi-Family Buildings	379	490	600	600
Community Development - Service Requests				
Inspections	1,283	1,660	2,000	2,000
Reinspections	3,298	4,600	5,000	5,000

**VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
COMMUNITY DEVELOPMENT DEPARTMENT**

	2006 Actual	2007 Budget	2007 Estimate	2008 Budget	2009 Forecast
PROGRAMS					
01 - COMMUNITY DEVELOPMENT ADMIN	217,216	240,629	266,511	301,953	291,994
02 - PLANNING & ZONING	265,587	265,580	286,609	437,312	275,321
03 - ECONOMIC DEVELOPMENT	102,853	109,436	109,436	112,142	115,353
05 - BUILDING INSPECTIONS	758,009	812,491	814,209	901,335	870,136
06 - HOUSING INSPECTIONS	317,594	490,180	490,784	517,299	536,750
07 - HEALTH INSPECTIONS	121,031	128,318	128,377	120,409	128,314
	<u>1,782,290</u>	<u>2,046,634</u>	<u>2,095,926</u>	<u>2,390,450</u>	<u>2,217,868</u>

EXPENDITURE CLASSIFICATION					
50 - PERSONAL SERVICES	1,105,361	1,255,645	1,253,237	1,328,043	1,374,065
51 - EMPLOYEE BENEFITS	434,594	497,667	497,667	510,908	553,328
52 - OTHER EMPLOYEE COSTS	27,268	30,563	31,054	33,719	34,730
54 - CONTRACTUAL SERVICES	178,528	212,484	262,084	465,131	207,453
55 - UTILITIES	15,260	18,555	19,373	19,274	19,730
57 - COMMODITIES & SUPPLIES	21,279	18,720	19,511	24,375	21,562
65 - OFFICE EQUIPMENT	-	13,000	13,000	9,000	7,000
	<u>1,782,290</u>	<u>2,046,634</u>	<u>2,095,926</u>	<u>2,390,450</u>	<u>2,217,868</u>

SOURCE OF FUNDS					
001 - GENERAL FUND	1,781,490	2,045,734	2,095,026	2,389,500	2,216,913
550 - DOWNTOWN REDEVLPMNT CONST	800	900	900	950	955
	<u>1,782,290</u>	<u>2,046,634</u>	<u>2,095,926</u>	<u>2,390,450</u>	<u>2,217,868</u>

BUDGET HIGHLIGHTS

Included within the Economic Development program is \$39,000 to be used for various initiatives intended to bolster commercial activity in the Village.

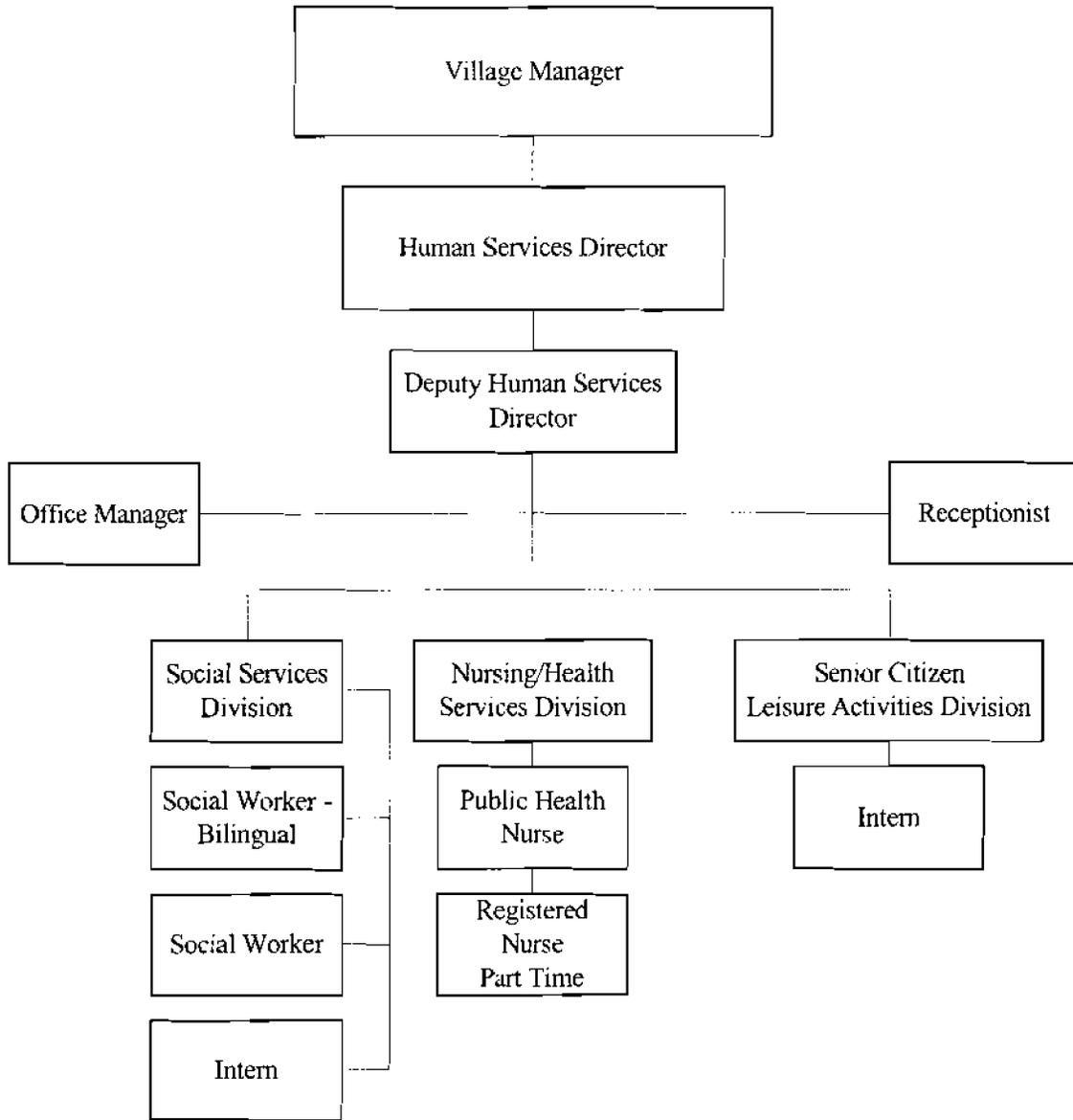
The Community Development Department's 2008 Budget of \$2,220,450 is 8.50% higher than the 2007 Budget. Much of the increase is in contractual services.

Contractual services, under Housing Inspections, shows \$25,000 budgeted in 2008 to assess the feasibility of a Neighborhood Resource Center.

The Planning and Zoning Division has budgeted \$22,000 in conjunction with a grant from the Illinois Housing Development Authority for a First Time Homeowners Program.

The Building Inspections Division has budgeted \$60,000 in 2008 for consultation services for Building Division Process Improvements.

VILLAGE OF MOUNT PROSPECT HUMAN SERVICES DEPARTMENT



The Human Services Department provides a wide range of programs for residents of Mount Prospect including Social Services, Nursing/Health Services, and Senior Citizen Leisure Activities. The Human Services Department consists of seven full-time, one part-time and 2 seasonal employees.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
HUMAN SERVICES DEPARTMENT

STATEMENT OF ACTIVITIES

The Human Services Department provides programs and services that will enhance the social, mental and physical well being of all residents of Mount Prospect. These programs and services are pro-active to meet and anticipate the needs of residents by developing services that are not provided by other agencies.

2006 ACCOMPLISHMENTS

Explained the specifics and signed up as many Medicare recipients for the complicated Medicare Part D provision before the May 15 deadline so residents were not penalized. Handled the second phase of enrollment for Medicare Part D which began November 15 with coverage beginning January 1, 2007.

Continued coordinating the Human Services' Hispanic Outreach Programs as well as worked with the Police Department's Hispanic Outreach programs.

Continued to provide in-service training and updates of services provided to fellow departments.

Continued to encourage Village employees to attend the department's educational health and social services programs developed for residents.

2007 ACCOMPLISHMENTS

The SHAP grant was greatly increased through tobacco settlement funds. The State designated this increased grant to purchase equipment and other items related to providing RX coverage for seniors and disabled residents. Grant is being administered by Age Options.

The Department played an active role promoting the reinstatement of the Escorted Transportation Service, which provides rides to medical appointments for Senior Citizens and Disabled.

Reviewed Medicare Part D plans for new applicants and assisted with enrollment throughout the year. During the designated renewal period between November 15 and December 31, 2007, staff assisted clients who were notified of drastic changes in their existing plans by reviewing all available plans for 2008. For those wishing to change plans, assistance with enrollment was provided.

Continued coordinating the Human Services Hispanic Outreach Programs as well as worked with the Police Department's Hispanic Outreach programs.

Continued to provide in-service training and updates of services provided to fellow employees.

Continued to encourage Village employees to attend the department's educational health and social services programs developed for residents.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
HUMAN SERVICES DEPARTMENT

2008 OBJECTIVES

Continue to play an important role in providing transportation services for Senior Citizens and Disabled through the Escorted Transportation Service and TRIP (Township Ridership Initiative Pilot) program.

Continue working with the State of Illinois SHAP grant programs

Continue to work with the team pursuing the Neighbor Resource Center.

Continue outreach efforts with the Police Officers regarding Police Social Services by attending Roll Calls and Shift meetings.

Continue coordinating the Human Services' Hispanic Outreach Programs as well as work with the Police Department's Hispanic Outreach programs.

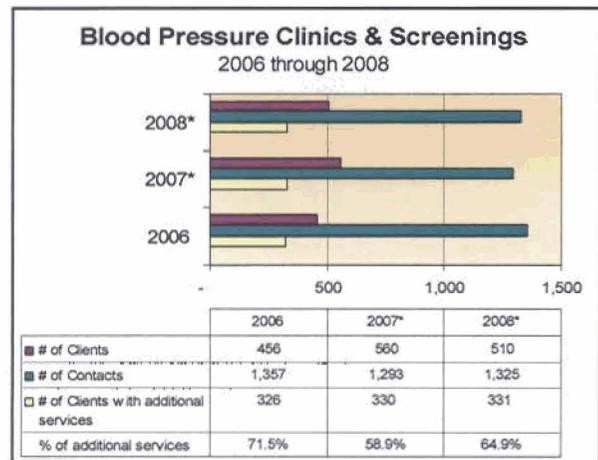
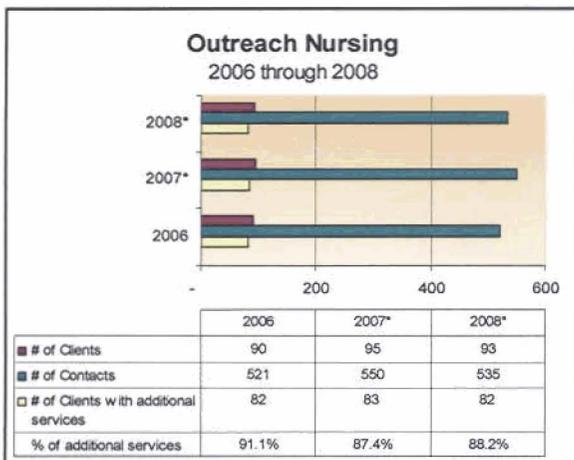
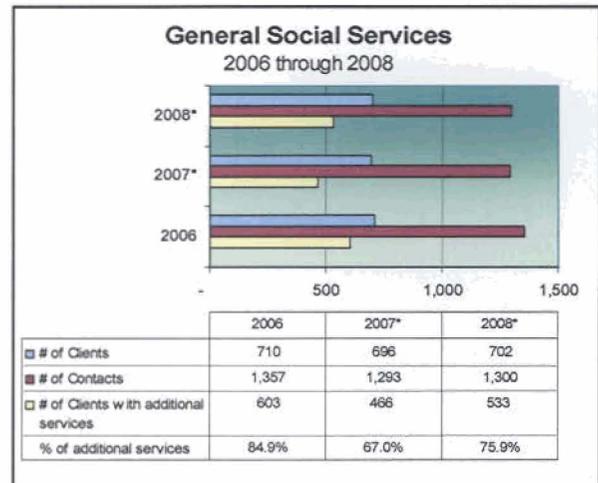
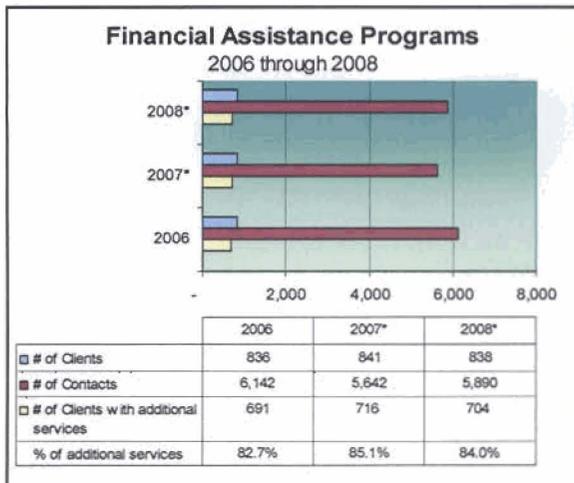
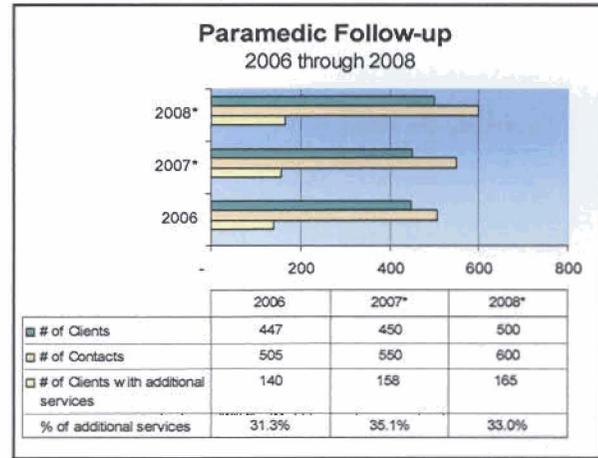
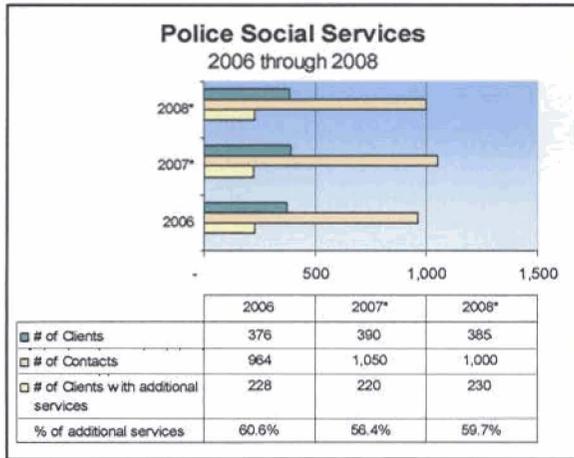
Continue to review Medicare Part D plans and assist with enrollment throughout the year.

Continue to provide in-service training and updates of service provided to fellow departments.

Continue to encourage Village employees to attend the department's educational health and social services programs developed for residents.

VILLAGE OF MOUNT PROSPECT 2008 BUDGET HUMAN SERVICES DEPARTMENT

Performance Measures



*Projected

The # of clients = the number of individuals serviced during the year. The # of contacts = the number of times the Human Services Department (HSD) had contact with the client. The # of clients with additional services = the number of clients HSD provided additional services after the first contact. The % of additional services = percentage of clients with more than one contact.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
HUMAN SERVICES DEPARTMENT

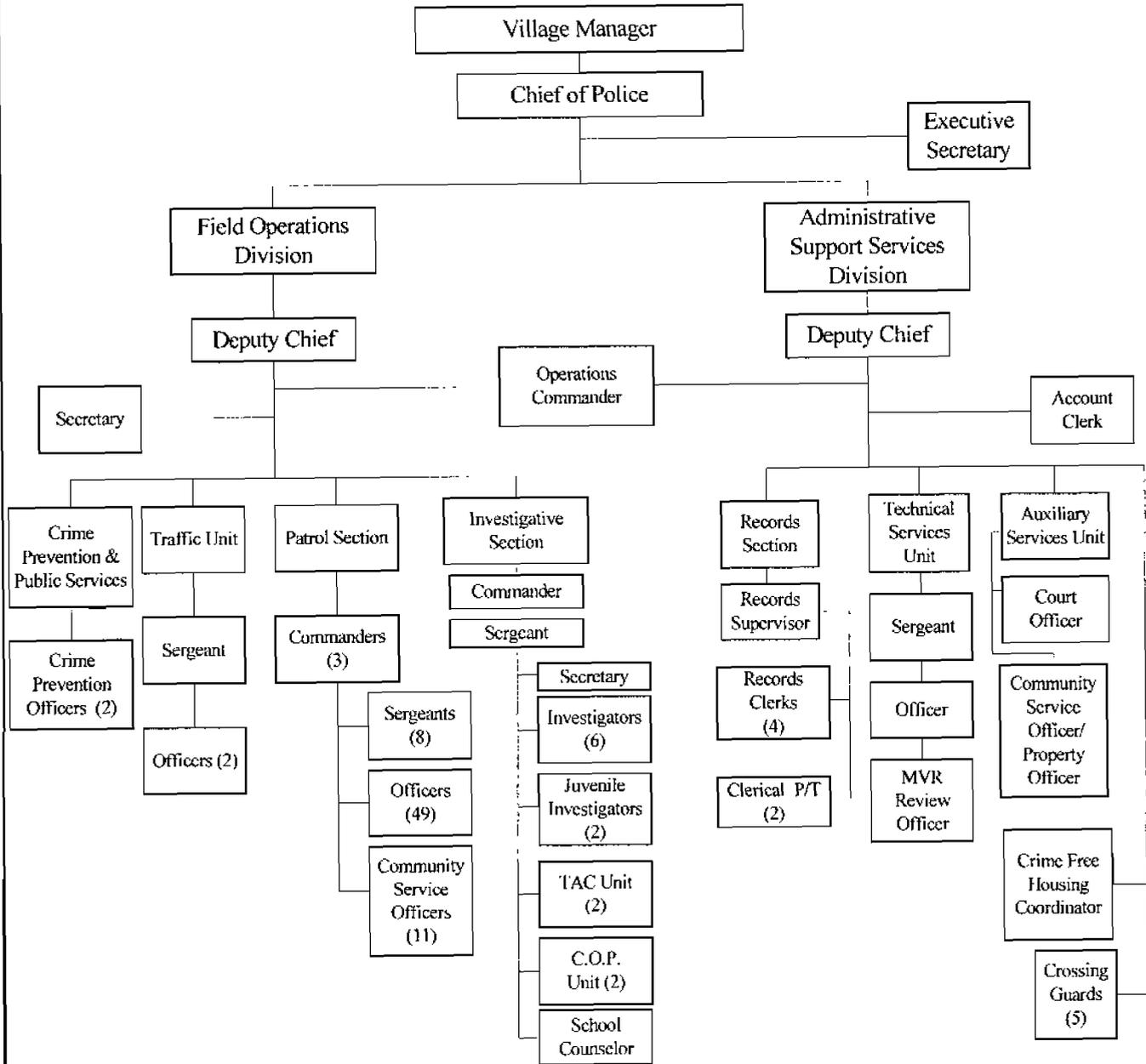
	2006 Actual	2007 Budget	2007 Estimate	2008 Budget	2009 Forecast
PROGRAMS					
01 - HUMAN SERVICES ADMINISTRATION	179,543	176,277	190,800	185,502	192,689
02 - SOCIAL SERVICES	333,056	342,827	343,327	354,638	368,947
03 - NURSING/HEALTH SERVICES	180,244	191,981	192,131	201,009	209,315
04 - SENIOR CTR. LEISURE ACTIVITIES	35,137	44,922	44,922	46,298	47,643
05 - YOUTH ACTIVITIES	37	-	-	-	-
	728,017	756,007	771,180	787,447	818,594
EXPENDITURE CLASSIFICATION					
50 - PERSONAL SERVICES	476,374	478,186	480,959	500,462	517,925
51 - EMPLOYEE BENEFITS	160,665	171,605	171,605	176,441	186,912
52 - OTHER EMPLOYEE COSTS	2,825	3,900	3,900	3,750	3,900
54 - CONTRACTUAL SERVICES	46,913	53,601	53,601	56,128	56,684
55 - UTILITIES	6,790	8,000	8,000	8,500	8,500
57 - COMMODITIES & SUPPLIES	33,457	37,215	39,615	41,166	43,673
65 - OFFICE EQUIPMENT	993	3,500	13,500	1,000	1,000
	728,017	756,007	771,180	787,447	818,594
SOURCE OF FUNDS					
001 - GENERAL FUND	728,017	756,007	771,180	787,447	818,594
	728,017	756,007	771,180	787,447	818,594

BUDGET HIGHLIGHTS

The 2007 Human Services budget is showing an increase of \$31,440 (4.16%) over the 2007 budget.

The Revenue Section of the budget includes a total of \$65,500 in anticipated revenues and reimbursements that will be provided by Human Services Department Programs. These revenues include reimbursement for Home Delivered Meals, Flu Shots, and other revenue from operating the Community Center.

VILLAGE OF MOUNT PROSPECT POLICE DEPARTMENT



The Police Department consists of two divisions: Field Operations and Administrative Support Services. Field Operations includes the Crime Prevention Units, the Traffic Unit, the Patrol Section and the Investigative Section. Administrative Support Services includes the Records Section, Auxiliary Services Section, Technical Services, Crime Free Housing, and Crossing Guards. The Police Department consists of 110 full time employees, 2 part time, and 5 seasonal employees. One Community Service Officer is assigned to the Parking Funds 50% of the time.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
POLICE DEPARTMENT

STATEMENT OF ACTIVITIES

The Police Department serves to preserve life and property, protect the constitutional rights of citizens, maintain order and encourage respect for the rule of law by the proper enforcement thereof. The department uses its resources to prevent and repress criminal activity, apprehend criminal offenders, recover and preserve property, regulate non-criminal conduct, resolve conflict and perform other governmental services. Through these actions the Police Department aspires to preserve civil order, maintain a feeling of security in the community, and develop a reputation for fairness, integrity, and professional conduct.

2006 ACCOMPLISHMENTS

A command officer attended the Northwestern University School of Staff & Command Executive Management Program for advance management training.

Two supervisory officers attended Northwestern University School of Staff and Command for police management training.

Continued Hispanic Outreach initiatives and programs throughout the Village.

Continued training all department personnel for response to terrorist threats.

Promoted an officer to the rank of Sergeant.

Established a police recruit officer eligibility list.

Implemented state of the art wireless digital mobile video/audio recording units in all patrol vehicles.

Placed into service a new records management system with interoperability capabilities with other Northwest Central Dispatch System member agencies.

Received grant funding to address traffic enforcement and education.

Continued to implement new strategies and programs aimed at addressing traffic issues with an emphasis on enforcing motor vehicle occupant restraint laws.

Maintained the department's aggressive stance against driving while impaired.

2007 ACCOMPLISHMENTS

A command officer attended and successfully completed the Harvard University Senior Management Institute for Police.

A command officer attended and successfully completed the FBI National Academy advanced police management training program.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
POLICE DEPARTMENT

Two supervisory officers attended Northwestern University School of Staff and Command for police management training.

Implemented the department's crime free housing initiatives in conjunction with other Village departments.

Continued with Hispanic Outreach initiatives and programs throughout the Village.

Continued to train department personnel for response to terrorist threats.

Promoted a sergeant to the rank of commander.

Promoted an officer to the rank of sergeant.

Received grant funding for traffic education programs.

The newly staffed traffic unit implemented various strategies and programs to address traffic issues within the village.

Continue department's activities directly related to traffic safety enforcement initiatives, including; impaired motor vehicle driving enforcement, safety belt enforcement and railroad crossing education.

Implemented diverse enforcement strategies aimed at increasing compliance with the Village vehicle tag ordinance, with great success.

Implemented strategies to increase service of active criminal warrants within the Village.

Established a pool of eligible candidates for promotion to the rank sergeant.

Placed into service a prisoner transport vehicle.

2008 OBJECTIVES

Schedule a command officer to attend either the FBI National Academy or a similar advanced police management training program.

Two supervisory officers to attend Northwestern University School of Staff and Command for police management training.

Continue to implement Hispanic Outreach initiatives and programs throughout the Village.

Further train and prepare department personnel for response to terrorist threats.

Establish a pool of eligible candidates for promotion to commander.

Continue to seek grant funding for community outreach and traffic education programs.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
POLICE DEPARTMENT

Continue to implement department's crime free housing initiatives in conjunction with other Village departments.

Redeploy the department's bicycle unit to address community oriented policing strategies.

Through the newly implemented traffic unit, employ new strategies and programs aimed at addressing traffic issues.

Continue department's activities addressing traffic safety enforcement initiatives, including: impaired motor vehicle driving enforcement, safety belt enforcement and railroad crossing education.

Continue enforcement strategies aimed at increasing compliance with the Village vehicle tag ordinance.

Implement strategies to increase service of active criminal warrants within the Village.

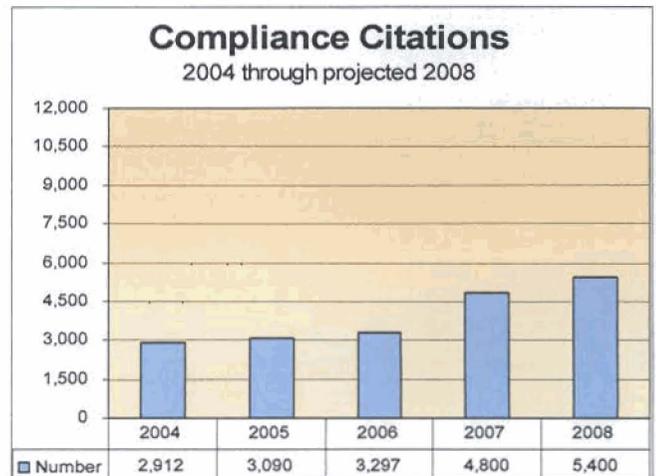
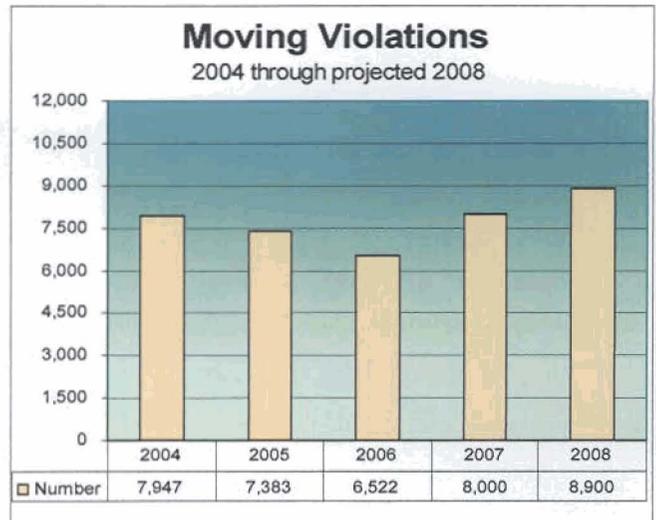
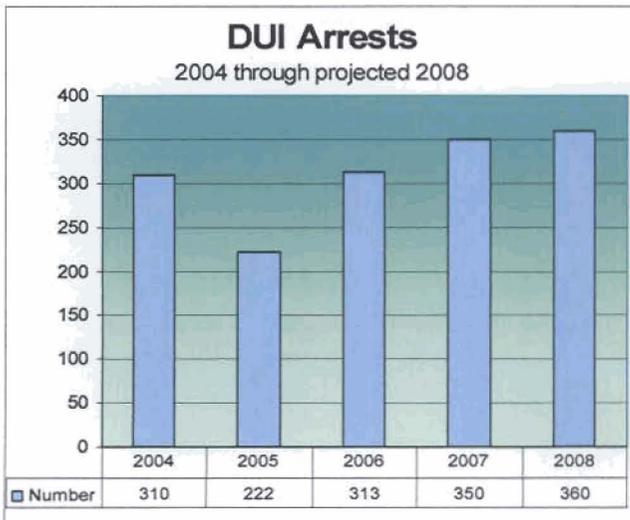
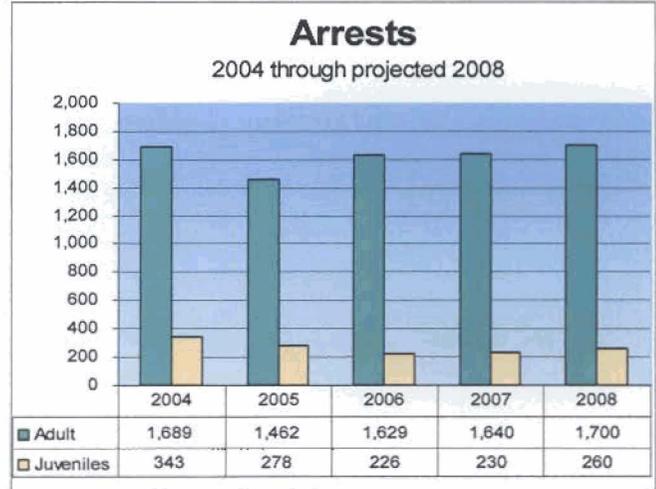
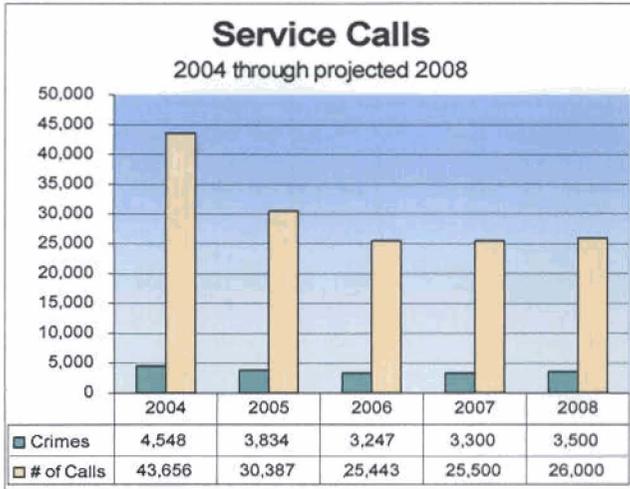
Established a police recruit officer eligibility list.

VILLAGE OF MOUNT PROSPECT

2008 BUDGET

POLICE DEPARTMENT

Performance Measures



VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
POLICE DEPARTMENT

	2006	2007	2007	2008	2009
	Actual	Budget	Estimate	Budget	Forecast

PROGRAMS					
01 - POLICE ADMINISTRATION	2,769,431	2,954,390	2,937,576	3,132,077	3,286,727
02 - PATROL & TRAFFIC ENFORCEMENT	7,633,136	8,211,629	8,192,168	8,548,383	8,905,290
03 - CRIME PREVTN & PUBLIC SERVICES	243,417	342,746	340,446	366,082	379,300
04 - INVESTIGATIVE & JUVENILE PRGM	1,182,181	1,207,078	1,186,278	1,279,958	1,329,093
05 - CROSSING GUARDS	25,896	29,380	29,380	30,410	27,530
06 - EQUIPMENT MAINTENANCE	631,820	807,753	809,253	790,003	796,241
	<u>12,485,881</u>	<u>13,552,976</u>	<u>13,495,101</u>	<u>14,146,913</u>	<u>14,724,181</u>

EXPENDITURE CLASSIFICATION					
50 - PERSONAL SERVICES	7,946,970	8,592,849	8,540,946	9,004,702	9,258,470
51 - EMPLOYEE BENEFITS	2,931,838	3,185,309	3,185,309	3,362,288	3,680,600
52 - OTHER EMPLOYEE COSTS	135,431	123,000	132,000	150,000	152,600
54 - CONTRACTUAL SERVICES	1,245,785	1,420,145	1,381,373	1,425,903	1,427,341
55 - UTILITIES	40,766	49,200	43,200	44,700	45,700
57 - COMMODITIES & SUPPLIES	138,008	122,423	124,223	123,020	121,670
65 - OFFICE EQUIPMENT	17,041	14,000	14,000	8,300	10,900
67 - OTHER EQUIPMENT	30,042	46,050	74,050	28,000	26,900
	<u>12,485,881</u>	<u>13,552,976</u>	<u>13,495,101</u>	<u>14,146,913</u>	<u>14,724,181</u>

SOURCE OF FUNDS					
001 - GENERAL FUND	12,478,295	13,548,976	13,462,101	14,142,413	14,719,681
060 - LAW ENFORCEMENT BLOCK GRANT	-	1,000	1,000	1,000	1,000
080 - ASSET SEIZURE FUND	-	1,000	5,000	1,000	1,000
085 - DEA SHARED FUNDS FUND	5,629	1,000	1,000	1,000	1,000
086 - DUJ FINE FUND	1,957	1,000	26,000	1,500	1,500
	<u>12,485,881</u>	<u>13,552,976</u>	<u>13,495,101</u>	<u>14,146,913</u>	<u>14,724,181</u>

BUDGET HIGHLIGHTS

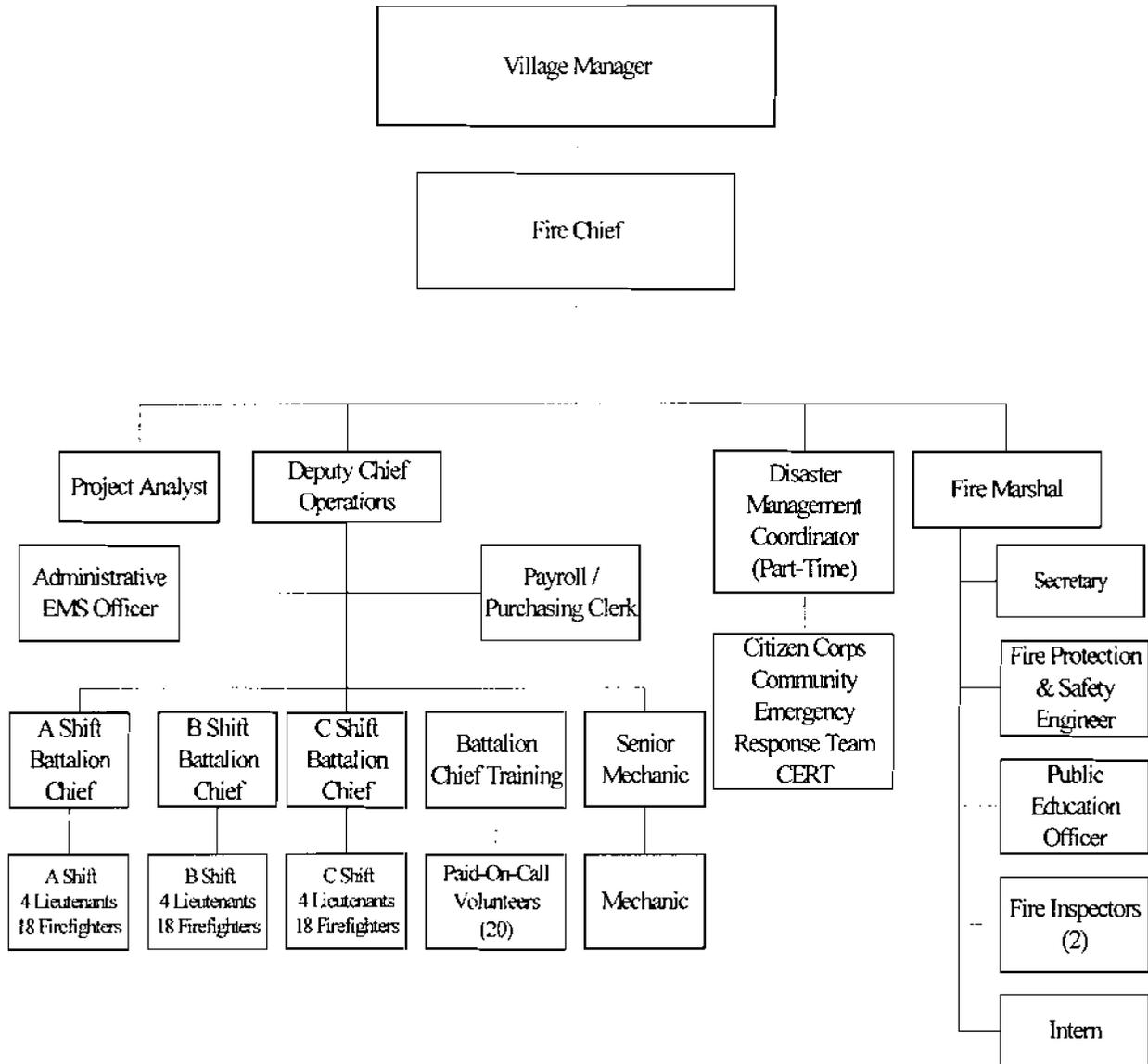
The Police Department budget for 2008 represents an increase of \$593,937 from the 2007 budget.

Salaries and benefits make up \$12,366,990 (87.42%) of the Police Department budget. The training budget under Other Employee Costs in Administration has been increased from \$99,000 in 2007 to \$124,500 in 2008.

Contractual services for the Police Department total \$1,425,903. Of this amount \$684,053 is for internal service fund charges for vehicle replacement and maintenance and \$480,000 is for the Police Department's share of costs of being part of the Northwest Central Dispatch agency. Also under Administration, Employment Testing in 2008 is \$59,000, an increase of \$27,400 over 2007. These monies will be used for new recruit testing and a commander assessment.

In the Investigation and Juvenile Program, the budget for the Major Case Assistance Team (MCAT) has increased from \$5,600 in 2007 to \$30,600 in 2008. The additional \$25,000 is the Village's share of new facilities for the MCAT programs.

VILLAGE OF MOUNT PROSPECT FIRE DEPARTMENT



The Fire Department consists of two divisions: Operations and Fire Prevention Bureau. The Operations Division consists of administrative and shift personnel to staff the three Village fire stations and also includes two department mechanics. The Fire Bureau develops fire safety programs and maintains compliance with fire safety codes. The Fire Department consists of 83 full-time, 1 part-time and 21 seasonal employees.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
FIRE DEPARTMENT

STATEMENT OF ACTIVITIES

The Mount Prospect Fire Department seeks to eliminate injury and loss of life due to the cause of fire and to reduce and control fire losses to property through comprehensive programs of fire prevention, public education, fire suppression and rescue, within the scope of the resources provided.

2006 ACCOMPLISHMENTS

Conducted a firefighter entrance exam.

Conducted a promotional exam for Lieutenant.

Received grants in the amount of \$15,500 for an emergency preparedness video.

Received grants in the amount of \$6,500 for the Community Emergency Response Team equipment.

Completed a facility study for presentation to the Village Board.

Conducted a Children's Safety Academy.

Conducted the "Operation Prom Night" alcohol awareness program for Prospect High School.

Conducted Citizen Corps Training.

Developed a "Pharmaceutical Distribution" Plan.

Completed a re-write of the Village Emergency Operations Plan (EOP).

Developed and trained all Village employees on the "National Incident Management Systems" (NIMS).

Developed a plan to address the FY 2006 NIMS Compliance Checklist.

With Federal Grant Funds, replaced the department's fifty self-contained breathing apparatus.

Placed vehicle 547-Petroleum Emergency Response into service.

2007 ACCOMPLISHMENTS

Updated the Village Emergency Operations Plan (EOP).

Completed and presented a facilities study to the Village Board.

Conducted a Children's Fire Safety Festival.

Began the development of a "Partners in Fire Prevention" program for the business community.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
FIRE DEPARTMENT

Completed emergency response and crisis management grant project with all Mount Prospect Schools (\$250,000).

Increased Community Emergency Response Team (CERT) members to 20.

Completed a Lieutenant promotional process.

Completed a new-hire firefighter entrance testing process.

Reported "Facility Study" findings to the community and Village Board.

Updated the automatic aid response agreement with Prospect Heights.

Paramedics achieved Advanced Cardio Life Support (ACLS) certification.

Conducted pharmaceutical distribution drill with Village of Mount Prospect employees.

Issued a 2006 Annual Report in a revised format.

2008 OBJECTIVES

Practice a "Village Wide: tabletop disaster" drill.

Continue NIMS compliance requirements.

Prepare for an Insurance Service Organization (ISO) review.

Link fire stations via teleconferencing equipment (FEMA grant pending).

Complete Fire Station 14 Design Work.

Begin a new hire process.

Update the fire department strategic plan.

Establish a Medical Reserve Corps (MRC).

Build a new Fire Station 14.

Relocate the fire department mechanics to Public Works.

Construct a new Village Emergency Operations Center (EOC).

Evaluate options for the ambulance re-chassis program to address current re-chassis problems.

Design a bid specification for the replacement of the Tower Ladder in 2009.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
FIRE DEPARTMENT

PERFORMANCE MEASURES

	2005	2006	2007	2008
	Actual	Actual	Estimated	Projected
Emergency Calls				
E M S Calls				
Advanced Life Support	1,515	1,627	1,650	1,700
Basic Life Support	957	710	1,000	1,000
Other Svcs./No Transport	971	1,342	1,000	1,000
Total E M S Calls	3,443	3,679	3,650	3,700
Fire Calls	1,837	1,647	1,894	1,900
Total Emergency Calls	5,280	5,326	5,544	5,600
Mutual Aid Calls				
Given	143	150	169	150
Received	217	231	201	225
Total Mutual Aid Calls	360	381	370	375
Automatic Aid Calls				
Given	213	163	173	175
Received	293	237	301	250
	506	400	474	425
Response Time (minutes)	*5:15	*4:54	*4:37	*4:45
Fire Prevention				
Inspections	2,692	4,388	4,900	5,000
Program Presented	132	375	425	450
Plan Reviews	492	539	500	500
Total Fire Prevention	3,316	5,302	5,825	5,950
Fire Investigations	28	13	15	20
Training Hours				
Fire - All	20,146	19,116	20,472	20,000
Medical - All	2,251	2,749	1,335	2,800
Total Training Hours	22,397	21,865	21,807	22,800

* Reported to arrival response time

VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
FIRE DEPARTMENT

	2006	2007	2007	2008	2009
	Actual	Budget	Estimate	Budget	Forecast

PROGRAMS					
01 - FIRE ADMINISTRATION	2,108,481	2,259,288	2,245,748	2,384,786	2,607,634
02 - FIRE DEPARTMENT OPERATIONS	6,705,589	6,929,243	6,932,804	7,256,012	7,510,885
03 - FIRE TRAINING ACADEMY	13,566	21,731	24,131	14,131	14,131
04 - FIRE PREVENTION	504,784	544,561	548,361	594,663	677,896
05 - FIRE COMMUNICATIONS	59,428	64,500	63,000	61,700	62,500
06 - EQUIPMENT MAINTENANCE	483,704	505,633	504,464	473,265	482,256
07 - EMERGENCY PREPAREDNESS PRGM	21,560	37,885	38,355	47,103	47,190
08 - PAID-ON-CALL PROGRAM	33,635	35,748	36,948	37,863	38,053
10 - FOREIGN FIRE INSURANCE	30,877	10,473	10,500	10,500	10,500
	<u>9,961,624</u>	<u>10,409,062</u>	<u>10,404,311</u>	<u>10,880,023</u>	<u>11,451,045</u>

EXPENDITURE CLASSIFICATION					
50 - PERSONAL SERVICES	6,601,559	6,833,619	6,823,409	7,138,872	7,441,775
51 - EMPLOYEE BENEFITS	2,471,953	2,691,797	2,691,587	2,859,281	3,143,409
52 - OTHER EMPLOYEE COSTS	114,965	144,640	153,840	149,210	157,930
53 - PENSION BENEFITS	-	473	500	500	500
54 - CONTRACTUAL SERVICES	477,255	462,819	457,100	430,165	441,231
55 - UTILITIES	42,958	43,200	45,000	44,200	45,000
57 - COMMODITIES & SUPPLIES	134,155	135,039	135,400	143,885	147,360
64 - BUILDING IMPROVEMENTS	3,857	4,000	4,000	3,800	3,900
65 - OFFICE EQUIPMENT	3,374	4,000	4,000	2,150	4,250
67 - OTHER EQUIPMENT	111,548	89,475	89,475	107,960	65,690
	<u>9,961,624</u>	<u>10,409,062</u>	<u>10,404,311</u>	<u>10,880,023</u>	<u>11,451,045</u>

SOURCE OF FUNDS					
001 - GENERAL FUND	9,930,747	10,398,589	10,393,811	10,869,523	11,440,545
095 - FOREIGN FIRE TAX BOARD FUND	30,877	10,473	10,500	10,500	10,500
	<u>9,961,624</u>	<u>10,409,062</u>	<u>10,404,311</u>	<u>10,880,023</u>	<u>11,451,045</u>

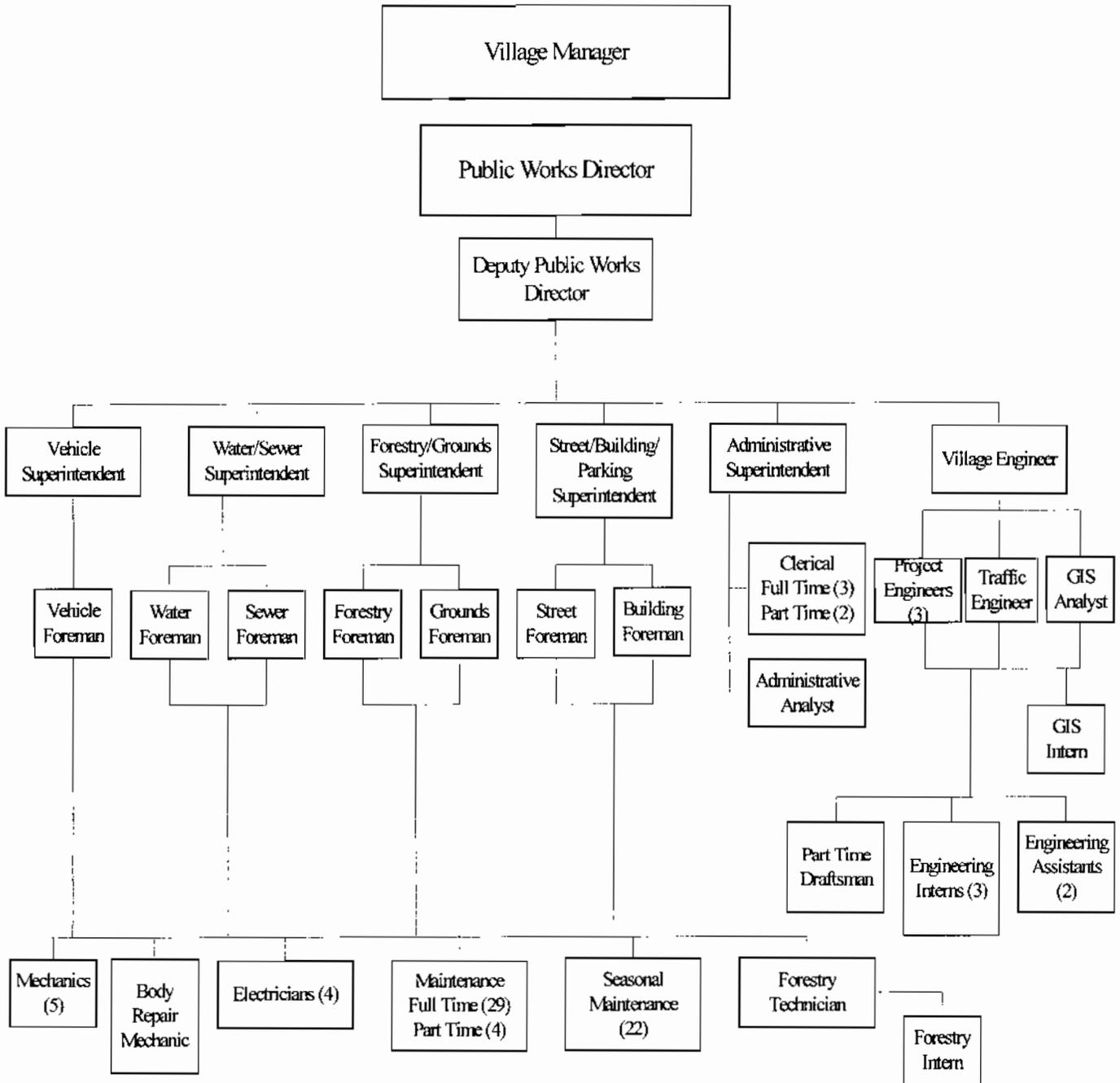
BUDGET HIGHLIGHTS

The 2008 Fire Department budget is reflecting an increase of \$470,961 over the 2007 budget of \$10,409,062.

Under Employee Benefits in Administration, the Fire Pension Expense increased \$88,343 in 2008 from the 2007 budget of \$1,301,490 and the Workers' Comp Insurance is \$205,024 in 2008, an increase of \$35,272.

Contractual Services reflects an overall decrease of \$32,654. The payment to NWCD Dispatch Services, under Operations has decreased \$11,785 in 2008. Also, the Vehicle Lease Payment in 2008 has been reduced from \$229,884 in 2007 to \$197,400.

VILLAGE OF MOUNT PROSPECT PUBLIC WORKS DEPARTMENT



The Public Works Department consists of five divisions. The full-time, part-time and seasonal personnel assigned to maintenance functions are interchanged between the Streets, Forestry and Water & Sewer Divisions as the need dictates. The Public Works Department consists of 66 full-time, 7 part-time, and 27 seasonal employees. One Community Service Officer is assigned to the parking Funds 50% of the time. That position is not reflected in this organization chart.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
PUBLIC WORKS DEPARTMENT

The Public Works Department consists of five divisions: 1) Streets, Buildings and Parking, 2) Forestry and Grounds, 3) Engineering, 4) Water and Sewer, and 5) Vehicle Maintenance. The first three divisions are included in this section of the budget and the last two are included as separate sections. Additionally, general administration and the Refuse Disposal Program are presented with separate budget totals. The appropriations for general administration are included in this section and Refuse Disposal is presented as a separate section because of the significance of the dollars expended.

STATEMENT OF ACTIVITIES

It is the responsibility of the Streets, Forestry and Engineering Divisions to manage, maintain, repair, operate, and improve the Village's public streets, street lights, signage, storm sewer system, parkways, parkway trees, public grounds, municipal buildings, and traffic signals in a manner consistent with Village Board policy and regulatory agency requirements.

2006 ACCOMPLISHMENTS

Cleaned 5,891 miles of Village Streets and removed 16,302 cubic yards of leaves.

Nine miles of street resurfacing for year ten of the accelerated street resurfacing program.

Started second pass of sealing new brick sidewalks through the streetscape area.

Rehabilitated George Street Bridge.

2007 ACCOMPLISHMENTS

Continued second pass of sealing brick sidewalks throughout the streetscape area.

Designed and inspected seven miles of street resurfacing for year eleven of the accelerated street resurfacing program.

Replaced the UPS battery backup system at the Police & Fire Administration Building.

Replaced all the carpeting in the Police & Fire Administration Building, painted, and replaced all ceiling tiles in the carpeted areas.

Cleaned 6,500 miles of Village Streets and remove 19,000 cubic yards of leaves.

2008 OBJECTIVES

Clean 6,000 miles of Village Streets and remove 19,000 cubic yards of leaves.

Replace and update Civic Event sign with a new color information board.

Have an emergency backup generator installed at the Public Works facility.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
PUBLIC WORKS DEPARTMENT

	2006 Actual	2007 Budget	2007 Estimate	2008 Budget	2009 Forecast
PROGRAMS					
01 - PUBLIC WORKS ADMINISTRATION	1,179,043	1,259,759	1,260,981	1,239,180	1,286,224
	<u>1,179,043</u>	<u>1,259,759</u>	<u>1,260,981</u>	<u>1,239,180</u>	<u>1,286,224</u>
EXPENDITURE CLASSIFICATION					
50 - PERSONAL SERVICES	234,194	237,193	238,020	248,300	256,542
51 - EMPLOYEE BENEFITS	128,989	135,476	135,476	150,511	174,879
52 - OTHER EMPLOYEE COSTS	27,128	30,095	30,095	30,802	31,485
54 - CONTRACTUAL SERVICES	757,634	821,835	821,835	772,075	784,700
55 - UTILITIES	14,788	18,990	18,990	20,837	21,462
57 - COMMODITIES & SUPPLIES	14,660	14,475	14,475	14,909	15,357
65 - OFFICE EQUIPMENT	1,060	1,090	1,090	1,123	1,157
67 - OTHER EQUIPMENT	590	605	1,000	623	642
	<u>1,179,043</u>	<u>1,259,759</u>	<u>1,260,981</u>	<u>1,239,180</u>	<u>1,286,224</u>
SOURCE OF FUNDS					
001 - GENERAL FUND	1,179,043	1,259,759	1,260,981	1,239,180	1,286,224
	<u>1,179,043</u>	<u>1,259,759</u>	<u>1,260,981</u>	<u>1,239,180</u>	<u>1,286,224</u>

BUDGET HIGHLIGHTS

The budget for Public Works Administration is reflecting a decrease of \$20,579 from the 2007 budget.

- Personal Services

The Personal Services category includes 50% of the salaries for the Director of Public Works, the Deputy Director, the Administrative Analyst, and the Clerical Personnel with the remaining 50% for these positions recorded in the Public Works Water and Sewer Division. Also included are the wages of a full-time account clerk.

- Contractual Services

Contractual services are estimated at \$772,075 for 2008, a 6.45% decrease over 2007. Of this amount, \$746,924 is for the internal service fund charges for vehicle replacement and maintenance.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
PUBLIC WORKS DEPARTMENT – STREETS/BUILDINGS & PARKING

2006 ACCOMPLISHMENTS

Cleaned 5,891 miles of Village streets and remove 16,302 cubic yards of leaves.

Cleaned approximately 539 storm sewer inlets and catch basins.

Replaced or repaired 1,291 street signs.

Installed 47,390 lbs. of crack filling material.

Village Crews installed 195 tons of asphalt patching street openings and filling potholes.

2007 ACCOMPLISHMENTS

Cleaned approximately 6,500 miles of Village streets and removed 19,000 cubic yards of leaves.

Cleaned approximately 600 storm sewer inlets and catch basins.

Replaced or repaired 1,000 street signs.

Installed approximately 50,000 lbs. of crack filling material.

2008 OBJECTIVES

Clean 6,000 miles of Village streets and remove 19,000 cubic yards of leaves.

Clean approximately 600 storm sewer inlets and catch basins.

Replace or repair 1,000 street signs.

Install approximately 53,000 lbs. of crack filling material.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
PUBLIC WORKS DEPARTMENT – STREETS/BUILDINGS & PARKING

PERFORMANCE MEASURES

	2005	2006	2007	2008
	Actual	Actual	Estimated	Projected
Street Maintenance				
Streets Cleaned (miles)	5,356	5,891	6,500	6,000
Leaves Removed (cubic yards)	16,897	14,302	19,000	19,000
Signs Replaced	1,267	1,291	1,000	1,000
Pavement Markings (lineal feet)	103,780	73,813	100,000	100,000
Asphalt Patching (tons)	199	195	200	200
Crack Filling (lbs.)	58,700	47,390	50,000	53,000
Storm Sewer Repairs (number of locations)	7	9	10	10
Storm Sewer Inlet/Catch Basin Cleaning	821	589	600	600
Storm Sewer Inlet/Catch Basin Repair	39	28	30	30
Service Requests	1,521	1,821	1,500	1,500

VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
PUBLIC WORKS - STREETS/BUILDINGS/PARKING

	2006	2007	2007	2008	2009
	Actual	Budget	Estimate	Budget	Forecast

PROGRAMS

01 - STREET DIVISION ADMINISTRATION	142,872	146,860	146,210	149,250	154,970
02 - MAINTENANCE - PUBLIC BUILDINGS	902,758	996,815	1,008,920	1,005,013	1,015,074
04 - STREET MAINTENANCE	461,565	503,141	519,441	517,725	510,545
05 - SNOW REMOVAL	388,071	445,928	597,330	515,129	520,900
07 - STORM SEWER & BASIN MAINT	164,750	178,890	178,665	183,170	190,539
08 - MAINTENANCE OF STATE HIGHWAYS	65,178	70,548	71,773	72,712	75,216
09 - TRAFFIC SIGN MAINTENANCE	116,163	119,916	119,916	124,792	130,707
10 - VILLAGE PARKING LOT MAINT	139,303	123,154	123,154	122,269	126,241
11 - PARKING LOT MAINTENANCE	150,715	156,448	159,148	142,164	145,617
12 - FLOOD CONTROL	-	-	135,000	-	-
13 - STORM EVENT	-	-	727,000	-	-
	<u>2,531,375</u>	<u>2,741,700</u>	<u>3,786,557</u>	<u>2,832,224</u>	<u>2,869,809</u>

EXPENDITURE CLASSIFICATION

50 - PERSONAL SERVICES	1,050,687	1,108,580	1,496,060	1,163,722	1,203,790
51 - EMPLOYEE BENEFITS	333,926	354,511	354,511	356,349	377,713
54 - CONTRACTUAL SERVICES	578,800	686,410	1,231,885	687,823	684,357
55 - UTILITIES	81,456	134,644	109,844	109,230	109,499
56 - INSURANCE	20,265	3,172	3,172	1,868	1,907
57 - COMMODITIES & SUPPLIES	299,583	304,618	430,418	335,706	330,731
59 - OTHER EXPENDITURES	13,786	-	-	-	-
64 - BUILDING IMPROVEMENTS	4,748	6,365	6,365	6,556	6,753
67 - OTHER EQUIPMENT	7,830	19,400	19,302	15,970	3,059
69 - INFRASTRUCTURE	129,861	124,000	135,000	155,000	152,000
80 - INTERFUND TRANSFERS	10,433	-	-	-	-
	<u>2,531,375</u>	<u>2,741,700</u>	<u>3,786,557</u>	<u>2,832,224</u>	<u>2,869,809</u>

SOURCE OF FUNDS

001 - GENERAL FUND	2,049,129	2,238,928	3,197,720	2,318,359	2,341,036
050 - MOTOR FUEL TAX FUND	192,228	223,170	306,535	249,432	256,915
620 - VILLAGE PARKING SYSTEM FUND	139,303	123,154	123,154	122,269	126,241
630 - PARKING SYSTEM REVENUE FUND	150,715	156,448	159,148	142,164	145,617
	<u>2,531,375</u>	<u>2,741,700</u>	<u>3,786,557</u>	<u>2,832,224</u>	<u>2,869,809</u>

BUDGET HIGHLIGHTS

Overall expenditures for the year 2008 are expected to increase 2.67% over the preceding year. Contractual services of \$687,823 for 2008 are slightly lower than the \$696,035 budgeted for 2007. Included in that amount is \$22,000 for lock replacement, \$12,000 for parking lot sealcoating, and \$21,836 to reseal floors. Under Street Maintenance, the Brick Sidewalk Maintenance has been reduced from \$30,813 in 2007 to \$5,000 in 2008. The utility cost for natural gas/heat, under Public Buildings, is expected to decrease from \$126,000 to \$100,000 in 2008.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
PUBLIC WORKS DEPARTMENT – FORESTRY & GROUNDS

2006 ACCOMPLISHMENTS

Received Tree City USA designation for the 21st consecutive year.

Continued extensive efforts to update and improve accuracy of GIS tree layer.

Received Tree City USA Growth Award.

Maintained five-year pruning cycle.

Completed, and presented to Garden Club, a Power Point presentation about Forestry/Grounds program.

Prepared, planned and participated extensively in the effort to educate the public and influence state/federal funding and regulations regarding the recently discovered Emerald Ash Borer in Illinois.

Applied for re-accreditation from Society of Municipal Arborists.

2007 ACCOMPLISHMENTS

Received Tree City USA designation for the 22nd consecutive year.

Maintained five-year pruning cycle.

Continued extensive efforts to update and improve accuracy of GIS tree layer.

Participated extensively in the effort to educate the public, influence state/federal funding and regulations, inspect declining ash trees and develop Best Practices regarding the Emerald Ash Borer.

Received re-accreditation from Society of Municipal Arborists.

2008 OBJECTIVES

Receive Tree City USA award and Growth Award.

Maintain five-year pruning cycle.

Continue Emerald Ash Borer activities and begin ash population reduction/replacement.

Successfully convert Tree Manager Data and work histories to Hansen Tree Module, begin using Hansen work orders.

If available, apply for grant funds to pay for an Urban Forest Management plan.

Finish obtaining GIS coordinates for Grounds Assets.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
PUBLIC WORKS DEPARTMENT – FORESTRY & GROUNDS

PERFORMANCE MEASURES

	2005	2006	2007	2008
	Actual	Actual	Estimated	Projected
Forestry and Grounds Maintenance				
Service Requests	3,518	3,928	4,000	4,500
Acres of Turf Maintained*	53	53	53	53
Trees Trimmed (custom)	4,943	2,521	6,996	5,383
Plantings				
Trees	375	518	476	610
Flowers, Annual	12,747	13,880	13,069	14,000
Flowers, Bulbs	13,860	21,711	20,000	20,000
Shrubs	1,127	617	368	500
Perennials	2,546	2,587	3,276	2,000
Total Plantings	30,655	39,313	37,189	37,110
Removals				
Trees	367	501	450	500
Shrubs	367	424	450	500
Stumps	364	784	250	400
Total Removals	1,098	1,709	1,150	1,400

* Does not include sites which only receive mowing

**VILLAGE OF MOUNT PROSPECT
PUBLIC WORKS - FORESTRY & GROUNDS
01 - FORESTRY DIVISION ADMINISTRATION**

	2006 Actual	2007 Budget	2007 Estimate	2008 Budget	2009 Forecast
PROGRAMS					
01 - FORESTRY DIVISION ADMIN	199,927	216,107	213,351	221,056	230,799
02 - MAINTENANCE OF GROUND	447,665	543,385	543,572	551,839	565,682
03 - FORESTRY PROGRAM	667,090	958,108	1,040,579	1,103,598	1,125,790
04 - PUBLIC GROUNDS BEAUTIFICATION	78,035	84,679	96,578	100,254	104,082
	1,392,717	1,802,279	1,894,080	1,976,747	2,026,353
EXPENDITURE CLASSIFICATION					
50 - PERSONAL SERVICES	664,966	697,162	694,986	721,680	747,145
51 - EMPLOYEE BENEFITS	219,802	228,406	228,406	232,423	246,715
52 - OTHER EMPLOYEE COSTS	2,968	3,555	3,555	3,662	3,772
54 - CONTRACTUAL SERVICES	436,888	764,291	858,081	904,781	911,094
57 - COMMODITIES & SUPPLIES	53,793	70,470	70,657	72,594	74,772
67 - OTHER EQUIPMENT	14,300	38,395	38,395	41,607	42,855
	1,392,717	1,802,279	1,894,080	1,976,747	2,026,353
SOURCE OF FUNDS					
001 - GENERAL FUND	1,384,461	1,789,016	1,880,817	1,965,505	2,014,774
690 - RISK MANAGEMENT FUND	8,256	13,263	13,263	11,242	11,579
	1,392,717	1,802,279	1,894,080	1,976,747	2,026,353

BUDGET HIGHLIGHTS

The Forestry & Grounds Division of the Public Works Department includes the costs associated with the forestry program, maintenance of grounds, and public grounds beautification. Expenditures for all public properties except the grounds of the Water and Sewer Fund are included in this division. Expenditures for this division are estimated at \$1,976,747 for 2008, an increase of 9.68% over 2007.

Expenditures classified as contractual services are estimated at \$904,781 for 2008, an increase of 18.39% from 2007. Included in that amount is \$67,000 for Streetscape Corridor Maintenance. Also included, is \$165,000 for tree removal, and increase of \$75,000 over 2007, \$92,300 for stump removal, \$3,000 for perennial flower maintenance, and \$40,000 for Emerald Ash Borer reductions and reforestation.

In the Forestry Program, \$83,225 will be spent for Village Tree Replacement in 2008 compared to \$79,000 in 2007.

In Public Grounds Beautification \$53,045 will be expended in 2008 on tree/bush/flower replacements.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
PUBLIC WORKS DEPARTMENT – ENGINEERING

2006 ACCOMPLISHMENTS

Designed and inspected the construction of 5 miles of Village Street Resurfacing for year ten of the accelerated Street Resurfacing Program.

Coordinated the design, construction and inspection of the George Street Bridge rehabilitation. This completes our bridge rehabilitation program.

Coordinated completion of the construction of Phase II (Pond 3) of the Kensington Business Center Detention Pond Rehabilitation Program.

Coordinated the 2006 Shared Cost Sidewalk Program and the 2006 New Sidewalk Construction Program.

Continue to work with the Army Corps of Engineers to get Levee 37 constructed. The Army Corps completed design of Phase 1, (Palatine Road portion) of Levee 37 Project.

Coordinated the implementation of the first Phase of the Neighborhood Traffic Control Program, which included the following for Zone 8; Combined Village Board and Safety Commission Workshops, the intersection study, speed limit study, public open houses, and installation of recommended sign modifications.

Coordinated the second phase of the Neighborhood Traffic Control Program which included intersection studies and speed limit studies for 5 more neighborhood zones.

Designed and inspected construction of the See-Gwun Avenue speed hump test project.

Successfully completed our 5 year cycle visit and recertified as a Class 7 CRS Community.

2007 ACCOMPLISHMENTS

Designed and inspected the construction of six miles of Village Street Resurfacing for year eleven of the accelerated Street Resurfacing Program.

Coordinated design and construction of Linneman Road Improvements between Algonquin Road and Dempster Street in conjunction with the Briarwood Business Center Development Project.

Coordinated the 2007 Shared Cost Sidewalk Program and the 2007 New Sidewalk Construction program.

Continued to work with the Army Corps of Engineers to get Levee 37 constructed. The Army Corps completed design of Phase II (River Road Milwaukee Avenue portions) of Levee 37 project.

Completed the intersection study, speed limit study, public open houses, and installation of recommended sign modifications in Zones 7, 9, 12, 13 and 15 for the Neighborhood Traffic Control Program.

Coordinated 4 Safety Commission Meetings and presented the recommendations to the Village Board.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
PUBLIC WORKS DEPARTMENT – ENGINEERING

Coordinated Village participation in planning and design of Phase II (River Road portion) of Levee 37 Project.

Recertify as a class 7 CRS Community.

2008 OBJECTIVES

Design and inspect the construction of six miles of Village Street Resurfacing for year twelve of the accelerated Street Resurfacing Program.

Coordinate the 2008 Shared Cost Sidewalk Program and the 2008 New Sidewalk Construction program.

Staff will complete the design and construction inspection of the Kensington Business Center Detention Pond Rehabilitation program (Pond 7).

Continue to work with the Army Corps of Engineers to get Levee 37 constructed.

Complete the intersection study, speed limit study, public open houses, and installation of recommended sign modifications in Zones 3, 4, 6, 10, 11, 14, 16, 17, and 18 for the Neighborhood Traffic Control Program.

Coordinate Safety Commission Meetings and presented the recommendations to the Village Board.

Coordinate Pavement Evaluation restudy of all Village streets.

Coordinate Village participation in construction of Phase II (River Road portion) of Levee 37 Project.

Recertify as a class 7 CRS Community.

PERFORMANCE MEASURES

	2005	2006	2007	2008
	Actual	Actual	Estimated	Projected
Engineering Division				
Construction Project Inspections	84	103	110	115
Plan Reviews	140	169	175	185
Street Resurfacing (miles)	5	5	6	6
Shared Cost Sidewalk (square feet)	10,125	10,300	17,100	18,000
Residential Flood Plain Studies	40	28	40	60

VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
PUBLIC WORKS - ENGINEERING

	2006 Actual	2007 Budget	2007 Estimate	2008 Budget	2009 Forecast
PROGRAMS					
01 - ENGINEERING SERVICES	722,440	768,027	776,188	798,416	835,809
05 - TRAFFIC CNTRL & STREET LGHTNG	574,814	543,180	526,180	527,630	752,459
	1,297,254	1,311,207	1,302,368	1,326,046	1,588,268
EXPENDITURE CLASSIFICATION					
50 - PERSONAL SERVICES	574,731	622,116	629,772	645,250	678,738
51 - EMPLOYEE BENEFITS	189,796	191,927	191,927	195,085	208,616
52 - OTHER EMPLOYEE COSTS	5,368	5,390	5,390	5,552	5,745
54 - CONTRACTUAL SERVICES	136,335	156,669	156,669	155,120	159,168
55 - UTILITIES	147,374	232,000	239,000	240,000	240,000
57 - COMMODITIES & SUPPLIES	23,550	50,985	27,490	32,855	33,752
65 - OFFICE EQUIPMENT	490	530	530	546	562
67 - OTHER EQUIPMENT	-	1,590	1,590	1,638	1,687
69 - INFRASTRUCTURE	219,610	50,000	50,000	50,000	260,000
	1,297,254	1,311,207	1,302,368	1,326,046	1,588,268
SOURCE OF FUNDS					
001 - GENERAL FUND	893,645	1,027,867	1,019,028	1,039,176	1,088,792
050 - MOTOR FUEL TAX FUND	403,609	283,340	283,340	286,870	499,476
	1,297,254	1,311,207	1,302,368	1,326,046	1,588,268

BUDGET HIGHLIGHTS

The Engineering Division 2008 budget will increase \$31,839 over the 2007 budget of \$1,294,207.

Under Contractual Services, in the Engineering Services, the Vehicle Lease Payment has increased from \$7,500 in 2007 to \$12,000 in 2008. In Traffic Control and Street Lighting, Street Light Maintenance will decrease \$3,000 in 2008.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
PUBLIC WORKS DEPARTMENT – WATER & SEWER DIVISION

STATEMENT OF ACTIVITIES

The mission of the Water and Sewer Division is to manage, maintain, repair, operate, and improve the Village's water distribution system and sanitary sewer system in a manner consistent with Village Board policy and regulatory agency requirements.

2006 ACCOMPLISHMENTS

The Water & Sewer Division replaced 3,250 feet of old water main, with water crews installing fourteen new fire hydrants to replace older defective units and replace twenty-four main line water valves. Other work included operating 953 main line water valves, replacing 103 defective B-boxes, surveying 2,594 existing B-box sites, painting 742 fire hydrants and replacing 800 residential water meters. Crews flushed 2,213 fire hydrants and performed spring and fall leak detection on the same amount of hydrants.

The Division began the installation and calibration of a hydraulic computer model of the Village's water system to comply with the expanded Stage 2 Disinfection By-Products Rule.

Sewer crews cleaned 65,000 feet of sewer. There were also over 1,200 private building inspections of commercial and residential properties. Crews inspected 264 manhole inspections and repaired 15 manholes with new seal-tight lids and frames.

The Division completed a multi-year study of the combined sanitary sewer area with the Village Board funding a multi-year rehabilitation program. More than 22,000 feet of main sewer was lined using the cured-in-place pipelining (CIPP) method and eight sanitary sewer spot relays were performed under this multi-year program.

The Division completed the monitoring of 21 sanitary sewer basins.

The Division repaired 140 streetlights. Utility locating (JULIE) requests exceed the 4,500 mark.

The Division continued the monitoring of the Village's cross-connection control ordinance using the department's computerized maintenance management system monitoring 1605 cross connection control devices.

2007 ACCOMPLISHMENTS

The Water and Sewer Division replaced 9,500 feet of old water main, installed fifteen new fire hydrants to replace older defective units and replaced 24 main line water valves. Other work included replacing 100 defective b-boxes, surveying 1,100 existing commercial b-boxes, painting 750 fire hydrants and replacing 50 commercial TRACE wireless water meter modules and 800 residential water meters. Crews flushed 2,213 fire hydrants and performed spring and fall leak detection on the same amount of hydrants.

Sewer crews cleaned and televised 30,000 feet of sewer. Over 1,200 private building inspections of commercial and residential properties were performed. Crews inspected 253 manholes and repaired 60 manholes with new seal-tight lids and frames.

More than 22,000 feet of main sewer was lined using the cured-in-place pipelining (CIPP) method and fifteen sanitary sewer spot relays were performed under the multi-year sanitary rehabilitation program.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
PUBLIC WORKS DEPARTMENT – WATER & SEWER DIVISION

The Division completed the monitoring of all sanitary sewer basins within the Village of Mount Prospect.

The Division repaired 250 streetlights. Utility locating (JULIE) requests are expected to exceed the 5,000 mark.

The Division monitored the Village's cross-connection control ordinance using the department's computerized maintenance management system.

2008 OBJECTIVES

The Water and Sewer Division is expected to replace 2,500 feet of old water main, install twenty new fire hydrants to replace older defective units and replace 24 main line water valves. Other work includes replacing 100 defective b-boxes, surveying 1,100 existing commercial b-boxes, painting 800 fire hydrants and replacing up to 75 commercial TRACE wireless water meter modules and 800 residential water meters. Crews are expected to flush 2,213 fire hydrants and perform spring and fall leak detection on the same amount of hydrants.

Sewer crews are expected to clean and televise up to 50,000 feet of sewer. Over 1,200 private building inspections of commercial and residential properties are expected to be performed. Crews will inspect 250 manholes and repair 50 manholes with new seal-tight lids and frames.

More than 25,000 feet of main sewer is expected to be lined using the cured-in-place pipelining (CIPP) method and fifteen sanitary sewer spot relays will be performed under the multi-year sanitary rehabilitation program.

The Division will focus efforts on those specific basins that were identified as problematic during the 2007 monitoring.

The Division is expected to repair 250 streetlights. Utility locating (JULIE) requests are expected to exceed the 5,000 mark.

The Division will continue monitoring the Village's cross-connection control ordinance using the department's computerized maintenance management system.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
PUBLIC WORKS DEPARTMENT – WATER & SEWER DIVISION

PERFORMANCE MEASURES

	2005	2006	2007	2008
	Actual	Actual	Estimated	Projected
Water Mains				
Installed (feet)	3,250	3,000	9,500	3,200
Valves Replaced	4	24	24	24
Valves Repaired	5	5	5	5
Main Leaks Repaired	140	60	60	60
Service Leaks Repaired	12	15	20	20
Water Meters Installed	767	498	544	700
Fire Hydrants				
Replaced	19	14	20	20
Repaired	30	15	22	25
Painted	750	742	750	800
JULIE Markings				
Calls	3,700	4,000	5,000	5,500
Flagged	3,200	3,862	4,500	5,000
Water Samples				
Water Quality	540	540	600	600
Lead/Copper	30	30	-	-
Water Billed (1,000 gallons)	1,491,251	1,501,699	1,650,000	1,700,000
Unaccounted Water	4.7%	4.3%	4.0%	4.0%
Meter Readings				
Special / Final Reads	1,200	438	600	650
Summer Reads	3,100	1,940	2,000	2,100
Water / Sewer Service Requests	200	1,870	2,000	2,100
Sanitary Sewers				
Cleaned (ft)	45,000	70,000	30,000	50,000
Televised (ft)	45,000	70,000	30,000	50,000
Relined (ft)	5,500	22,275	22,000	25,000
Private Building Inspections	1,002	760	650	700

VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
PUBLIC WORKS - WATER & SEWER

	2006 Actual	2007 Budget	2007 Estimate	2008 Budget	2009 Forecast
PROGRAMS					
01 - WATER & SEWER DIVISION ADMIN	1,983,167	1,468,391	1,454,876	1,403,960	1,584,732
02 - MAINTENANCE OF BUILDINGS	186,053	193,622	189,422	206,232	213,157
03 - MAINTENANCE OF GROUNDS	82,591	102,407	102,677	127,098	105,794
04 - WATER SUPPLY MAINT & REPAIR	550,899	947,524	964,739	1,136,315	892,528
05 - WATER DISTRBT MAINT & REPAIR	612,103	1,456,252	1,395,277	1,076,945	1,090,461
06 - WATER VALVE/HYDRNT MAINT & REP	318,757	349,297	364,417	385,082	399,993
07 - WATER METER MAINT & REPL	321,274	355,821	356,921	364,820	428,113
08 - EQUIPMENT MAINTENANCE	664,756	606,091	606,091	643,384	652,567
09 - SANITARY SEWER MAINT & REPAIR	430,622	524,861	494,861	427,657	445,957
10 - WATER & SEWER SYSTEM IMPROV	636,946	2,223,348	2,173,438	1,855,000	1,735,000
12 - LAKE MICHIGAN WATER SUPPLY	3,413,105	3,448,305	3,431,000	4,010,000	4,410,000
	<u>9,200,273</u>	<u>11,675,919</u>	<u>11,533,719</u>	<u>11,636,493</u>	<u>11,958,302</u>
EXPENDITURE CLASSIFICATION					
50 - PERSONAL SERVICES	1,669,829	1,783,337	1,769,337	1,833,971	1,898,042
51 - EMPLOYEE BENEFITS	604,674	633,956	634,056	650,028	699,860
52 - OTHER EMPLOYEE COSTS	27,580	33,625	35,130	34,630	35,650
54 - CONTRACTUAL SERVICES	5,440,956	5,738,343	5,684,628	6,085,343	6,661,594
55 - UTILITIES	118,651	202,875	166,325	190,944	194,255
56 - INSURANCE	282,929	135,664	135,664	80,367	82,026
57 - COMMODITIES & SUPPLIES	190,109	205,285	215,655	232,485	238,685
59 - OTHER EXPENDITURES	487,474	-	-	-	-
65 - OFFICE EQUIPMENT	5,606	7,415	7,415	7,575	7,800
67 - OTHER EQUIPMENT	64,358	801,285	801,285	455,910	489,040
68 - DISTRIBUTION SYSTEMS	308,107	2,134,134	2,084,224	2,065,240	1,651,350
	<u>9,200,273</u>	<u>11,675,919</u>	<u>11,533,719</u>	<u>11,636,493</u>	<u>11,958,302</u>
SOURCE OF FUNDS					
610 - WATER AND SEWER FUND	<u>9,200,273</u>	<u>11,675,919</u>	<u>11,533,719</u>	<u>11,636,493</u>	<u>11,958,302</u>
	9,200,273	11,675,919	11,533,719	11,636,493	11,958,302

BUDGET HIGHLIGHTS

The 2008 Budget is showing a decrease of \$295,426 over the 2007 Budget of \$11,675,919. The cost of water purchased from the Northwest Suburban Joint Action Water Agency (JAWA) is expected to total \$3,754,000 in 2008.

The 2008 Budget reflects \$1,000,000 in combined Sewer projects and \$400,000 for emergency generators for the wells.

Under Maintenance of Buildings, \$11,000 is budgeted for lock replacement under Contractual Services. Landscape and Fence Maintenance, under Maintenance of Grounds, is budgeted at \$33,000 in 2008, an increase of \$25,300 over 2007.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
REFUSE DISPOSAL PROGRAM

STATEMENT OF ACTIVITIES

The mission of the Refuse Disposal Program is to coordinate a comprehensive municipal solid waste system that provides both environmental and economic benefits to the community. The Public Works Department is responsible for the administration of the residential contract as well as public education on environmental issues, waste minimization, resource recovery, and medical and household hazardous waste.

2006 ACCOMPLISHMENTS

Continued research and evaluation of municipal solid waste programs/contracts as part of the process for developing specifications for a new residential/commercial solid waste contract.

Developed a comprehensive community education campaign for new residential and commercial solid waste contract; contingent on changes to existing solid waste program.

Improved delivery of solid waste services by utilizing available technology to track all solid wastes service requests.

Used current technologies (GIS and Hansen) to develop an electronic inventory of all multifamily/commercial waste containers.

Increased residential recycling utilizing the Village's multiple public communication systems.

Researched available grant funding for residential/commercial recycling education.

The Village continued to have one of the highest diversion rates in the Northwest suburban area. Thirty four percent of all solid waste collected was recycled or composed.

In 2006, 32,188 tons of residential waste was generated: 21,374 tons of landfill waste, 3,924 tons of yard material, and 6,890 tons of recycled material.

2007 ACCOMPLISHMENTS

Continued research and evaluation of municipal solid waste programs/contracts as part of the process for developing specifications for a new residential/commercial solid waste contract.

Using current technologies (GIS and Hansen) developed an electronic inventory of all multifamily waste containers.

Promoted and coordinated recycling services for all community events.

Researched available grant funding for residential/commercial recycling education.

Developed and implemented a process for gaining compliance in refuse and recycling cart storage.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
REFUSE DISPOSAL PROGRAM

2008 OBJECTIVES

Develop and implement a new commercial solid waste program that includes refuse and recycling service for all commercial properties.

Develop a comprehensive community education campaign for new commercial solid waste contract; contingent on changes to existing solid waste program.

Using current technologies (GIS and Hansen) develop an electronic inventory of all commercial waste containers.

Promote and coordinate recycling services for all community events.

Research available grant funding for residential/commercial recycling education.

PERFORMANCE MEASURES

	2005	2006	2007	2008
	Actual	Actual	Estimated	Projected
Solid Waste Collected (1)				
Landfilled	20,871	21,374	21,546	21,977
Recycled	7,348	6,890	6,605	6,737
Yardwaste	4,800	3,924	4,000	4,080
Total Waste Collected (tons)	33,019	32,188	32,151	32,794
Solid Waste Diverted				
Recycling Program (2)				
Aluminum, glass, plastics, tin/steel	2,233	2,067	1,469	1,498
Mixed Paper (4)	5,115	4,823	5,136	5,239
Total Recycling Program (tons)	7,348	6,890	6,605	6,737
Yardwaste Program (3)	4,800	3,924	4,000	4,080
Total Diverted (tons)	12,148	10,814	10,605	10,817
Percentage Diverted	37.0%	34.0%	33.0%	33.0%

- (1) Single Family and Multi-Family residential
- (2) Single Family, Multi-Family, Schools and Municipal
- (3) Single Family
- (4) Newspaper is included with Mixed Paper.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
PUBLIC WORKS - REFUSE DISPOSAL

	2006 Actual	2007 Budget	2007 Estimate	2008 Budget	2009 Forecast
PROGRAMS					
01 - REFUSE DISPOSAL PROGRAM	3,553,172	3,825,838	3,846,898	3,925,270	4,052,876
02 REFUSE LEAF REMOVAL PROGRAM	199,278	203,769	203,769	209,961	218,225
	<u>3,752,450</u>	<u>4,029,607</u>	<u>4,050,667</u>	<u>4,135,231</u>	<u>4,271,101</u>
EXPENDITURE CLASSIFICATION					
50 - PERSONAL SERVICES	214,645	230,544	231,564	237,697	245,973
51 - EMPLOYEE BENEFITS	70,578	71,446	71,446	72,295	76,613
52 - OTHER EMPLOYEE COSTS	-	1,785	1,785	1,835	1,890
54 - CONTRACTUAL SERVICES	3,439,727	3,654,352	3,667,227	3,766,799	3,888,576
55 - UTILITIES	336	590	590	610	628
56 - INSURANCE	7,827	52,660	52,660	31,010	31,660
57 - COMMODITIES & SUPPLIES	19,337	18,230	25,395	24,985	25,761
	<u>3,752,450</u>	<u>4,029,607</u>	<u>4,050,667</u>	<u>4,135,231</u>	<u>4,271,101</u>
SOURCE OF FUNDS					
030 - REFUSE DISPOSAL FUND	3,752,450	4,029,607	4,050,667	4,135,231	4,271,101
	<u>3,752,450</u>	<u>4,029,607</u>	<u>4,050,667</u>	<u>4,135,231</u>	<u>4,271,101</u>

BUDGET HIGHLIGHTS

The Refuse Disposal Program includes the costs associated with the pickup of household refuse and yard waste, pickup of household materials to be recycled and tipping fees. The budget of \$4,135,231 reflects an increase of 2.63% over 2007.

The refuse pickup program includes 13,600 single-family residents and 8,377 multi-family units. Recycling pickup includes all the single-family properties and 6,000 multi-family units.

The Village is a member of the Solid Waste Agency of Northern Cook County (SWANCC) which operates a waste transfer station. An estimated 21,977 tons of single-family and multi-family refuse are expected to be delivered to the transfer station in 2008.

Liability insurance costs for 2008 are \$31,010 a decrease of \$21,650 over 2007.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
PUBLIC WORKS DEPARTMENT – VEHICLE MAINTENANCE

2006 ACCOMPLISHMENTS

Continued mechanics' education.

Continued to evaluate new leaf loader designs for future replacements. At present time no new loaders available.

Rebuilt three leaf loaders.

Rebuilt four leaf boxes.

Refurbished four snow plows.

Fabricated two replacement trailers - #4552 and #4562.

Fabricated new vacuum leaf machine - #4531.

Remodeled and reorganized parts room.

2007 ACCOMPLISHMENTS

Continued mechanics' education – Ford Diesel- International Training.

Equipped two new snow and ice control dump trucks.

Evaluated alternative fuels and vehicles – E-85 – Bio-Diesel.

Evaluated hybrid vehicles.

Rebuilt three tailgate type spreaders.

Purchased pre-wetting equipment for new snow and ice control truck.

Rebuilt two snow plows.

Researched fuel saving policies.

2008 OBJECTIVES

Continue mechanic education – Hydraulic Control Trouble Shooting – International & Ford Training.

Equip four new snow and ice control dump trucks.

Continue to evaluate alternative fuels and vehicles – E-85 – Bio-Diesel.

Evaluate and procure pricing of hybrid vehicles.

Rebuild one "V" type spreader - #2728

Rebuild 2 tailgate type spreaders.

Install pre-wetting equipment for new snow and ice control truck.

Rebuild two snow plows.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
PUBLIC WORKS DEPARTMENT – VEHICLE MAINTENANCE

PERFORMANCE MEASURES

	2005	2006	2007	2008
	Actual	Actual	Estimated	Projected
Fleet Maintenance				
Preventive Maintenance - Completed	351	333	334	400
Preventive Maintenance - Hours	5,502	5,602	5,922	5,565
Work Orders - Completed	825	807	795	795
Repairs				
Small Engine Repairs	67	62	82	89
Body Repairs	22	17	19	21
Total Repairs	89	79	101	110
Equipment Rebuilding				
Vehicles	5	4	6	5
Snow Plows	4	6	2	4
Salt Spreaders	3	2	3	4
Total Equipment Rebuilds	12	12	11	13

VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
PUBLIC WORKS - VEHICLE MAINTENANCE

	2006	2007	2007	2008	2009
	Actual	Budget	Estimate	Budget	Forecast

PROGRAMS					
01 - VEHICLE DIVISION ADMINISTRATION	180,201	185,783	185,783	225,713	197,888
02 - VEHICLE MAINTENANCE PROGRAM	1,261,299	1,392,570	1,294,770	1,342,415	1,401,705
	<u>1,441,500</u>	<u>1,578,353</u>	<u>1,480,553</u>	<u>1,568,128</u>	<u>1,599,593</u>

EXPENDITURE CLASSIFICATION					
50 - PERSONAL SERVICES	669,976	695,541	695,541	745,697	733,719
51 - EMPLOYEE BENEFITS	223,237	237,031	237,031	248,888	263,978
52 - OTHER EMPLOYEE COSTS	600	2,250	2,250	2,315	2,385
54 - CONTRACTUAL SERVICES	71,682	78,151	78,151	84,056	92,186
55 - UTILITIES	871	1,060	1,060	1,090	1,120
57 - COMMODITIES & SUPPLIES	458,804	555,370	457,570	482,037	502,045
59 - OTHER EXPENDITURES	13,149	-	-	-	-
65 - OFFICE EQUIPMENT	-	530	530	545	560
67 - OTHER EQUIPMENT	3,181	8,420	8,420	3,500	3,600
	<u>1,441,500</u>	<u>1,578,353</u>	<u>1,480,553</u>	<u>1,568,128</u>	<u>1,599,593</u>

SOURCE OF FUNDS					
660 - VEHICLE MAINTENANCE FUND	1,441,500	1,578,353	1,480,553	1,568,128	1,599,593
	<u>1,441,500</u>	<u>1,578,353</u>	<u>1,480,553</u>	<u>1,568,128</u>	<u>1,599,593</u>

BUDGET HIGHLIGHTS

The Vehicle Maintenance Division includes the charges related to the maintenance and repair of all Village vehicles except the vehicles of the Fire Department. The Division consists of eight full-time employees, one part-time and two seasonal employees.

The Vehicle Maintenance Division budget represents the operating expenses of the Vehicle Maintenance Fund, an internal service fund. Financing is provided by charges to each Village department or division other than the Fire Department. Charges are based on the number of vehicles used.

Under Personal Services, the Vacation/Personal Incentive and Retiree Sick Incentive reflect the retirement of a vehicle maintenance employee in 2008.

The only significant expenditures other than personal services and employee benefits are the purchase of vehicle fuel and vehicle maintenance supplies. Fuel costs are budgeted at \$315,000 and vehicle maintenance supplies are expected to cost \$160,000 for 2008.

The Vehicle Maintenance Division is responsible for 22 pool vehicles, 45 police vehicles, and 127 public works vehicles. In addition, this division maintains other equipment, such as pumps, compressors, leaf machines, etc.

VILLAGE OF MOUNT PROSPECT

2008 BUDGET

COMMUNITY AND CIVIC SERVICES

The Village Board acknowledges the many fine civic groups and organizations which contribute time and effort to make the Village of Mount Prospect a better place to live. Each of these groups helps to create an environment "Where Friendliness is a Way of Life." A provision has again been included in the 2008 budget for modest financial support for those activities that benefit the entire community. Contributions to the following civic groups and activities are included.

- Holiday Decorations
- Mid Summer Block Party
- Independence Day Parade
- Mount Prospect Historical Society
- Mount Prospect Lions Club - July 4th Fireworks Display
- Special Events Commission
- Veterans of Foreign Wars - Memorial Day Parade
- Youth Commission
- Winter Festival Parade

It should be noted that the Village's participation in these activities includes not only financial support but also assistance from employees and the use of Village Equipment where appropriate. Included in the 2008 budget is \$108,067 for salaries and benefits for Police and Public Works personnel.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
COMMUNITY AND CIVIC SERVICES

	2006	2007	2007	2008	2009
	Actual	Budget	Estimate	Budget	Forecast

PROGRAMS					
02 - COMMUNITY GROUPS & MISC	131,361	126,100	126,999	126,100	126,100
03 - 4TH OF JULY & CIVIC EVENTS,ETC	124,129	138,785	137,395	143,442	148,728
04 - HOLIDAY DECORATIONS	75,113	85,078	87,178	89,477	101,429
05 - BLOOD DONOR PROGRAM	2,545	2,887	2,887	2,907	3,015
	333,148	352,850	354,459	361,926	379,272

EXPENDITURE CLASSIFICATION					
50 - PERSONAL SERVICES	77,830	88,650	88,650	93,614	96,885
51 - EMPLOYEE BENEFITS	10,867	16,210	16,210	16,520	17,335
54 - CONTRACTUAL SERVICES	206,509	206,775	210,564	210,665	223,051
55 - UTILITIES	410	-	-	-	-
57 - COMMODITIES & SUPPLIES	29,522	31,215	29,035	30,127	31,001
59 - OTHER EXPENDITURES	8,010	10,000	10,000	11,000	11,000
	333,148	352,850	354,459	361,926	379,272

SOURCE OF FUNDS					
001 - GENERAL FUND	333,148	352,850	354,459	361,926	379,272
	333,148	352,850	354,459	361,926	379,272

BUDGET HIGHLIGHTS

The Community and Civic Services Program section of the budget accounts for Village financed social and civic activities. Total expenditures are expected to be \$361,926 in 2008 compared to \$352,850 in 2007. Some of the more significant allocations include the following:

Holiday Decorations (Including White Lights)	80,402
Police and Public Works Overtime – July 4 th Parade	85,000
Special Events Commission Activities	36,000
Contribution to Mount Prospect Historical Society	40,000
Contribution to July 4 th Parade	19,570
Property Tax Rebate Program	11,000
Village Flags and Light Pole Banners	5,025
July 4 th Fireworks	3,500
Winter Festival Parade	29,500

VILLAGE OF MOUNT PROSPECT

2008 BUDGET

CAPITAL IMPROVEMENTS

The Capital Improvements Section of the budget consists of separate programs for specific groupings of capital improvements included in the 2008 Budget. These programs are summarized below:

Village Improvements and Equipment – This program includes capital improvements and certain equipment items related to public buildings and village operations. Included in the 2008 allocation of \$1,295,875 are \$500,000 for a Village Hall telephone system, \$206,000 for video conferencing between the main fire station and two outlying stations, detention pond improvements of \$196,000 and a Patrol Citation Printing System totaling \$86,375.

Community Improvement Projects – This program provides \$30,000 for the installation of streetlights, as a part of the continuing streetlight program.

Downtown Redevelopment Construction – This program consists of costs associated with the Tax Increment Financing District (Downtown Redevelopment Plan). The primary expenditures planned for 2008 are acquisition of property in sub-area #1 at \$3,000,000, \$1,000,000 for Downtown Streetscape improvements, \$100,000 for demolition and site cleanup and \$60,000 for the façade and interior buildout programs.

Flood Control Projects – Projects totaling \$515,000 have been planned for Flood Control. \$300,000 for Prospect Meadows Flood Improvement, \$55,000 for creek tree trimming and bank stabilization and \$155,000 for expenses related to Levee 37.

Street Improvements Projects – In 1997, the Village began a \$20 million street improvements project aimed at reconstructing and resurfacing various streets in need of rehabilitation. The original program was expected to be completed over a period of ten years. Due to shortfalls in the home rule sales tax, the final years of program were scaled back with completion now expected in 2010. The 2008 budget provides \$3,045,000 for street resurfacing, \$255,000 for the traffic study program, \$90,000 for parking lot improvements, and \$100,000 for Phase I engineering for Wolf Road improvements. Funding for these projects comes from the State Motor Fuel Tax and various other local taxes earmarked for the street improvement program.

Motor Equipment Replacement – This program includes the acquisition and replacement of motor vehicles through the Vehicle Replacement Fund, an internal service fund. The various operating departments make lease payments to the Vehicle Replacement Fund and then the equipment is purchased by the fund. A separate budget line item exists for each operating department scheduled to receive replacement vehicles in 2008 and 2009. A detailed schedule of all vehicles to be purchased appears at the end of this section. A total of \$1,263,900 is budgeted for new vehicles in 2008.

Computer Replacement – This program is for the purchase of replacement computer hardware for the Village through the Computer Replacement Fund, an internal service fund. A total of \$138,500 has been budgeted in 2008 for computer hardware. A detailed listing of all computers budgeted for 2008 is included at the end of this section.

The total Capital Improvements budget for 2008 is \$11,794,775. Following the Capital Improvements line item pages is a schedule identifying the major impact of 2008 budgeted capital expenditures on the operating budget. The long-term plan for all capital expenditures is published separately in the Village's five-year Capital Improvement Plan.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
CAPITAL IMPROVEMENTS

	2006	2007	2007	2008	2009
	Actual	Budget	Estimate	Budget	Forecast

PROGRAMS

01 - VILLAGE IMPROVEMENTS & EQUIP	1,124,627	891,993	783,749	1,295,875	1,401,750
02 - COMMUNITY IMPROVEMENT PROJECTS	44,996	60,000	60,000	30,000	235,000
03 - DOWNTOWN REDEVELOPMENT CONST	840,963	2,454,287	1,634,518	4,850,500	318,000
04 - FLOOD CONTROL PROJECTS	299,860	244,000	94,000	515,000	510,000
06 - STREET IMPROVEMENT PROJECTS	2,819,234	3,591,698	3,514,218	3,701,000	3,632,000
09 - MOTOR EQUIPMENT REPLACEMENT	857,347	1,406,811	1,284,710	1,263,900	2,069,300
10 - COMPUTER REPLACEMENT	142,297	249,050	240,000	138,500	191,450
	<u>6,129,324</u>	<u>8,897,839</u>	<u>7,611,195</u>	<u>11,794,775</u>	<u>8,357,500</u>

EXPENDITURE CLASSIFICATION

54 - CONTRACTUAL SERVICES	265,799	386,100	745,600	473,000	357,000
59 - OTHER EXPENDITURES	1,461,896	1,778,000	344,500	3,338,000	243,000
62 - LAND IMPROVEMENTS	4,360	50,000	50,000	-	200,000
64 - BUILDING IMPROVEMENTS	228,699	307,855	297,855	187,500	120,000
65 - OFFICE EQUIPMENT	162,297	294,050	315,000	138,500	286,450
66 - MOBILE EQUIPMENT	47,537	1,566,811	1,424,700	1,263,900	2,099,300
67 - OTHER EQUIPMENT	419,291	396,138	181,404	912,375	462,750
69 - INFRASTRUCTURE	3,462,027	4,076,585	3,858,105	5,104,000	4,589,000
71 - BOND PRINCIPAL	-	-	350,000	355,000	-
72 - INTEREST EXPENSE	35,887	42,300	44,031	22,500	-
80 - INTERFUND TRANSFERS	41,531	-	-	-	-
	<u>6,129,324</u>	<u>8,897,839</u>	<u>7,611,195</u>	<u>11,794,775</u>	<u>8,357,500</u>

SOURCE OF FUNDS

050 - MOTOR FUEL TAX FUND	1,453,463	1,257,791	1,272,311	1,241,000	1,260,000
510 - CAPITAL IMPROVEMENT FUND	1,040,168	1,026,993	843,749	1,425,875	1,636,750
550 - DOWNTOWN REDEVLMNT CONST	840,963	2,454,287	1,634,518	4,850,500	318,000
560 - STREET IMPROVE CONST FUND	1,365,771	2,258,907	2,241,907	2,360,000	2,372,000
590 - FLOOD CONTROL CONST FUND	299,860	244,000	94,000	515,000	510,000
630 - PARKING SYSTEM REVENUE FUND	129,455	-	-	-	-
670 - VEHICLE REPLACEMENT FUND	857,347	1,406,811	1,284,710	1,263,900	2,069,300
680 - COMPUTER REPLACEMENT FUND	142,297	249,050	240,000	138,500	191,450
	<u>6,129,324</u>	<u>8,897,839</u>	<u>7,611,195</u>	<u>11,794,775</u>	<u>8,357,500</u>

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
DEBT SERVICE FUND

The Debt Service section of the budget contains the provision for current and proposed bonded debt obligations of the Village. Debt obligations are separated into four general categories: General Obligation Bonds, Installment Contracts, Installment Notes and Special Service Area Bonds. A description of each category follows:

General Obligation Bonds refer to debt obligations that are backed by the full faith and credit of the Village. There are four general obligation (G.O.) bonds issues which are grouped into three categories included in the 2008 Budget. The three categories are identified by the source of revenue that will be used to pay the debt service (principal and interest) on the outstanding bonds. The three categories are listed below:

1. G.O. Bonds - To Be Paid From Property Taxes
2. G.O. Bonds - To Be Paid From Property Tax Increment
3. G.O. Bonds - To Be Paid From Home Rule Sales Tax - 1

Installment Contracts are obligations the Village has entered into with the Illinois Environmental Protection Agency to provide low-interest loans for the construction of certain flood control projects. The contracts are for a twenty-year period with interest rates ranging from 2.625% to 3.36%. The semi-annual principal and interest payments will be paid from the proceeds of the first 1/4¢ home rule sales tax.

Installment Notes are general obligations of the Village used to provide short-term financing where the issuance of General Obligation Bonds or Installment Contracts is not cost beneficial or available. The one installment note for the Village was used to purchase property in the Downtown Redevelopment TIF District for future development. The installment note carries an adjustable rate that is adjusted on the anniversary date of the loan. The interest rate for this taxable installment note is currently 6.25%. The loan is payable in annual installments over a five-year period beginning in 2005.

Total Debt Service Funds expenditures of \$4,664,639 for 2008 are made up of \$4,051,284 for General Obligation Debt and \$613,355 for Installment Contracts. Additional payments on Installment Notes of \$377,500 are recorded in the Downtown Redevelopment TIF Fund.

A summary of annual debt service requirements and the annual principal requirements for all outstanding and proposed issues are included as supplemental information following the Debt Service Funds budget.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
DEBT SERVICE FUNDS

	2006	2007	2007	2008	2009
	Actual	Budget	Estimate	Budget	Forecast

PROGRAMS					
02 - DEBT SERVICE - PROPERTY TAXES	1,450,359	1,685,359	1,700,959	1,296,859	1,291,848
03 - DEBT SERVICE - TAX INCREMENT	1,013,188	1,069,675	1,069,675	1,754,900	-
04 - DEBT SERVICE - H/R SALES TAX 1	1,386,841	1,408,894	1,408,894	1,612,880	613,354
05 - DEBT SERVICE - H/R SALES TAX 2	120,613	-	-	-	-
	3,971,001	4,163,928	4,179,528	4,664,639	1,905,202

EXPENDITURE CLASSIFICATION					
71 - BOND PRINCIPAL	2,605,398	2,874,195	2,874,195	3,794,736	1,225,219
72 - INTEREST EXPENSE	1,223,977	1,286,733	1,302,333	867,503	678,783
73 - BANK AND FISCAL FEES	4,500	3,000	3,000	2,400	1,200
80 - INTERFUND TRANSFERS	137,126	-	-	-	-
	3,971,001	4,163,928	4,179,528	4,664,639	1,905,202

SOURCE OF FUNDS					
140 - SERIES 1987A B&I, PW FACILITY	151,000	405,000	405,000	-	-
180 - SERIES 2001 B&I, VILLAGE HALL	387,053	383,765	383,765	385,265	381,340
190 - SERIES 2003 B&I, VILLAGE HALL	912,306	896,594	912,194	911,594	910,508
230 - SERIES 2002A B&I, TIF	16,513	-	-	-	-
290 - SERIES 1999 B&I, TIF	840,400	916,100	916,100	1,754,900	-
340 - SERIES 1996A B&I, FLOOD	214,715	-	-	-	-
350 - SERIES 1998A B&I, FLOOD	65,945	67,795	67,795	-	-
360 - SERIES 1998C B&I, TIF	156,275	153,575	153,575	-	-
380 - IEPA FLOOD CONTROL LOANS B&I	613,353	613,356	613,356	613,355	613,354
390 - SERIES 2000 B&I, FLOOD	492,828	727,743	727,743	999,525	-
430 - SERIES 1998A B&I, STREET IMP.	80,810	-	-	-	-
440 - SERIES 2002B B&I, STREET IMP.	39,803	-	-	-	-
	3,971,001	4,163,928	4,179,528	4,664,639	1,905,202

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
PENSION FUNDS

The Village provides pension benefits for all eligible employees through either the Police Pension Fund, the Fire Pension Fund or the Illinois Municipal Retirement Fund.

The Police and Fire Pension Funds are established by state statute, but are administered locally in compliance with those statutes. IMRF is a state-wide retirement plan for non-sworn municipal employees, who work 1,000 hours or more. All employees other than sworn Police and Fire personnel are also covered by Social Security.

Police officers and firefighters receive partial vesting at ten years and full vesting at twenty years. With twenty years of credited service and upon attaining age 50, a police officer can retire at 50% of his/her last salary or his/her last year's average salary and a firefighter at 50% of his/her last salary. These percentages increase with additional years of service. Benefits for spouses and dependents are provided under both plans if the retiree dies.

Employees covered by IMRF receive vesting at eight years with benefits payable at age 60. Under IMRF, an employee receives 1-2/3% per year of his/her average base salary for the first 15 years of credited service and 2% per year after 15 years. Average base salary is obtained by using the highest 48 months of earnings during the employees last ten years of service. An employee with 20 years service would receive a pension of 35% of average base salary at age 60. In the event of death, a spouse receives 50% of the retiree's pension.

The above plans are funded by contributions from both the members of the plans and the Village and from investment income. Police officers contribute 9.91% of their salary, firefighters 9.455% and IMRF employees 4.5% plus 6.2% for Social Security.

The December 31, 2006 actuarial valuations for the Police and Fire Pension were completed showing an increase from 74.1% to 75.4% in the funding level for the Police Pension while the Fire Pension funding increased from 76.4% to 76.7%. Police and Fire Pension investment returns were 8.77% and 7.76% respectively. Both returns came in near or above the 8% assumption used in the actuarial valuation. The Village's 2008 contribution to the Police Pension Fund is budgeted at \$1,408,423 and the Fire Pension Fund at \$1,389,833. The Village contributed 9.45% of the salaries of IMRF employees during 2007 and will contribute 8.81% in 2008 in addition to 6.2% for Social Security.

The Village's IMRF and FICA contributions along with the Village's contribution for Police and Fire personnel are included in the Employee Benefits classification in each operating department. The Pension Section of the Budget includes the actual pensions paid to retired and disabled Police and Fire personnel and to two former employees who are covered by special agreements. Total pension expenditures are expected to be \$5,409,150 for 2008 and \$5,539,550 for 2009.

Actuarial information schedules for the Police and Fire Pension Funds are shown on the last two pages of this section.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
PENSION FUNDS

	2006 Actual	2007 Budget	2007 Estimate	2008 Budget	2009 Forecast
PROGRAMS					
01 - MISCELLANEOUS PENSIONS	43,609	44,533	44,533	45,600	46,500
02 - POLICE PENSIONS	2,419,352	2,465,133	2,512,546	2,580,050	2,647,050
03 - FIRE PENSIONS	2,574,605	2,627,958	2,689,765	2,783,500	2,846,000
	<u>5,037,566</u>	<u>5,137,624</u>	<u>5,246,844</u>	<u>5,409,150</u>	<u>5,539,550</u>
EXPENDITURE CLASSIFICATION					
53 - PENSION BENEFITS	5,035,793	5,131,324	5,245,994	5,404,850	5,535,250
54 - CONTRACTUAL SERVICES	1,773	5,800	750	3,800	3,800
57 - COMMODITIES & SUPPLIES	-	500	100	500	500
	<u>5,037,566</u>	<u>5,137,624</u>	<u>5,246,844</u>	<u>5,409,150</u>	<u>5,539,550</u>
SOURCE OF FUNDS					
001 - GENERAL FUND	43,609	44,533	44,533	45,600	46,500
710 - POLICE PENSION FUND	2,419,352	2,465,133	2,512,546	2,580,050	2,647,050
720 - FIRE PENSION FUND	2,574,605	2,627,958	2,689,765	2,783,500	2,846,000
	<u>5,037,566</u>	<u>5,137,624</u>	<u>5,246,844</u>	<u>5,409,150</u>	<u>5,539,550</u>

BUDGET HIGHLIGHTS

The Retiree Pensions section of the budget includes a provision for pension and disability payments that are made from three Village administered pension plans.

Miscellaneous Pensions include payments to two retired firefighters who were members of the Forest River Fire Protection District when the Village took over the District in 1970. The two individuals subsequently became Village employees. As a part of a court order, the Village is making supplemental payments in recognition for time served at the Fire District.

The Police Pension Fund and the Fire Pension Fund cover all sworn personnel of the Police Department and the Fire Department. At January 1, 2008, there will be 55 individuals receiving benefits from the Police Pension Fund and 58 receiving benefits from the Fire Pension Fund, compared to 53 and 58, respectively, as of January 1, 2007.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET
RISK MANAGEMENT

The Risk Management Fund (an Internal Service Fund) was established to account for the Village's Protected Self-Insurance Program. The purpose of the fund is to receive, invest and disburse all monies associated with the Village's various insurance programs. The Village initiated a self-insurance plan for medical claims on July 1, 1982 and added property and liability losses as of January 1, 1984.

Under this program, the Village's self-insured retention is \$25,000 for property claims and \$400,000 for workers' compensation claims. In 2005, the Village began to self-insure for liability claims up to \$2,000,000. Previous to this change, the self-insurance level was \$250,000. The change was made after a claims reserve study was performed showing it more cost beneficial to self-insure up to the point where HELP (high-level excess liability pool) coverage kicks in. The Village carries \$63,161,126 in Excess Property Insurance, the statutory limit for Workers' Compensation, and \$10,000,000 for General Liability, Auto Liability, Police Liability and Public Officials Liability. In addition, the Village carries \$9,000,000 in business interruption insurance for the Randhurst Mall.

Cannon Cochran Management Services administers workers' compensation claims and GAB Robins Inc. administers auto and liability claims.

The Village is required by state statutes to offer medical insurance to all Village retirees. Additionally, Mount Prospect Library employees are part of the Village's medical insurance group. Retirees and Library employees pay the full premium for medical insurance coverage.

In 1998 the Village ceased self insuring medical coverage for its employees and retirees and joined the Intergovernmental Personnel Benefit Cooperative (IPBC). The IPBC is an intergovernmental risk pool providing health and life insurance to its 35 municipal and other special district members. Each member of IPBC is responsible for the first \$25,000 of each claim. Claims between \$25,000 and \$100,000 are shared between all members. All claims over \$100,000 are reinsured at 100%.

**VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
RISK MANAGEMENT**

	2006 Actual	2007 Budget	2007 Estimate	2008 Budget	2009 Forecast
PROGRAMS					
01 - CASUALTY & PROPERTY INSURANCE	1,621,995	1,360,353	1,306,224	1,182,700	1,277,200
02 - MEDICAL INSURANCE	4,036,085	5,211,598	5,225,466	5,574,029	6,128,441
	<u>5,658,080</u>	<u>6,571,951</u>	<u>6,531,690</u>	<u>6,756,729</u>	<u>7,405,641</u>
EXPENDITURE CLASSIFICATION					
54 - CONTRACTUAL SERVICES	1,650	34,000	17,500	45,000	4,000
56 - INSURANCE	5,656,430	6,532,451	6,508,690	6,684,229	7,401,641
67 - OTHER EQUIPMENT	-	5,500	5,500	27,500	-
	<u>5,658,080</u>	<u>6,571,951</u>	<u>6,531,690</u>	<u>6,756,729</u>	<u>7,405,641</u>
SOURCE OF FUNDS					
690 - RISK MANAGEMENT FUND	5,658,080	6,571,951	6,531,690	6,756,729	7,405,641
	<u>5,658,080</u>	<u>6,571,951</u>	<u>6,531,690</u>	<u>6,756,729</u>	<u>7,405,641</u>

BUDGET HIGHLIGHTS

- Casualty and Property Insurance

Liability claims in 2007 are expected to come in at budget (\$200,000). Based on historical claims experience and pending claims, the budget for liability claims for 2008 will remain at 200,000.

The workers' compensation claims budget increases from \$500,000 in 2007 to \$600,000 in 2008 due to higher than expected claims experience. The claims budget is projected to increase to \$750,000 in 2009.

The Other Services account within this program includes a provision of \$30,000 for an inventory and valuation of the Village's fixed assets by an outside firm for insurance and accounting purposes. This is a carryover project from a previous budget period. This valuation is included as one of the goals and objectives for the Finance Department in 2008.

- Medical Insurance

The Village budget for health insurance will increase 6.95% from 2007. For 2008, health insurance costs were estimated at \$12,680 per employee and for 2009, the estimate is \$13,641.

**VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
CONTINGENCIES**

	2006 Actual	2007 Budget	2007 Estimate	2008 Budget	2009 Forecast
PROGRAMS					
01 - CONTINGENCIES	1,207,827	-	-	-	-
	<u>1,207,827</u>	-	-	-	-
EXPENDITURE CLASSIFICATION					
80 - INTERFUND TRANSFERS	1,207,827	-	-	-	-
	<u>1,207,827</u>	-	-	-	-
SOURCE OF FUNDS					
001 - GENERAL FUND	1,207,827	-	-	-	-
560 - STREET IMPROVE CONST FUND	-	-	-	-	-
	<u>1,207,827</u>	-	-	-	-

BUDGET HIGHLIGHTS

At this time, no transfers are anticipated for 2008 or 2009.

VILLAGE OF MOUNT PROSPECT

2008 BUDGET

MOUNT PROSPECT PUBLIC LIBRARY

The Mount Prospect Public Library is a separate and distinct governmental entity and is governed by a seven member Board of Trustees. The Library Trustees are elected for six-year terms and are responsible for establishing an annual operating budget as well as governing the Library's operations.

The Mount Prospect Public Library is a municipal library under Illinois Statutes with a service area that is coterminous with the Village's boundaries. As a municipal library, the Village is required to levy property taxes for the Mount Prospect Library. Accordingly, the Mount Prospect Library is considered a component unit of the Village of Mount Prospect and included in the Village's Annual Budget.

The Mount Prospect Library budget for 2008 is \$8,645,501. This is an increase of \$74,473 or 0.86% from the prior year. There were no significant changes in the expenditure line items from the prior year.

As of December 31, 2006, the Mount Prospect Library had 44,116 registered borrowers and 359,749 books. The Library staff consisted of 92 full-time equivalent employees.

VILLAGE OF MOUNT PROSPECT
2008 BUDGET SUMMARY
MOUNT PROSPECT PUBLIC LIBRARY

	2006 Actual	2007 Budget	2007 Estimate	2008 Budget	2009 Forecast
PROGRAMS					(a)
02 - LIBRARY SERVICES	5,639,651	8,572,028	8,572,028	8,645,501	-
	5,639,651	8,572,028	8,572,028	8,645,501	-
EXPENDITURE CLASSIFICATION					(a)
90 - COMPONENT UNIT EXPENDITURES	5,639,651	8,572,028	8,572,028	8,645,501	-
	5,639,651	8,572,028	8,572,028	8,645,501	-
SOURCE OF FUNDS					(a)
950 - MOUNT PROSPECT LIBRARY FUND	5,639,651	8,572,028	8,572,028	8,645,501	-
	5,639,651	8,572,028	8,572,028	8,645,501	-

(a) Figures not available as of December 18, 2007.