CITY OF CRYSTAL LAKE

ANNUAL BUDGET

FISCAL YEAR 2026



Managing resources, revenues and expenditures in order to best serve the community.

For the fiscal year beginning January 1, 2026

www.crystallake.org

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CITY OF CRYSTAL LAKE, ILLINOIS
2026

CITY OFFICIALS

MAYOR
Haig Haleblian

COUNCILMEMBERS

Ellen Brady	Brett Hopkins
Cameron Hubbard	Ian Philpot
Denise Smith	Natasha Teetsov

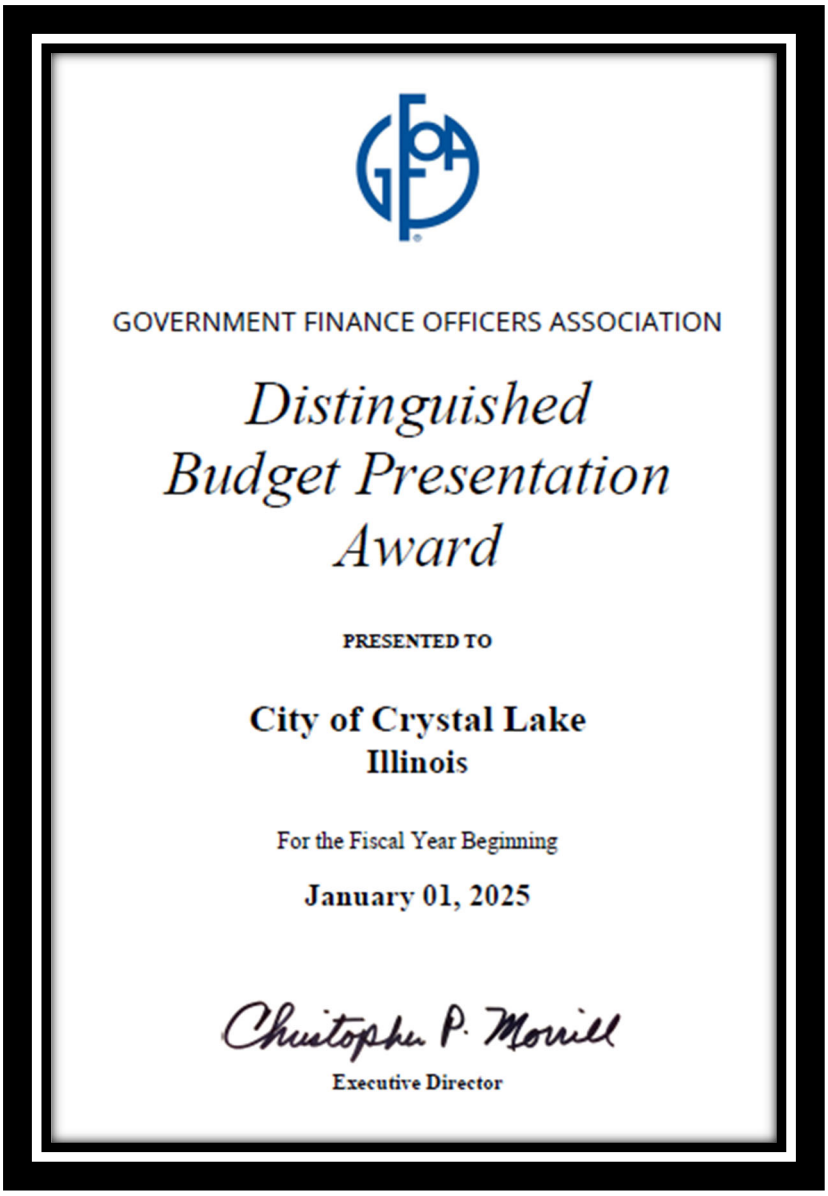
ADMINISTRATION

Eric Helm	City Manager
Kathryn Cowlin	Director of Community Development
Nicholas Hammonds	Deputy City Manager
Jodie Hartman	Director of Finance/Treasurer
Julie Meyer	Director of Human Resources
Daniel Davis	Director of Information Technology
Michael P. Magnuson	Director of Public Works
Craig Snyder	Chief of Fire Rescue
James Black	Chief of Police

CITY OF CRYSTAL LAKE

MISSION STATEMENT

The City of Crystal Lake is committed to the high quality of life enjoyed by the citizens and businesses of the Crystal Lake community. Our mission is to enhance and preserve the history, natural resources and unique cultural traditions of the community as well as provide fiscally sound and responsive services, programs, and facilities with the highest degree of professionalism, integrity, and efficiency so that Crystal Lake continues to be a great place to live and work.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

City of Crystal Lake
Illinois

For the Fiscal Year Beginning

January 01, 2025

Christopher P. Morrill

Executive Director

The Government Finance Officers' Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Crystal Lake, Illinois for the Annual Budget beginning January 1, 2025. In order to receive this award, a governmental unit must publish a document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device. The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements. We will submit it to the GFOA for consideration of another award.

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CITY OF CRYSTAL LAKE

ANNUAL BUDGET

FISCAL YEAR 2026

TRANSMITTAL LETTER

November 7, 2025

Honorable Mayor, City Council and Residents of the City of Crystal Lake:

We are pleased to present the City of Crystal Lake's Annual Budget for Fiscal Year (FY) 2026. The budget is balanced. It meets the needs and demands of our community's long-term strategic commitments and it is within the parameters of the financial limitations discussed below.

Because of the competent leadership of the City Council, residents can be proud in knowing that the City has planned ahead for the future. Past decisions have given the City the flexibility to maintain first-rate services today and ensure those quality services continue into the future. The attached Annual Budget for FY 2026 has been formulated to ensure that residents continue to enjoy the benefit of high quality government services at one of the lowest municipal tax rates in the region.

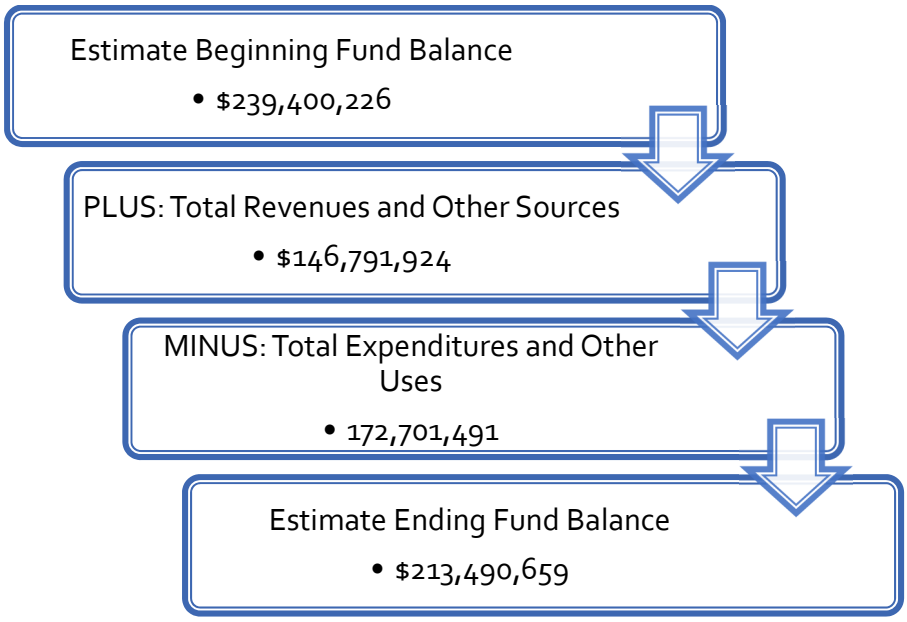
In 2025, Standard and Poor's affirmed the City to a AAA stable rating. The City of Crystal Lake's AAA credit rating represents the highest credit rating that can be earned by an organization and has been assigned to very few governments within the State of Illinois. According to S&P, the City of Crystal Lake "embodies many characteristics of a 'AAA' issuer, including a diverse economy that is independently strong and growing…with consistently stable financial operating results with no discernible budgetary pressures… and a sophisticated and knowledgeable management team that has strong planning practices." We are confident the City's solid financial policies, strong leadership and extensive long-term planning will continue to carry the City through the upcoming financial periods.

OVERVIEW OF CITY FINANCIALS

When viewed from a high level, City finances can be broken out into four main categories: Governmental, Business-Type, Pension Funds and Library Funds. Each category has a distinct purpose. Governmental activities cover the majority of financial activity within the City, including the General Fund, special revenue funds, debt service funds and capital improvement funds. The Business-Type activities represent the Water and Sewer Enterprise Funds and the internal service fund, Group Insurance. Police and Firefighters' Pension Funds are provided as fiduciary funds. The Library is a component unit of the City with their own governing board and Code of Ordinances

Fiscal year 2026 expenditures will be funded using a combination of operating revenue, capital revenue and accumulated assets (planned use of fund balance). Balances that are nonspendable, restricted or assigned represent funds already expended, are reserved for future debt repayment, held in reserve by the City's insurance carriers, or are restricted from general use. Operating results and capital activities by fund are available in the Summary of All Funds section of this document.

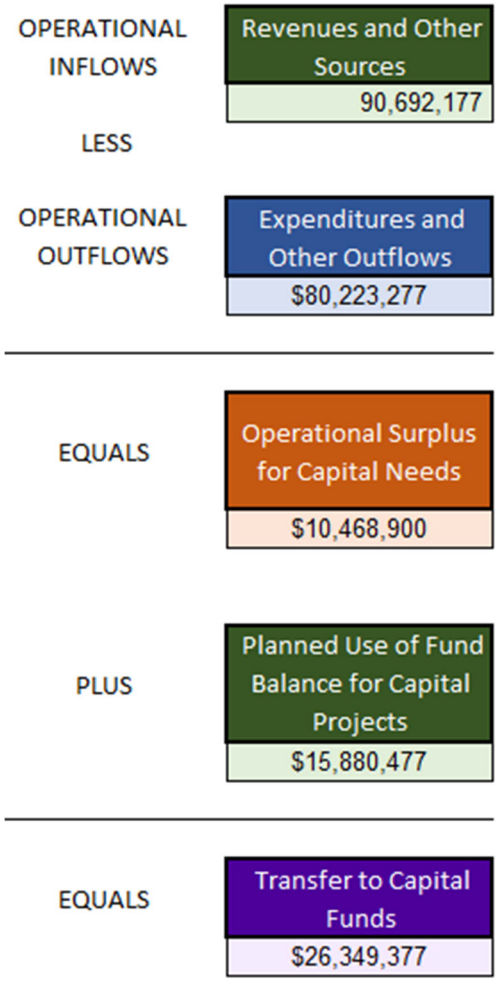
The following graphic looks at the budget as a whole, including City funds, both Public Safety Pension Funds and the Crystal Lake Public Library for Fiscal Year 2026.



In many areas of this document, the budget is broken out into governmental and business-type activities, which are determined by the Governmental Accounting Standards Board (GASB). Governmental activities of the City include general government, public safety, highway and streets, culture and recreation, and interest on long-term debt. Business-type activities represent the City's water and sewer functions, as well as group health insurance. Business-type activities are self-supporting through user charges.

BALANCED OPERATIONS BUDGET

The City finances are organized into operational and capital funds to allow for better tracking of each category. An important element to a balanced budget is ensuring operating revenues generate sufficient funds to pay for operating, recurring expenditures. One-time revenues, such as grants or reimbursements, or transfers of operational surpluses are then used to fund the City's capital needs.



Considering only the City's operations, revenues are budgeted for fiscal year 2026 at $90.69 million. These funds will be used to fund $80.22 million in operating expenditures, debt service and other outflows. This generates a net operational surplus of $10.47 million for capital purposes. City operations exclude capital funds, public safety pension funds and Library funds.

The fiscal year 2026 budget transfers this $10.47 million, along with $15.88 million in fund balance reserves, to the capital funds for a total of $26.35 million. This is intentional, as fund balance contains amounts designated for specific projects, such as multiple engineering projects. As the capital projects move forward, the designated funds can be transferred to the capital funds as a funding source.

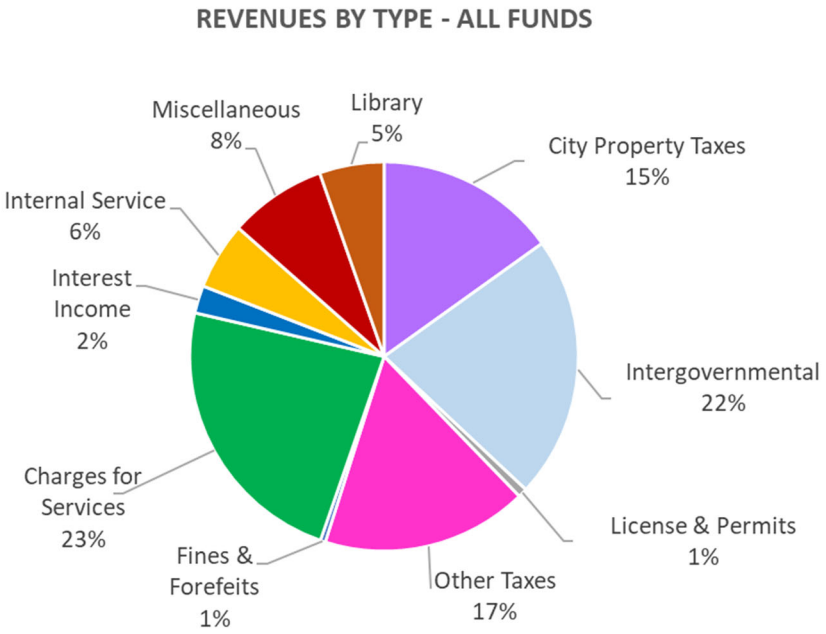
Overall, operations are expected to generate sufficient revenues to offset all operational expenditures as well as provide additional funding for capital needs. All funds are forecasted to remain compliant with the City's fund balance policy at year end.

REVENUES & EXPENDITURES

Budget preparation begins with revenue projections. Revenues are projected based on:

- Legislative action: The City continues to monitor the legislature through organizations such as the Illinois Municipal League (IML), when in session, to determine potential bills which would directly affect the amount of revenue received from the State.
- Consultation with departments: Each department is consulted to evaluate potential and existing revenues. Department heads review their respective revenue streams during the budget process and make recommendations to the Director of Finance.
- Review of revenue history: The City reviews previous years' revenues to determine revenue projections for the upcoming budget year.
- Economic trends: State of Illinois employment rates, real estate development patterns, interest rates and the Consumer Price Index.

- Consulting with outside sources: The City consults with surrounding communities, County government, financial advisors, and other third-parties to assist in determining revenue forecasts and trends.



The world continually adapts to ever-changing economic conditions with the negative impacts of the pandemic being replaced by inflationary concerns. The City's local economy is not exempt from the impacts of these national and global events. However, the revenue used to support City programs and projects comes from a variety of sources. The largest sources of revenue for the City come from property taxes, sales taxes, home rule sales taxes, state income taxes, user-fees for water and sewer, and fire rescue services. Combined, these sources represent $79.79 million or 70% of all anticipated receipts.

Comparing revenues to expenditures, the City is has successfully grown the overall fund balance of the City as a whole. With conservative budgeting, cost controls, savings from vacant positions, and postponed capital projects, along with the extension of the grocery tax, the City is again projecting an overall surplus for Fiscal Year 2025. When comparing results across historical fiscal years, it is important to remember Fiscal Year 2024B was an eight month year, from May to December of 2024.

REVENUES, EXPENDITURES, OTHER SOURCES & USES BY TYPE – ALL FUNDS

Type	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
Revenues and Other Sources:								
Property taxes	$ 14,574,086	$ 15,247,445	$ 15,749,746	$ 16,343,355	$ 16,625,093	$ 17,342,532	$ 999,177	6.1%
Intergovernmental	25,327,854	27,097,493	21,320,017	31,180,629	28,771,543	25,059,781	(6,120,848)	-19.6%
Licenses and permits	1,059,180	1,420,681	807,285	880,500	884,500	884,500	4,000	0.5%
Other taxes	11,393,576	11,968,191	10,591,724	16,949,820	17,584,197	19,656,159	2,706,339	16.0%
Fines and forfeits	528,493	595,639	354,082	535,000	514,900	485,000	(50,000)	-9.3%
Charges for services	21,987,280	23,265,610	19,438,263	24,533,008	26,033,994	26,545,688	2,012,680	8.2%
Interest	1,900,804	13,118,503	12,286,744	2,597,400	11,725,381	2,627,264	29,864	1.1%
Miscellaneous	5,681,446	11,299,664	8,892,055	8,963,464	9,178,993	9,319,761	356,297	4.0%
Internal service charges	11,009,225	5,124,229	3,486,829	5,431,175	5,467,646	6,407,350	976,175	18.0%
Internal transfers	17,241,436	24,123,914	29,737,133	32,481,479	30,926,467	31,792,818	(688,661)	-2.1%
Library	5,582,578	6,334,365	5,596,918	5,905,723	5,663,317	6,171,070	265,347	4.5%
Other sources	17,985,516	1,314,502	711,610	10,500,000	10,522,498	500,000	(10,000,000)	N/A
Total	134,271,475	140,910,238	128,972,406	156,301,553	163,898,529	146,791,923	(9,509,630)	-6.1%
Expenditures and Other Uses:								
General government	7,805,995	8,433,213	5,726,424	10,111,711	9,078,249	11,151,415	1,039,704	10.3%
Public safety	35,385,824	37,083,570	27,683,008	41,021,633	40,077,378	44,111,081	3,089,448	7.5%
Highways and streets	6,761,199	6,902,024	4,574,826	8,508,850	7,632,138	9,484,151	975,301	11.5%
Waterworks and sewerage	15,629,582	15,284,568	5,899,564	10,706,426	10,065,731	11,179,213	472,787	4.4%
Culture and recreation	5,609,309	5,741,467	3,892,980	7,461,117	5,891,451	8,103,809	642,692	8.6%
Capital outlay	9,377,101	13,228,753	21,279,267	53,313,851	33,241,658	43,797,987	(9,515,864)	-17.8%
Debt service	12,070,368	4,903,618	4,772,152	4,755,421	4,736,233	5,020,816	265,395	5.6%
Lease payments	891,127	884,008	1,083,676	562,172	583,446	229,644	(332,528)	N/A
Internal service charges	5,794,258	5,759,765	3,883,023	6,754,873	6,894,030	7,830,557	1,075,684	15.9%
Internal transfers	17,570,863	24,631,529	29,737,133	32,481,479	30,926,467	31,792,818	(688,661)	-2.1%
Total	116,895,626	122,852,514	108,532,052	175,677,533	149,126,781	172,701,491	(2,976,042)	-1.7%
Revenues & Other Sources in Excess of Expenditures & Other Uses	17,375,849	18,057,724	20,440,353	(19,375,980)	14,771,748	(25,909,568)		
Beginning Balance*	174,045,959	192,946,356	209,728,722	205,471,640	224,628,475	239,400,223		
Change in Receiv/Pay	1,524,548	(1,791,944)	(5,540,600)	-	-	-		
Ending Balance	$ 192,946,356	$ 209,212,135	$ 224,628,475	$ 186,095,660	$ 239,400,223	$ 213,490,655		

**Restated for prior period adjustment*

As the chart above demonstrates, overall revenues, including library revenues, have performed well the past few years, with a steady climb back from the 2020 pandemic dips. Analyses of major revenues in more detail are available in the Summary of All Funds section of this document.

The FY 2026 budget contains one replacement revenue source, substituting the sales tax on groceries from a State mandated tax to a local tax. The grocery tax will be deposited into the Capital Replacement Fund for offsetting capital expenditures. No change to the water and sewer rates has also been included, however a review of the rate structure may result in a change to the related fees during 2026.

Changes to major items for FY 2026 revenues are as follows, with comparisons from the prior year budget:

- City Revenues $108,328,035 (FY 2025 $107,414,351)
- Library Revenues $6,171,071 (FY 2025 $5,905,723)

Revenues available to support the FY 2026 budget are $114.5 million, an increase of $1.18 million or 1% from the FY 2025 budget. Major changes among revenues and other amounts available are described below.

- Revenues such as retail sales tax, home rule sales tax, use tax, income tax and motor fuel tax have been budgeted with positive, albeit conservative, increases in FY 2025 on a month-to-month basis. The home rule sales tax rate increased in FY 2024B by 0.5% effective July 1, 2024; the increase was implemented to fund additional police patrol officers and firefighters, contribute to annual road improvement costs and funding towards the City's lead water service line replacement. Municipal Sales Tax estimates have been reduced to account for the change in the grocery tax from a State wide tax to a local tax, but increased to account for the State reclassifying most items historically marked as Local Use Tax to now being Municipal Sales Tax. The Local Use Tax estimate has been reduced dramatically for this change based on trends in 2025 and forecasted further reductions in 2026.
- Water and sewer user fee increases have been budgeted based solely on increased consumption predictions. No change to the rate structure is proposed at this time, but may be considered in coming months after a comprehensive review of rates. As a self-supporting utility, the Water & Sewer Fund charges user fees to fund both its operational and capital needs. Utility taxes collected are allocated to the Water & Sewer Capital Fund to support the capital needs of the City's water, storm sewer and wastewater utilities. Prior to FY 2023/24, this revenue source had been allocated between the both the Capital Replacement Fund and the Water & Sewer Capital Fund to fund capital expenditures.
- Charges for Services were less affected by the shortened fiscal year than other sources. Many of these charges are for the Three Oaks Recreation Area which operates from April to September each year.
- While the City's property tax levy request is proposed to increase by 2.9% compared to the prior year levy, projected increment in two of the City's Tax Increment Finance (TIF) Districts are expected to grow considerably due to the completion of various development projects. Between the Enclave development in the Main Street TIF and the residential in Water's Edge TIF, total increment is expected to grow by 116% from

$465,000 to $1,005,000. All increment received from TIF Districts is statutorily restricted to be used for the benefit of the properties within the TIF Districts.

On the expenditure side, changes to major items for FY2025 expenditures are as follows, with comparisons from the prior year budget:

- Operating $76,379,541 (FY 2025 $70,205,758)
- Debt Service $4,969,336 (FY 2025 $4,703,891)
- Capital $43,823,331 (FY 2025 $53,663,793)
- Public Safety Pensions $8,308,394 (FY 2025 $7,800,410)
- Library $7,428,071 (FY 2025 $6,822,202)

Budgeted expenditures for all funds in FY 2026 total $140.91 million, a decrease of $2.29 million (1.6%) from the FY 2025 budget year. Major changes among expenditures and other uses are described below.

- Increase in operating expenditures of $6.17 million (9%)
    - Sworn police and fire personnel are covered by the Police Pension Plan and Firefighters' Pension Plan respectively. Both plans are defined benefit, single-employer, pension plans. The defined benefits and employee and employer contribution levels are governed by Article 3 and Article 4, respectively, of the Illinois Pension Code. Each year an independent actuary calculates employer contributions as prescribed in Illinois Statutes. The City's contribution for fiscal year 2026 increased $322,022 from the prior year to $6,631,660. Police Pension Fund and Firefighters' Pension Fund contributions are budgeted to be $4,012,787 and $2,618,873, respectively.
    - The Group Insurance Fund is used to account for the accumulation of assets that are reserved for purposes of meeting funding for group health insurance. FY 2026 expenses of the Group Insurance Fund include employee (active and retired) contributions toward group insurance. For the upcoming plan year which starts July 1st, the premiums for the City's health and dental plans are estimated to increase by 8%. The overall group health insurance expense increased by $1.1 million. While the City continues to revise the plan benefits, costs and employee contributions, the addition of new authorized full-time positions is the largest driver of the elevated forecasted cost.
    - The FY 2026 budget includes projected merit and contractually obligated increases. Non-union employees' ability to receive a raise is based upon their individual performance. The budgeted amount for wages has increased by $2.14 million due to the projected merit, contractual increases, and additions to staffing levels. The FY 2026 budget includes an increase to full time equivalents of 6.7. Considering the City reduced three contracted Information Technology (IT) personnel, the net increase to staffing is only 3.7 full time equivalents. The new positions include an deputy city clerk, a compliance coordinator for Police, an additional engineering inspector, a maintenance

worker for the Streets Division of Public Works, and converting three Information Technology positions from contracted to in-house. The budget also includes promoting two existing employees and eliminating their existing positions. These promotions include a second assistant to the City Manager and a Public Education Specialist in the Fire Rescue Department. These changes are in addition to the previously authorized increases for three additional police officers and three additional firefighter/paramedics.

  - The Illinois Municipal Retirement Fund (IMRF) is a defined benefit retirement plan that provides retirement, survivor, disability and death benefits to municipal government employees in Illinois. It is governed by Article 7 of the Illinois Pension Code. Employer contributions to the pension plan are calculated by the IMRF and fluctuate based on demographic changes and investment rate of return. The City's contribution rate for calendar year 2025 was 10.94% of covered payroll, and the contribution rate for 2026 is expected to decrease to 10.52%. Overall, the City's budgeted contribution amount increased by $31k. The City expects to use dedicated fund balance reserves to fund any shortfall for IMRF expenditures.

  - Inflationary increases are increasing contractual services City-wide. As contracts end and are re-bid, contractual increases are anticipated and have been budgeted. Examples of include contractual services for capital projects, tree planting and trimming services, landscaping services, wetland management services, street patching services, snow removal services, crossing guard services and NAPA Services. With bringing Information Technology staffing in-house, the City is expecting to save $400k in services from the previous contract, producing annual savings net of the salary changes of about $80k per year. For FY 2025, Contractual Services is budgeted to decrease by $2.1 million across all funds.

  - Similar to services, commodity purchase are also projected to increase. While inflation has slowed and stabilized, cost increases are still anticipated as multi-year contracts end, and new commodity contracts are put out for bid. Examples of commodities include road salt, water treatment supplies, medical supplies and equipment, and motor fuel. For FY 2026, an increase of $441k in Materials & Supplies in budgeted across all operating funds.

- Increase in debt service expenditures of $265k (5.6%)

  - Increase of $265k in debt service: Debt service payments reflected in this budget are for the repayment of series 2012, 2019A, 2022B, 2022C and the first payment of the 2025 series general obligation bonds, as well as a low-interest loan from the IEPA. The City is anticipating issuing Tax Increment Financing (TIF) developer notes in 2026 relating to the Water's Edge project, payable solely from receipts of corresponding TIF increment.

- Decrease of $9.8 million in capital projects and equipment: The capital schedule depicted later in this document reflects capital and equipment replacement of $43.82 million.

- The Library's budget request is set per the appropriations ordinance adopted by the Crystal Lake Public Library Board, incorporated into the City's overall budget.

Capital Expenditures

The FY 2026 City budget reflects total capital expenditures of $43.82 million. This includes City-wide capital projects and equipment. Examples include facilities, infrastructure such as roads and water lines, vehicles, technology and equipment. Infrastructure is the largest category; improving and maintaining the infrastructure is a critical component to core City services.

The increase in capital expenditures can be attributed to the planned purchase of City equipment such as vehicles and to anticipated infrastructure projects such as roadway improvements, Depot Park renovations, pump station #6, water meter replacements, and the reestablishment of Crystal Creek, among others.

One major area of capital focus is the roadways. The City's annual street resurfacing program and other major roadway improvements are funded through transfers from the General Fund, the Motor Fuel Tax Fund and the Road and Vehicle License Fund. The roadway-related improvements total $10.1 million. Many of the projects will span multiple budget years as the work is designed, constructed and completed.

Streets programmed for resurfacing in fiscal 2026 include:

Street	Limits	
	From	To
Briarwood Road	Butternut Drive	North Ave
Briarwood Road	North Avenue	Fair Oaks Ave
Butternut Drive	Briarwood Rd	Heather Dr
Heather Drive	Butternut Drive	Gardina Vista
Mulberry Lane	Heather Dr	Burr Oak Dr
Ivy Lane	Heather Dr	Edgewater Drive
Dolo Rosa Vista	Heather Dr	Edgewater Drive
Floresta Vista	Heather Dr	Edgewater Drive
Gardina Vista	Briarwood Rd	Edgewater Drive
Snowberry Lane	Briarwood Rd	Edgewater Drive
Barberry Drive	Mulberry Ln	Dolo Rosa Vista
Clover Drive	Mulberry Ln	Edgewater Drive
Edgewater Drive	North Avenue	Dead End
Charlotte Avenue	North Avenue	Fair Oaks Ave
Millard Avenue	North Avenue	Fair Oaks Ave
Corrine Avenue	North Avenue	Fair Oaks Ave
Elmwood Avenue	North Avenue	Fair Oaks Ave
Gilbert Avenue	Briarwood Rd	Elmwood Ave
Fair Oaks Avenue	Briarwood Rd	Elmwood Ave
North Shore	North Shore	Sunset

Other roadway improvements budgeted in FY 2026 include:

- Three Oaks Lutter and Sand traffic signal and pedestrian accommodations
- Route 31 Improvements
- Pingree & Grandview Pedestrian Enhancements

All capital expenditures can be found in the Capital Replacement Funds section on page 203 and in the Capital Improvement Plan Highlights section on page 225.

OTHER SOURCES AND USES - CITY WIDE

Other sources and uses represent all others funds utilized outside of revenues and expenditures. These include transfers between funds, capital lease financing and bond and loan proceeds. Change for FY 2026 to other sources and uses are as follows, with comparisons from the prior year budget:

- Bond proceeds $500,000 (FY 2025 $10,500,000)
- Transfers between City funds $31,792,818 (FY 2025 $32,481,479)

Total other uses in the FY 2026 budget are $32.29 million, a decrease of $10.69 million (25%) from the FY 2025 budget. Major changes among other sources and uses are described below.

- Decrease of $9.5 million in anticipated bond and loan proceeds revenue: The City issued $10 million in new general obligation bonds in 2025 in order to fund the City's water meter replacement program. No major issuance is planned for 2026.
- Decrease of $689k in transfers between funds: Transfers are made between funds for debt service, rolling stock, technology and infrastructure. Amounts fluctuate each year based on needs and timing of projects.

The difference between revenues and other sources and expenditures and other uses is the planned use of fund balance to provide for improvements to roads and maintenance of water and sewer infrastructure, as well as fund capital and equipment purchases. The City is projecting to use $3 million in prior year bond issuances to finalize several capital projects.

Fund	Revenues and Other Sources	Expenditures and Other Uses	Net Activity - Planned Use of Fund Balance
City Funds	130,176,695	156,965,026	(26,788,331)
Pension Funds	10,444,158	8,308,394	2,135,764
Library Funds	6,171,071	7,428,071	(1,257,000)
Total	146,791,924	172,701,491	(25,909,567)

Per City policy, any surpluses above the fund balance policy of the General Fund are to be transferred to the capital funds, to be drawn down as needed in future years. This policy has

ensured that while the planned use of fund balance may be higher in some years than others, the resulting ending fund balances are all within their respective appropriate ranges.

GENERAL FUND SUMMARY

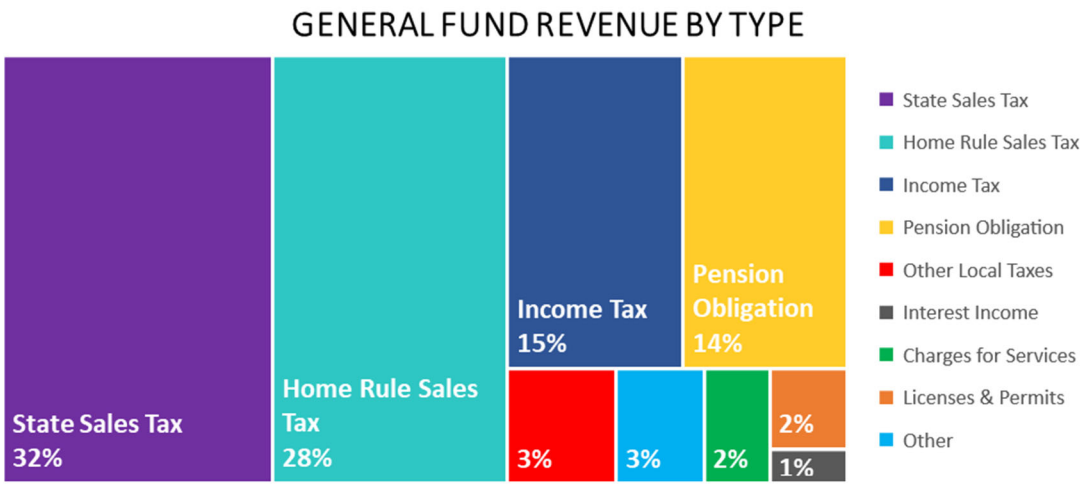
The General Fund is the main operational fund of the City. Major service areas include activities of the Police Department, Community Development, Public Works Streets, Facilities and Fleet, as well as Administration. Administration encompasses not only the activities of the City Council, but also the City Manager's Office, Human Resources, Finance and Information Technology. The primary funding of these services are Municipal Sales Tax, Home Rule Sales Tax and other alternate revenue sources. Accounting for the Three Oaks Recreation Area is also included in the General Fund.

General Fund Revenues

With the continuation of no corporate property tax, the General Fund's two largest revenue sources are the Sales Tax and the Home Rule Sales Tax. Sales Tax ($14.96M), Home Rule Sales Tax ($13.00M), Income Tax ($7.9M), and Telecommunication Tax ($0.52M) comprise the majority of the revenue sources for the General Fund, 76% of the total revenues. Combined, the Sales Tax and the Home Rule Sales Tax account for 60% of General Fund revenues. These revenue sources, unlike Property Tax, are unpredictable and greatly influenced by the economy.

Intergovernmental revenues make-up the largest share of General Fund revenues. This category not only includes Sales and Income Taxes, but also grant proceeds. Sales tax makes up the largest portion at intergovernmental revenue at 67% of the category. Starting with 2026, the Sales Tax estimate has been decreased to remove the proceeds from grocery taxes. The replacement grocery taxes will be deposited into the Capital Replacement Fund. The next largest category is local taxes, which includes the Telecommunications Tax and Home Rule Sales Tax, as well as Cable Franchise Fees. Home Rule Sales Tax accounts for 89% of local taxes.

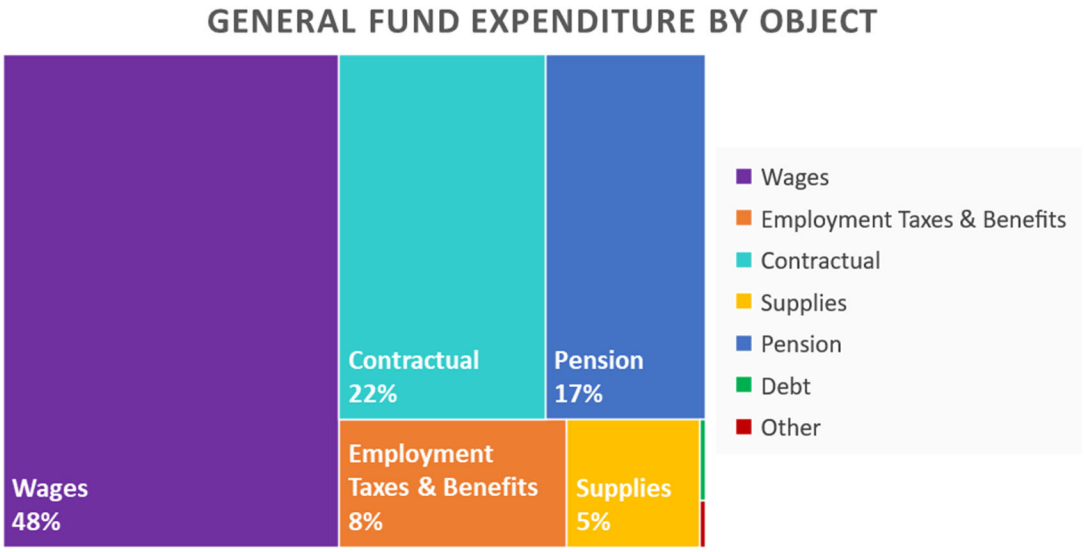
The annual levy for the Police and Firefighters' Pension Funds is also included as a pass-through from the General Fund; the City does not retain these funds. Excluding the pass-through levy for public safety pensions, FY 2026 General Fund revenues are down 2.4% or $0.99 million, as compared to those of the prior year budget due primarily to the reallocation of grocery taxes. Receipts of Telecommunications Taxes and more recently, receipts of Cable Franchise Fees, continue to decline as consumers opt for new technologies.



Additional details on revenue trends and forecasting are available in the Summary of All Funds section of this document.

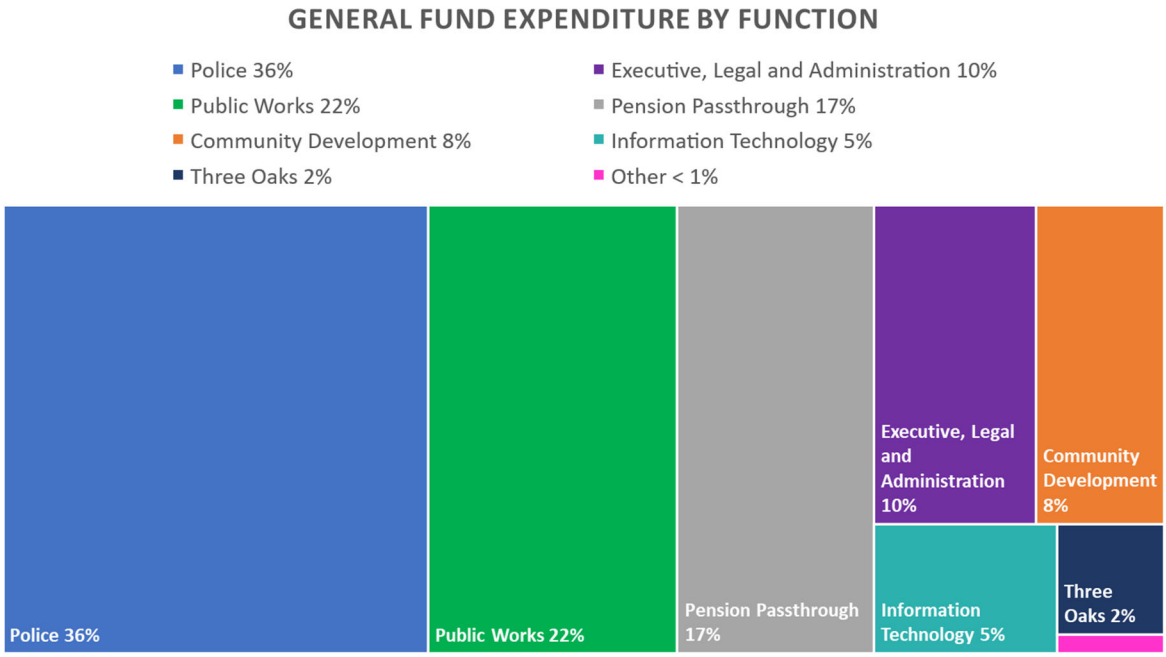
General Fund Expenditures

One way to evaluate expenditures of the General Fund is to review spending by "object", or type of spending. Being a service-oriented organization, the majority of spending in the General Fund is personnel services. The City continually explores the balance between providing services with in-house staff and through contracted services. The General Fund also procures supplies for performing services and has a small component of debt service obligations.



Another way to view expenditures is by "function", also referred to as by department. For the General Fund, the largest component of expenditures is the Police Department with 36% of the operating expenditures. Certain areas of the Public Works Department, such as Streets and Facilities, represent the next biggest portion at 22%. The General Fund also includes a pass-through

of public safety pensions (Police and Firefighters' Pension Funds). Administration encompasses legal services, the City Manager's Office, Finance and Human Resources and adjudication. Community Development manages permitting, planning, economic development and other functions. Fire Rescue expenditures are tracked separately in the Fire Rescue Fund.



General Fund Other Financing Sources & Uses

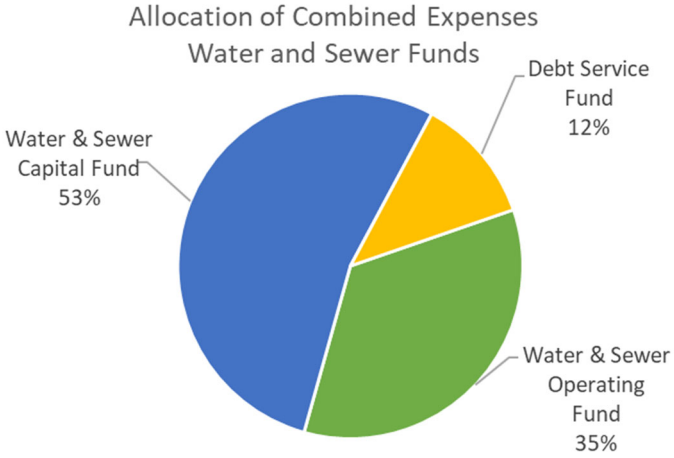
Certain items that flow either in to or out from the General Fund are not classified as revenues or expenditures, respectively. Transfers between funds of the City are recorded as an other financing source for the fund on the receiving side of the transfer, and as an other financing use for the fund sending the transfer. Several other financing uses, transfers out, are expected. The largest anticipated transfer is to the Capital Replacement Fund, which is used to account for acquisition and replacement of capital for multiple City funds, such as the General Fund, the Road/Vehicle License Fund and the Motor Fuel Tax Fund. A schedule of interfund transfers is available in the Summary of All Funds section of this document.

WATER AND SEWER SUMMARY

The Water and Sewer Fund is a self-supporting utility. The City is charged with the responsibility of collecting, treating, pumping and distributing potable water and providing related water service to residents of Crystal Lake. The City is also responsible for the network of sewers conveying sanitary sewage to the treatment facility for treatment and disposal.

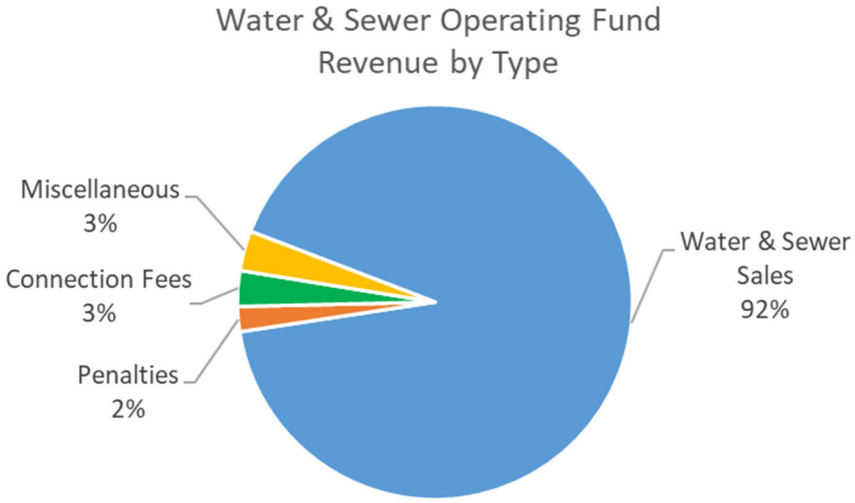
Activities of this function are tracked in three primary funds specific to water and sewer service: Operating, Debt Service and Capital Replacement. The combined budget for fiscal year 2026 is

$32.28 million in expenses, with $17.27 of the total allocated to infrastructure and other necessary capital items. Operational expenses are budgeted at $11.17 million. Debt service expenses are budgeted at $3.84 million for 2026.



The City is continually monitoring the state of the water and sewer system to ensure continuity of high quality water and sewer services to the community. The City's water and sewer rates continue to rank below average of nearby communities.

The majority of revenue is derived from the delivery of water and acceptance of sewage, with other sources supplementing the fund such as system connection fees and penalties.



The water and sewer rate structure not only supports continued operations of the water, sewer, and wastewater services of the City, but also infrastructure improvements necessary for maintaining the integrity of the systems. The bulk of water, sewer and wastewater projects are funded through user fees in addition to State Revolving Fund (SRF) programs, administered by the Illinois Environmental Protection Agency (IEPA).

The Water and Sewer Fund anticipates cost increases attributable to rising commodity prices and utility charges as well as wage increases due to contractual obligations and merit increases for non-represented personnel. Operating expenses in the Water & Sewer Fund for FY 2026 have increased $464k or 4%.

Expenses budgeted in the Water and Sewer Capital Replacement Fund are down $9.85 million from the prior year budget. Several large projects are expected to be completed in the current fiscal year, such as the Three Oaks Water Level Adjustment project, or substantially complete such as the Water Meter Replacement Project. Notable projects for 2026 include the re-establishment of Crystal Creek, water meter replacement program and improvements to Pump Station #6 on Keith Avenue.

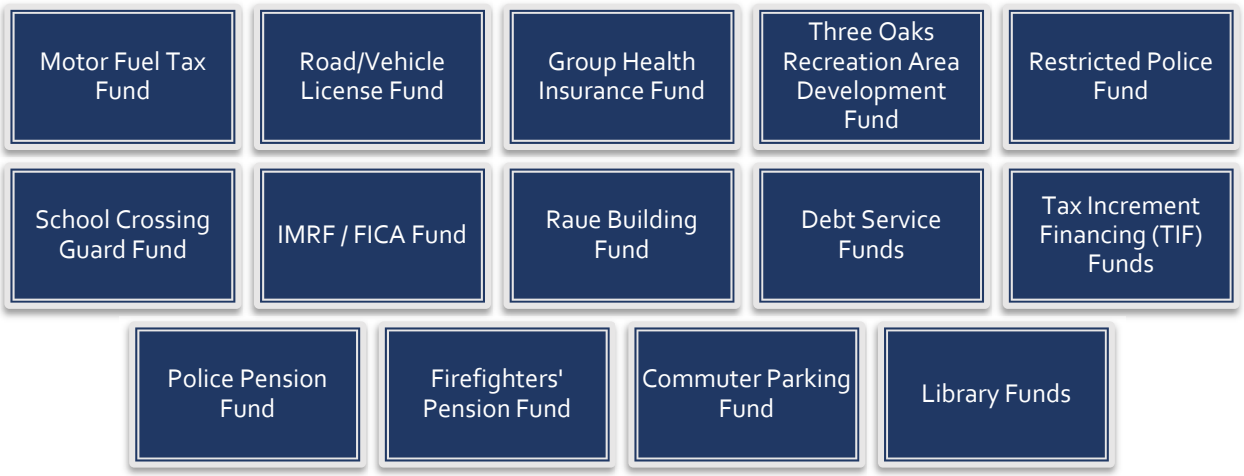
FIRE RESCUE FUND SUMMARY

The Fire Rescue Department operates out of three stations and is charged with providing services not only to the City, but to the Crystal Lake Rural Fire Protection District and the Village of Lakewood through negotiated contracts. City Property Tax ($7.72 million), service fees from the Crystal Lake Rural Fire Protection District and the Village of Lakewood ($3.07 million) and ambulance fees ($3.4 million) comprise the majority (94%) of the revenue sources for the Fire Rescue Fund. Budgeted revenues as compared to those of the prior year budget are up $1.07 million (8%), mainly due to the increased revenues from ambulance transports. Ambulance fees were amended in 2024 to match the State of Illinois' Ground Emergency Medical Transportation (GEMT) rate; the GEMT rate is calculated based on each agency's unique costs to providing solely ambulance services. With this change, the City ceased balance billing residents for any amounts unpaid by insurance. The City's agreement with the Rural Fire Protection District will expire in 2026, but is expected to be renewed. The Village of Lakewood contract was renewed in 2025 through 2030.

Operating expenses for fiscal year 2026 are up $1.15 million (9%), as compared to those of the prior year budget due primarily to the phasing in of additional firefighter/paramedic positions. The budget includes contractually obligated increases along with merit increases for non-represented employees.

OTHER FUNDS SUMMARY

The remainder of expenditures and other uses for the City is comprised of 26 active funds that account for 14% of total expenditures and other uses. These funds include:



Motor Fuel Tax Fund

The Motor Fuel Tax Fund is used to account for the maintenance and improvement of various streets in the City. Financing is provided from the City's share of Motor Fuel Tax allotments. State Statute requires these allotments to be used to maintain streets. Salt and other de-icing materials for the City's snowplowing operations are budgeted in the Motor Fuel Tax Fund.

Fiscal year transfer of $2.96 million to the Capital Replacement Fund (Other Financing Uses) will provide for several capital projects such intersection improvements to Three Oaks Road, at Lutter Drive and Sands Road, Route 176 and Oak Street improvements, and roadway resurfacing.

Road/Vehicle License Fund

The Road/Vehicle License Fund accounts for revenues received from County road and bridge taxes. Until Fiscal Year 2024B, this fund also accounted for the revenues and corresponding expenditures of the City vehicle license (sticker) fees; the vehicle license fees were eliminated starting July 2024. To replace the lost revenue from the stickers, the City now transfers a portion of the Home Rule Sales Tax from the General Fund to the Capital Replacement Fund to be used for street maintenance. Fiscal year transfers to the Capital Replacement Fund (Other Financing Uses) will provide for the City's annual City-wide road resurfacing program, annual pavement marking program, sidewalk repairs and curb replacement, and traffic safety improvements.

Debt Service Funds

Debt service funds are used to account for the payment of principal and interest of bonds issued to finance the construction of the Three Oaks Recreation Area. Repayment of the bonds is being funded from available property tax increment in the Vulcan Lakes TIF Fund and from Home Rule Sales Tax.

TIF Funds

In order to provide proper accounting procedures and to comply with State Statute, various Tax Increment Financing (TIF) District funds were established. Included in TIF funds are the Main Street TIF, Virginia Street TIF, the Vulcan Lakes TIF and the Waters Edge TIF. Initial funding for the Virginia Street project was provided using Home Rule Sales Tax. In accordance with City Resolution 2008R-88, tax increment will be used to reimburse the General Fund for the Home Rule Sales Tax used for the Virginia Street project. Tax increment generated by the Vulcan Lakes TIF will be used to retire bonds issued for constructing the Three Oaks Recreation Area. The Waters Edge TIF was created to assist in the redevelopment of the Crystal Court Shopping Center area.

Restricted Police Fund

The Restricted Police Fund consists of revenues collected by the Police Department for specific infractions such as DUI, drug forfeitures and vehicle impoundments. The restricted accounts are governed by State or Federal statutes. These funds are limited in their potential uses and must be used for purposes directly related to DUI and drug related enforcement and prevention.

Three Oaks Recreation Area Development Fund

The Three Oaks Recreation Area Development Fund was funded initially from developer donations in lieu of land for park and recreational purposes. Donations are restricted to the acquisition and development of park and recreation land that serve the needs of residents of the development for which donations were made. Improvements to aid in water level control at Three Oaks Recreation Area will draw down the majority of funds accumulated in the fund at this point.

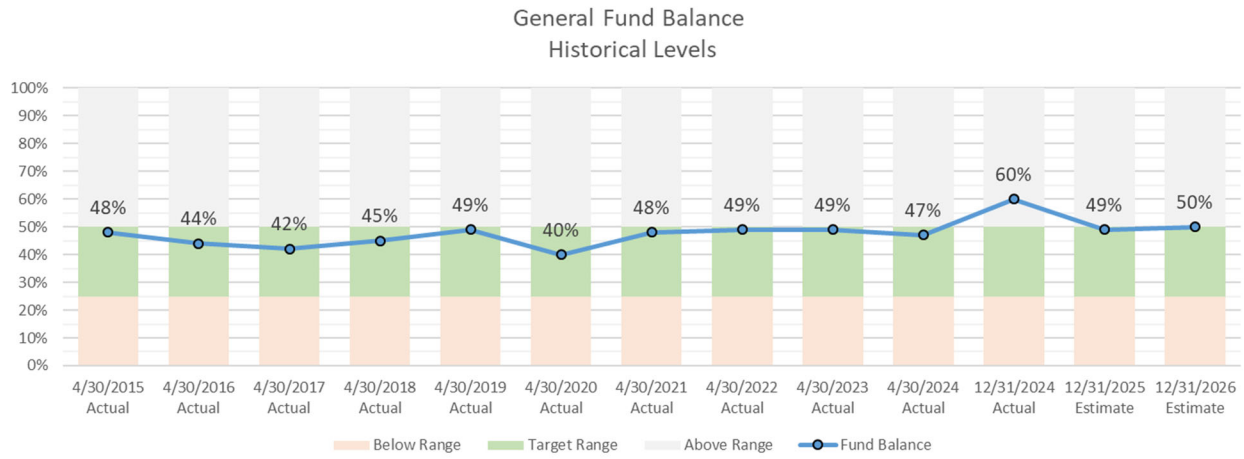
Commuter Parking Fund

The Commuter Parking Fund is used to account for revenues and expenditures associated with the operation and maintenance of the City's commuter parking areas.

FUND RESERVES

A fund reserve is an unrestricted fund balance set aside to stabilize a municipality's finances to mitigate risk that can occur from unforeseen revenue fluctuations, unanticipated expenditures that may result from emergency situations, provide cash flow liquidity for general operations, and maintain investment grade bond ratings and good credit standing.

While credit agencies have always analyzed fund balance with evaluation of credit-worthiness, increased attention has been focused on determining sufficient levels. The City's Financial Policies indicate that the City shall strive to maintain a minimum unassigned fund balance in the General Fund of between 25% and 50% of operating expenditures.



As the chart above shows, the City has maintained the General Fund balance solidly in the target range throughout the last ten years. The fund balance decrease observed in FY 2019/20 was the result of a temporary drop in revenue due to the COVID-19 pandemic and the related shutdowns. The spike in 2024B (December 2024) was due to a shortened eight month year of expenditures.

It is anticipated that at the end of Fiscal Year 2025 the unassigned fund balance will be about 49% after accounting for funds that will be used in the current year. Based on the proposed Annual Budget for fiscal year end December 31, 2025, the unassigned fund balance is projected to be about 50% of current year expenditures and 48% of the subsequent year projected expenditures. This is solidly within the policy range.

Funds that have been restricted or assigned include amounts that are held in reserve by the City's liability insurance carrier (IRMA). The fiscal year 2026 budget continues the use of fund reserves to pay for capital related items.

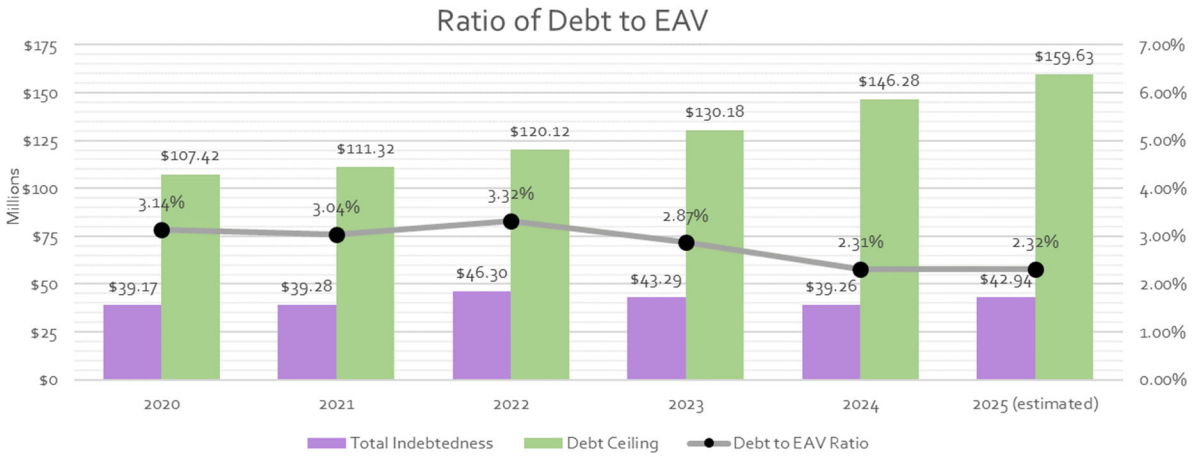
FINANCIAL POLICIES

Financial policies are the primary element to sound money management. They are a strongly recommended part of local government financial management. Financial policies are guiding principles for operational and strategic decision making related to financial management. Financial policies codify the methods of selection for improving the financial health of the City.

Debt Administration

Under Illinois Compiled Statutes, indebtedness is limited to 8.625% on the value of taxable property in non-home rule communities. While the City is not subject to these limitations, the City has

imposed the non-home rule limit upon itself through approval by the City Council. The City's ratio of general obligation debt and loans to the value of taxable property in the City, as determined using the City's 2025 equalized assessed valuation is estimated at 2.64%. Years below relate to the property tax levy year, which provides receipts in the year following.



The City issued $10 million in general obligation bonds in FY 2025. These bond funds will be used to fund the City's community wide water meter replacement program.

While the City has some outstanding leases for vehicles, the City is transitioning back to purchasing City vehicles when possible rather than exclusively leasing vehicles. This will provide interest and administrative cost savings that can be put to use funding additional vehicles.

Budgetary Control Basis

The annual City Budget is prepared on the current financial resources measurement focus for all funds, using the modified accrual basis of accounting, whereas the City's basis for accounting for the Annual Comprehensive Financial Report is on an accrual and modified accrual basis. All annual appropriations lapse at the end of the fiscal year to the extent they have not been expended or lawfully encumbered. Expenditures may not exceed appropriations at the fund level.

SPENDING CONTROL MEASURES

Spending control measures that the City has incorporated into this budget in order to maintain current service levels include:

- Taking advantage of cooperative purchasing
- Seeking competitive bids
- Evaluate vacated positions and fill if necessary for City operations
- Seeking grant funding to offset program and project costs.

Intergovernmental Cooperation

State law authorizes public agencies to contract with other public agencies via intergovernmental agreements that enable cooperation among the agencies to perform governmental activities and deliver public services. Local governments engage in a wide array of cooperative efforts with each other, state agencies, and other governmental entities.

Intergovernmental cooperation takes many forms, including mutual aid agreements for police and fire services, intergovernmental service contracting, joint purchasing agreements, coordinated growth management planning, and regional provision of emergency services. One of the advantages of these types of arrangements is that they provide economies of scale and allow entities to do more with less.

The City has been a leader for years in intergovernmental cooperation. Some examples include:

Southeast Emergency Communications (SEECOM): The City was a founding member of SEECOM which is a regional public safety dispatch center that currently serves 16 municipal agencies.

Liability Insurance Pool: The City is a participant in the Intergovernmental Risk Management Agency (IRMA), which allows municipal groups to band together to reduce liability insurance costs. Seventy-two (72) municipal entities are members of IRMA.

Contracted Fire Rescue Services: Through a fee agreement, the City provides fire rescue services to the Village of Lakewood and the Crystal Lake Rural Fire Protection District.

McHenry County Municipal Partnership Initiative (McMPI): Crystal Lake is an active participant in the McMPI. It is a collaborative program where local governments in McHenry County work together on joint purchasing bids and other issues of general concern to public works agencies.

Insurance

Through concerted efforts and enhancements in the City's risk management program, the City is able to take advantage of very favorable insurance costs. As a result of the City's claims history, the City's liability insurance budget did not need to be increased in FY 2026 from the previous year.

In an effort to better control health care costs, the City joined the Intergovernmental Personnel Benefit Cooperative (IPBC) in 2011. The purpose of the IPBC is to provide economies of scale and risk pooling that will allow members more financial stability than offered by the commercial insurance market. As of July 2025, IPBC has over 170 members. As the City's plan year for health insurance runs July through June with IPBC, the City has actual premium rates for the first half of 2026; the second half premium rates have been estimated to increase by 8%. Final rates will be available early 2026. Each year, the City evaluates its plan design, and incentivizes employees by offering lower employee contribution rates to select lower cost health plans. For 2026, two PPO plans have been consolidated

into a single PPO plan, estimating to save the City money each year going forward without compromising level of benefits for employees.

Organizational Structure

The City continually evaluates its organizational structure to ensure the most efficient, cost-effective model of service delivery. In October 2025, the City started the process to modify its Information Technology Department by bringing the services in-house by hiring three additional full-time IT staff and ending its use of contracted IT employees. Since 2014, the City's IT Department consisted of one full-time IT Director and three contracted employees. However, due to instability and turnover of contracted staff, recent hiring challenges, and the need for long-term succession planning, City staff has reevaluated the contracted IT model. The City relies on technology for daily operations and critical infrastructure. Hiring full-time IT staff will likely reduce turnover, achieve cost savings and ensure that the City's critical IT infrastructure is protected and maintained to the highest professional standards.

Vehicle Purchasing

In 2018, the City entered into an agreement to lease the majority of its vehicles. The vehicle leasing program was originally developed as a financing mechanism to rotate vehicles in and out of the City's fleet on a set schedule in order to keep the quality of the fleet high and its maintenance costs low. Ambulances and fire engines were not part of the City's leasing program. While the leasing program remains an option, the City is transitioning back to purchasing its new vehicles outright rather than exclusively leasing vehicles. By purchasing vehicles as opposed to leasing, the City would retain the flexibility of when to replace these vehicles in its fleet as well as achieve significant cost savings over the life of each vehicle through the elimination of interest payments and management fees. The City will continue to evaluate each new vehicle acquisition to determine the most advantageous financing mechanism.

LONG-TERM FINANCIAL AND CAPITAL PLANNING

The Twenty-Year Financial Forecast and the Capital Improvement Plan (CIP) are guiding documents used to ensure that the City continues to provide high quality public services.

The City's Five-Year Financial Forecast includes a 5-year projection of revenues and expenditures based on historical trends of current policies and services and expenditure projections that include capital replacement. The Five-Year Financial Plan can be found on page 253.

Additionally, each year, the City's capital projects are detailed and prioritized in the City's CIP. As part of the budget process (see page 300), the City's department heads assess capital needs and propose a 20-year capital projects list which includes project details and costs estimates. This project list is then vetted and prioritized during budget meetings with the City Manager and Finance

Director prior to its inclusion in the CIP document. Each year, the CIP is reassessed and reprioritized to stay current.

Where possible, the City will seek out grant funding opportunities which often come from Federal or state agencies. Many of the grants the City receives are used to purchase equipment or offset the costs of capital projects.

For more information on the CIP and the City's capital expenditures, please see the Capital Plan Highlights on page 225.

CHALLENGES

Even with a balanced budget, many potential challenges lie ahead. Some of these challenges could include:

Equipment Delivery Delays

While global supply chain disruptions have been alleviated, the City is still experiencing significant delays in the construction and delivery of major pieces of equipment. Manufacturers of fire apparatus equipment are behind in production with long waiting lists for vehicle orders and inflating prices. In 2024, the City ordered two fire engines that had an anticipated delivery of 45 to 48 months.

Increasing Costs

The past few years have seen inflationary pressures within the economy drive the cost of the goods and services higher. While the inflationary rate has declined and stabilized, the higher prices remain. The City has seen significant cost increases in many areas of its operation. The costs of utilities have risen significantly, as well as that of many of the commodities needed to support City operations.

Health care costs continue to rise as well. While the City participates in the IPBC cooperative to keeps costs low, industry factors such as the growing popularity of GLP-1 drugs have led to increased health insurance premiums and are expected to continue to rise at rates above normal inflation for the coming year(s).

State Budget

The State of Illinois continues to have budgetary struggles. For the past few years, several bills have been introduced and approved that have either relied upon diverting the local government share of state collected revenues or eliminated state-controlled revenues for municipalities instead of addressing other factors. The structural financial imbalances that existed prior to the approval of the most recent State Budget have not been addressed. Since the pressures of these imbalances will continue into the next budget, it is likely that additional local government diversions may be proposed in future years. Pressures from Federal funding reductions may exacerbate the State's

budgetary issues. At the moment, the City is not expecting any revenue reductions from the State in the upcoming budget year.

Increased Pension Costs

All full-time employees are required by statute to participate in State-mandated pension plans. Both the employer and employee contributions are dictated by State law. Pension contributions from the City to both the Police Pension Fund and the Firefighters' Pension Fund have escalated due to changes in actuarial assumptions; they are a significant portion of the annual operating budget. The City will continue to work with our legislators to help develop sustainable pension reform.

Service Requirements of the Community

Many of the major revenue sources of the City, such as Income Tax and Sales Tax, depend on a healthy economy. As economic downturns do not have a corresponding reduction in demand for City services, it is the fiduciary duty of the City to ensure the needs of the community are met regardless of the economy.

Weather can also play a large role in spending levels. Cool, wet summers typically see less water consumption, decreasing expenses necessary to maintain the system. A harsh, cold winter increases costs for providing snow and ice control. Freeze-thaw cycles tend to produce water main breaks. Water lines freeze during the winter months and must be de-thawed. Despite these factors, the need for maintenance of our municipal infrastructure, including streets and water and sewer systems, remains constant to avoid costly failures in the future.

Aging Facilities

The City maintains numerous facilities including City Hall, three fire stations, two wastewater treatment plants, several well houses and the park amenities located at the Three Oaks Recreation Area. These facilities require constant maintenance to sustain the standards of appearance and functionality Crystal Lake residents have come to expect. As these facilities continue to age, costs for both maintenance and replacement will continue to increase.

Costs of Unfunded State and Federal Mandates

In addition to decreases in revenue and increases in service demands, local governments must adhere to numerous State and federal requirements that are not necessarily accompanied by funds from the State or the federal government. Examples include mandates by Illinois Environmental Protection Agency and the U.S. Environmental Protection Agency related to water and sewage issues, provisions in the Prevailing Wage Act, and other state mandates. One mandate of particular interest for the coming years will the replacement of lead service lines throughout the community. Recent information from the Federal Government is that the timeline for replacing all lead service lines in the community has escalated, shrinking the time requirement to ten (10) years from 2027 instead of the State's former requirement of seventeen (17) years.

The City must also plan for new regulations regarding phosphorous. The United States Environmental Protection Agency (USEPA) and all of the state EPA's have imposed stricter regulations across the country to reduce the concentration of phosphorus in surface waters. This includes regulations on treated wastewater to improve water quality. Future upgrades to the wastewater facilities will be required to remove phosphorous from the wastewater. Additionally, the State of Illinois has also recently banned PFAS chemicals in firefighter protective gear. This will lead to higher replacement costs for turnout gear.

OPPORTUNITIES

Despite the challenges there is room for optimism.

Attractive Place to Live and Work

Crystal Lake continues to be an attractive place to live and conduct business. Crystal Lake is comprised of 2,079 local businesses, providing a workforce of 23,360 employees. In 2024 the City filled 293,305 square feet of new commercial space.

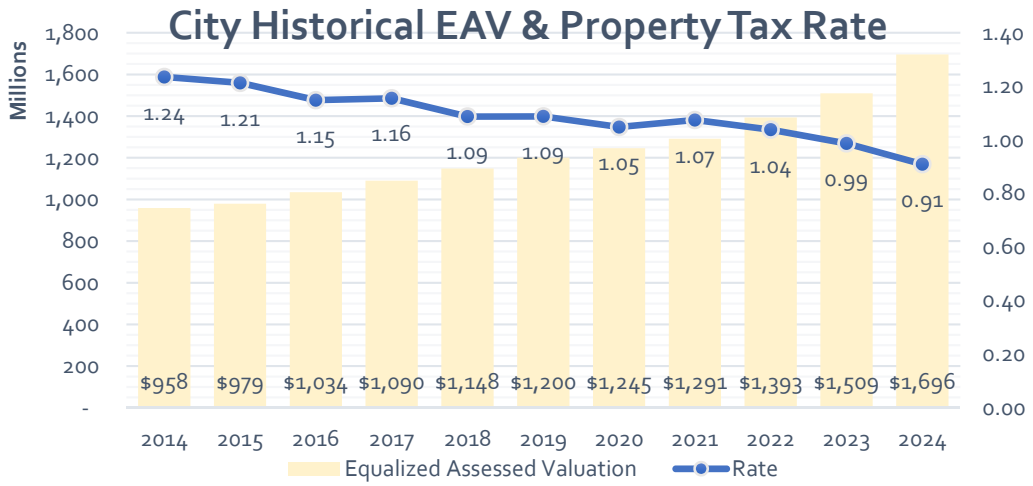
New construction in the residential and commercial sectors continues to add value to the City. Of particular note, Lennar, the nation's largest homebuilder, completed construction of a 500-unit residential development, Woodlore Estates, on the northeast section of Crystal Lake. The Springs at Three Oaks, a 280 unit luxury apartment complex, was completed in 2022. Enclave, a 99 unit luxury rental project was completed in 2024 and Redwood, a 304 rental ranch townhome community is underway. More housing is currently underway including Woodlore Townes I and II bringing 102 new townhomes, while Clover offers 121 age-restricted independent living apartments for those looking to enjoy an active, maintenance-free lifestyle. At Water's Edge, 240 apartments and 20 luxury townhomes were recently completed offering a walkable setting surrounded by retail, dining, and lakeside views. Nearby, Lennar's Waterside community is beginning to take shape with 107 new for-sale townhomes. Pathway Court adds 220 apartments, and looking ahead to 2026, Pulte's Lakeland Farm Subdivision will introduce 178 single-family homes.

Route 14 serves as a retail corridor for the City of Crystal Lake, with a variety of tenants occupying space in several shopping centers. The Route 14 corridor provides a variety of large national tenants as well as dining options ranging from fine dining to fast casual. Over the past year, the City welcomed new businesses like Lake Roots, Poke West, Black Market Bakery, Florio's Italian, Cilantro Taco Grill, Daiso, Michaels, and Starbucks along with M'Lady Nissan's expansion and soon, even more to come with CAVA, First Watch, America's Best, BBQ King Smokehouse, Menchie's, VASA Fitness, Distorted Sandwiches and Soda and 7 Brew on the horizon.

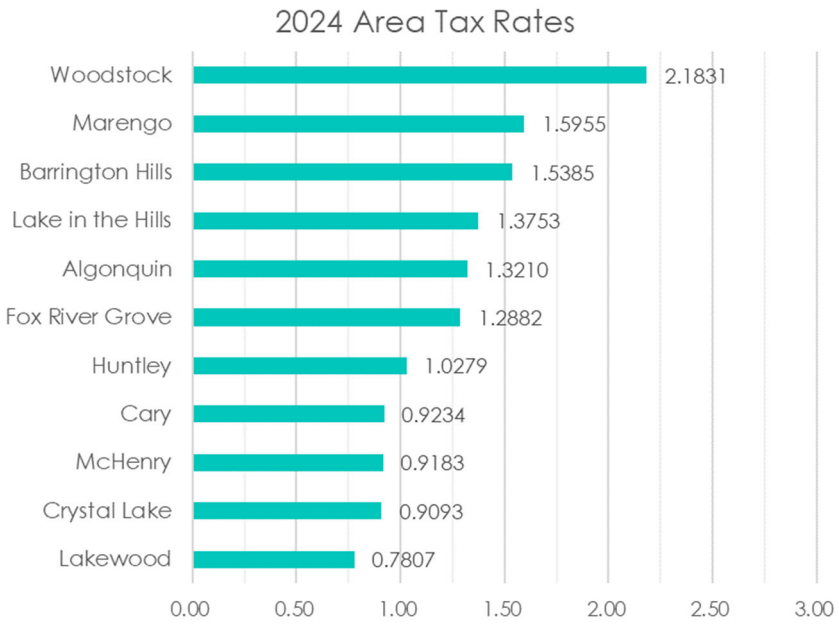
Low Property Tax

The FY 2026 budget continues the funding of General Fund services without the use of a General Fund Property Tax. The levy is designated for funding pension obligations, fire rescue operations, and supporting the Library's operations.

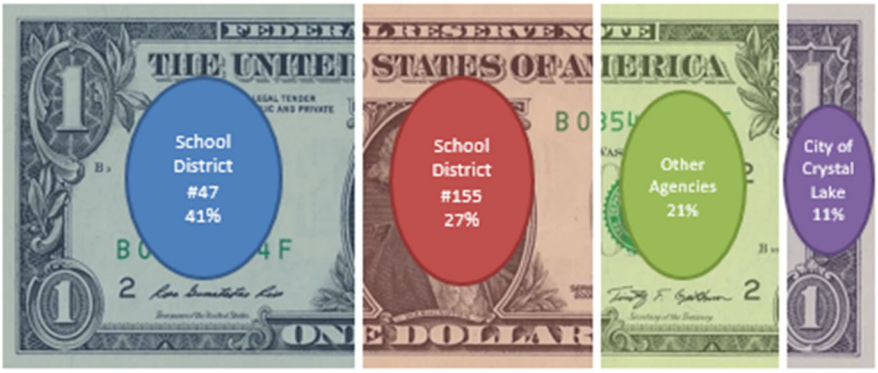
The City property tax levy for 2026 is proposed to increase by $447k. However, with estimated growth to the tax base within the City, the resulting tax rate for the City is expected to decrease again with the 2025 Levy, minimizing the impact to property owners. In fact, the City's rate is the lowest it has been in the past eleven years, as evidenced in the chart below.



Because of a culture of spending control throughout the organization, when comparing surrounding communities that provide like services, Crystal Lake's portion of a property owner's tax bill is among the lowest. While each community has variations to their tax levy lines, the following graphic illustrates the comparable rates from the 2024 property tax levies. The calculations include fire districts (where appropriate) and excludes library and park district levies.



Since 1997, the City has not levied a property tax for the General Fund. As a result, only approximately 11% of the property tax bill as of the 2024 levy is attributable to municipal services provided by the City of Crystal Lake. The City has successfully mitigated tax levy increases over the past several years through spending controls and by utilizing reserves.



Financial Stewardship

As evidenced by Standard and Poor's affirmation of the City's AAA bond rating, the City takes its role as financial steward very seriously. The Government Finance Officers Association (GFOA) has additionally recognized the City of Crystal Lake's budget document with the Distinguished Budget Presentation Award for the FY 2026 Budget. This award is the highest form of recognition in governmental budgeting. The City also received the Certificate of Achievement for Excellence in Financial Reporting from GFOA; this is the thirty-sixth year in a row the City has received this award. As the City also received the Popular Annual Financial Report Award from GFOA, the City now has the distinction of being designated as Triple Crown Award Winner. It is expected that the City will be recognized for its accomplishments in budgeting and financial reporting again next year.

ACKNOWLEDGEMENTS

Our organizational culture is one in which each of the strategic commitments is not categorized by department, but rather requires contributions from all levels of the organization, departments, and elected and volunteer commissions. The City of Crystal Lake team, working as one, collectively impacts each strategic commitment. The City of Crystal Lake is in sound financial condition for FY 2026 as evidenced by our continued strong general purpose bond rating, as well as our adherence to external and internal financial policies. We believe the 2026 Annual Budget balances the needs of the City in a fiscally responsible manner.

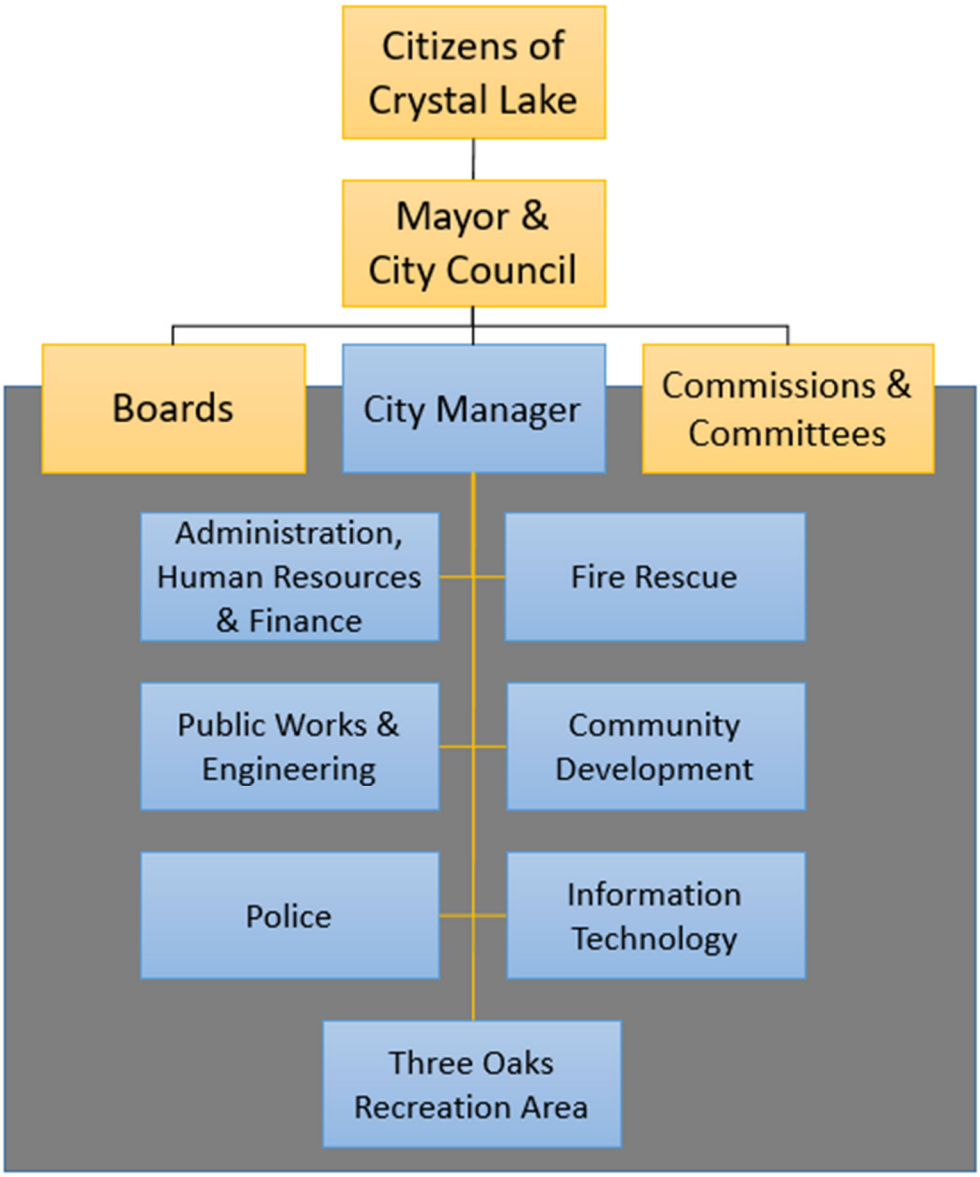
This budget is the culmination of a major effort by numerous members of the City Staff whose input has been gathered to develop policy and spending priorities. We would like to especially thank the Department Directors, Assistant Finance Director Adam Orton, and Deputy City Manager Nicholas Hammonds for their help in preparing this document. On behalf of the Management Team, we are pleased to present the Fiscal Year 2026 City Budget.

Respectively submitted,

Eric Helm
City Manager

Jodie Hartman
Director of Finance/Treasurer

CITY OF CRYSTAL LAKE ORGANIZATIONAL STRUCTURE



GUIDING PRINCIPLES

The Fiscal Year 2026 budget was prepared based upon five primary guiding principles that over the years have made the City of Crystal Lake financially strong and capable of addressing multiple needs of its citizens. The principles are, for the most part, timeless, and will be part of the City's direction for the coming years, if not forever. However, the means in which we meet or work towards these principles may change from year to year. These guiding principles used in the development and analysis of this budget include:

Customer Service - Enhance customer service and citizen satisfaction.

- Implement mechanisms to promote effective internal and external communication.
- Provide training opportunities to employees that promote develop customer service skills.
- Provide efficient and effective service to residents by continuing to evaluate operations.

Economic Development – Continue to promote and foster economic development.

- Participate in community revitalization and create employment opportunities through business retention, attraction and diversification.
- Allocate necessary resources to continue development of the City's economy, focusing on the Route 14 and the Route 31 corridors.

Fiscal Management – Responsibly manage public funds and develop financial plans to balance resources with the community's priorities and vision.

- Explore grants and additional economic development opportunities.
- Explore dedicated revenue sources from which to fund capital projects.
- Evaluate projects and processes, seeking opportunities for cost savings.

Infrastructure – Evaluate, plan and implement important capital projects aimed at maintaining the City's infrastructure and upholding a high quality of life for residents.

- Provide adequate infrastructure throughout the City in order to ensure safe roadways and reliable water and sewer systems.
- Continue to develop and refine the City's transportation network in order to provide accessibility and mobility via the City's rail, trail and roadway systems.
- Strengthen partnerships to encourage enhanced recreation and cultural opportunities in the community.

Public Safety – Continue to allocate necessary resources for the maintenance of the public's health, safety and welfare.

- Provide for prompt, efficient and dependable emergency response.
- Emphasize public safety, emergency planning and homeland security.

PERFORMANCE METRICS

The City of Crystal Lake's Strategic Plan lays out the vision for the community. It consists of three Strategic Commitments that guide the City as it develops plans for the future:

1. Development - Reinvestment in the Community
2. Enhancing Community Life Through Service Maintenance and Development
3. Managing Infrastructure/Finances

For more information on the Strategic Plan, please see Appendix C.

Within the framework established by the Strategic Plan, each department develops goals and objectives for the upcoming fiscal year. In order to monitor their progress towards these goals and objectives throughout the year, the departments utilize performance metrics to track their progress. These performance metrics are measureable outcomes of a department's activity and can be either quantitative or qualitative in nature.

Strategic Commitment #1: Development - Reinvestment in the Community

ECONOMIC DEVELOPMENT:	Continue to promote and foster economic development							
Objective	Department	Goals	Metric	2023/24 Actual	2024B Actual	2025 Goal	2025 Estimate	2026 Goal
Participate in community revitalization through business retention, attraction and diversification. Allocate necessary resources to continue development of the City's economy.	Community Development	Distribute regular real estate opportunity email blasts and targeted recruitment efforts	Number of outreach pieces	225	192	150 or more	200	150 or more
	Community Development	Maintain positive relationships with qualified developers to construct high quality development in the City.	Customer satisfaction survey results	100%	100%	90% or more	100%	90% or more
	Community Development	Proactively grant business awards as possible.	Number of grants awarded	4	0	3 or more	5	3 or more
	Community Development	Conduct business retention visits each year to engage current business owners and solicit feedback on community concerns.	Number of visits	154	85	100 or more	120	100 or more
	Community Development	Participate in economic development outreach meetings and events.	Number of meetings or events	176	78	130 or more	150	130 or more

Strategic Commitment #2: Enhancing Community Life through Service Maintenance and Development

CUSTOMER SERVICE:	Enhance customer service and citizen satisfaction							
Objective	Department	Goals	Metric	2023/24 Actual	2024B Actual	2025 Goal	2025 Estimate	2026 Goal
Provide efficient and effective service to residents by continuing to evaluate operations	Community Development	Provide excellent customer service, evidenced by maintaining at least a 90% satisfactory rating on customer satisfaction	Rating on Survey	100%	100%	90% or more	90% or more	90% or more
	Three Oaks Recreation Area	Provide excellent customer service at Three Oaks Recreation Area, evaluating satisfaction through the customer survey.	Rating on Survey	94%	87%	90% or Higher	94%	90% or Higher
	Community Development	Complete initial investigation of property maintenance violations within 48 hours of receipt.	% Complete within 48 Hours	100%	100%	90% or more	90% or more	90% or more
	Finance	Perform timely service to all customer service requests assigned to Finance staff, responding within one business day when possible.	% Complete within 24 Hours	94%	99%	100%	97%	100%
Implement mechanisms to promote effective internal and external communication	City Manager's Office	Respond to all FOIA requests within the minimum required 5 days, if not sooner.	Average Days	4.1	2.96	< 5.0	4.23	< 5.0
	Information Technology	Close internal service request tickets within 24 business hours of receipt.	% Complete within 24 Hours	86%	85%	85% or higher	87%	90%
	Information Technology	Provide cyber security training to 100% of network users at least quarterly.	% Complete	100%	100%	100%	100%	100%
	Information Technology	Maintain network uptime to 100% during normal City Hall operating hours.	% Uptime	100%	99%	100%	99%	100%

PUBLIC SAFETY:	Continue to allocate necessary resources for the maintenance of the public's health, safety and welfare							
Objective	Department	Goals	Metric	2023/24 Actual	2024B Actual	2025 Goal	2025 Estimate	2026 Goal
Provide prompt, efficient and dependable emergency response	Fire Rescue	Provide a prepared response from time of 911 dispatch to arrival on scene.	Minutes	5.42	5.48	7 or less	5.47	7 or less
	Fire Rescue	Provide a turn-out time of 90 seconds or less to emergency medical calls.	Seconds	84.0	86.0	90 or Less	84.0	90 or less
Emphasize public safety, emergency planning and homeland security	Fire Rescue	Complete initial fire plan reviews within 10 business days and resubmittals within 5 business days, 98% of the time.	Days	99%	99%	98%	99%	98%
	Police	Maintain incident command qualifications to continue effective responses during planned or unplanned major events.	Number of Training Events	3	2	2	2	2
	Police	Complete 4-6 short public safety announcement video presentations to post on social media on varying topical issues.	Number of Unique Video Posts	6	4	6	7	6
	Police	Enhance community policing efforts through monthly foot patrols for each officer to actively engage residential and business communities.	Months of Active Foot Patrols	12	12	12	12	12
	Three Oaks Recreation Area	Encourage CPR certification of all Three Oaks attendants.	Percent of Employees	92%	75%	>90%	50%	>90%

Strategic Commitment #3: Managing Infrastructure & Finances

INFRASTRUCTURE:	Evaluate, plan and implement capital projects aimed at maintaining the City's infrastructure and upholding a high quality of life for residents							
Objective	Department	Goals	Metric	2023/24 Actual	2024B Actual	2025 Goal	2025 Estimate	2026 Goal
Provide adequate infrastructure throughout the City in order to ensure safe roadways, reliable water and sewer systems and a healthy urban forest canopy.	Public Works	Ensure drinking water production and distribution meets current regulations with no permit violations from the IL EPA.	Number of Violations	0	1	0	0	0
	Public Works	Maintain City's pavement condition rating as good or better through proactive maintenance and resurfacing programs.	Average Condition Rating Score	74	73.9	73.1	73.1	73.1
	Public Works	Ensure the City is treating wastewater in an environmentally responsible manner, complying will regulatory discharge requirements.	Compliance Percentage	99.8%	100.0%	99.5% or higher	99.8%	99.5% or higher
	Public Works	Proactively maintain the City's sanitary sewer system to minimize the potential for backups.	Clean & TV 5% - 10%	12.5%	15.5%	11.0%	11.0%	11.0%
	Public Works	Maintain the City's urban forest canopy through a proactive and preventative forestry program, trimming and planting trees annually.	Number of trees planted or trimmed	4,762	2,812	2,250 trees or more	4,137	4,500

FISCAL MANAGEMENT:	Responsibly manage public funds and develop financial plans to balance resources with the community's priorities and vision.							
Objective	Department	Goals	Metric	2023/24 Actual	2024B Actual	2025 Goal	2025 Estimate	2026 Goal
Ensure public funds are properly managed, accounted for, and invested to maximize availability of funds.	Finance	Uphold tight internal controls relating to all activities involving accounting procedures to obtain a positive, unmodified audit opinion.	Audit Opinion Unmodified	Yes	Yes	Yes	Yes	Yes
	Finance	Prepare the Annual Comprehensive Financial Report in conformity with all required standards, receiving the GFOA's annual ACFR award.	Award Receipt	Yes	Yes	Yes	Yes	Yes
	Finance	Actively manage investment portfolio to maximize returns while minimizing risk and conforming to legal requirements for government investments.	Return above 3 Year Treasury Rate	+1.31%	-0.60%	+0.50%	0.00%	+0.50%
Engage in financial planning to ensure financial stability and available resources.	Finance	Update and enhance the City's long-term capital plan and financial forecasts.	Updates Complete	Yes	Yes	Yes	Yes	Yes
	Finance	Prepare a quality budget document that receives the GFOA's annual budget award.	Award Receipt	Yes	Yes	Yes	Yes	Yes

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CITY OF CRYSTAL LAKE
ANNUAL BUDGET
FISCAL YEAR 2026

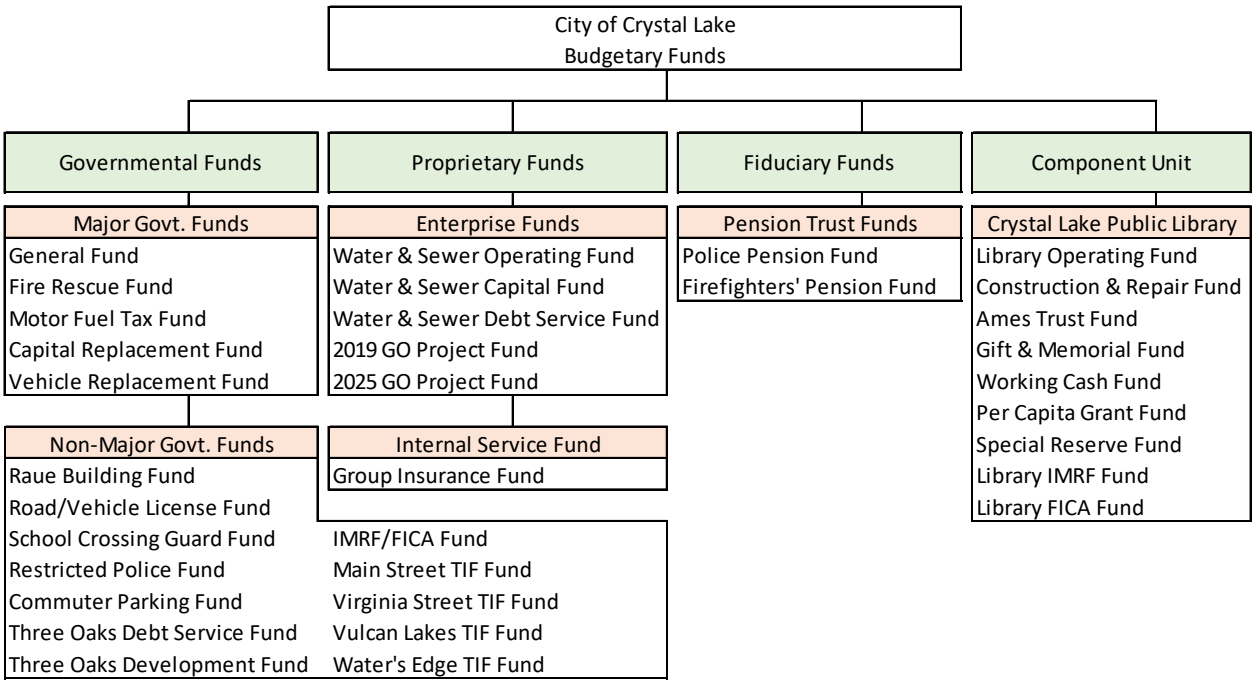
SUMMARY OF ALL FUNDS

MAJOR FUNDS AND ORGANIZATIONAL RELATIONSHIPS

The City of Crystal Lake utilizes an accounting system organized on the basis of funds, each of which is considered a separate accounting entity. Accounting for the operations of each fund is accomplished with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Resources are allocated to and recorded in individual funds based upon purposes for which they are to be spent and the means by which spending activities are controlled.

FUNDS

The City of Crystal Lake maintains forty-eight individual funds. Nine individual funds are Library Funds. Fourteen funds, consisting of resources received and held by the City as an agent for others, are not subject to appropriation but are reported in the City's Annual Comprehensive Financial Report. They include Special Services Areas and Special Assessments.



The presentations of the major funds are divided by departments. Each departmental presentation contains a statement of activities, an organizational chart, a personnel summary, Fiscal Year 2025 accomplishments, Fiscal Year 2026 objectives, a budget by account, and a brief summary of account information.

Staff has worked diligently to provide a budget proposal that meets the high standards of the City and reflects a conservative view of the economic environment. The overriding concern in preparing this budget was the future state of the economy and what impact it will have on revenues. Staff will continue to undertake cost-saving measures in FY 2026 to reduce expenditures, seek funding opportunities to offset program and project costs and to explore alternate revenue sources to diversify sources and reduce the reliance upon the State of Illinois.

Major Fund Descriptions

The **General Fund** accounts for all general government activity not accounted for in other funds of the City. Departmental operating activities such as those of police, fleets, streets, engineering, community development and the Three Oaks Recreation Area as well as general government support services, such as the City Manager's Office, Finance and Information Technology are accounted for in the General Fund.

The **Fire Rescue Fund** is used to track the operating activities of the Fire Rescue Department. Funding for Fire Rescue Department activities is derived mostly from property taxes. Ambulance user fees, Fire Rescue services charges, wireless alarm monitoring fees and grant proceeds make up the remainder.

The **Motor Fuel Tax Fund** is used to account for the maintenance and improvement of various streets in the City. Financing is provided from the City's share of Motor Fuel Tax allotments. State Statute requires these allotments to be used to maintain City streets.

The **Capital Replacement Fund** provides a budgetary set of accounts to track revenues and expenditures related to the replacement of computers, equipment, vehicle lease payments and major infrastructure projects.

The **Vehicle Replacement Fund** is used to account for the acquisition costs of governmental fleet vehicles. These vehicles were accounted for in the Capital Replacement Fund through Fiscal Year 2023/24. Financing is provided by operating transfers from the General Fund and the Fire Rescue Fund to set aside resources for fleet additions and replacements.

The **Water and Sewer Operating Fund** is comprised of a number of divisions working to maintain a quality water supply system and to collect, convey and treat wastewater effectively and efficiently.

The **Water and Sewer Capital & Equipment Replacement Fund** provides a budgetary set of account categories for the expenditure of funds to pay for the replacement of water and sewer infrastructure (mains, lift stations, treatment plants, etc.).

Organizational Relationships

The presentations of the major funds are divided by departments. A department is a major administrative segment of the City which indicates overall management responsibility for an operation or a group of related operations within a functional area (i.e. Public Works Department). The smallest organizational unit included in this budget submittal is the division. The division indicates responsibility for one operational area, and in many cases these operational areas are put together to demonstrate a broader responsibility. When this is done, the divisions are combined to make up a department.

	BUDGETARY FUNDS															
DEPARTMENT / DIVISION	General	Fire Rescue	Water & Sewer	Capital Replacement	Vehicle Replacement	Raue Building Fund	Road & Vehicle	IMRF & FICA	Crossing Guard	Restricted Police	Commuter Parking	Foreign Fire	Motor Fuel Tax	Debt Service	TIF	Insurance
Executive	✓															
Legal & Judiciary	✓															
Fire & Police Commission	✓															
City Administration																
City Manager / Finance / HR	✓			✓	✓			✓						✓		✓
Administrative Adjudication	✓															
Police & Firefighter Pensions	✓															
Information Technology	✓			✓												
Police	✓			✓	✓				✓	✓						
Fire Rescue		✓		✓	✓							✓				
Community Development	✓			✓	✓										✓	
Public Works																
Administration			✓			✓										
Engineering	✓			✓	✓		✓						✓			
Streets	✓			✓	✓						✓					
Fleet Services	✓			✓	✓											
Facility Services	✓			✓	✓											
Water & Sewer			✓													
Wastewater Treatment			✓													
Three Oaks Recreation Area	✓			✓												

BUDGET OVERVIEW:
OPERATING & CAPITAL FY 2026 BUDGETS

The City finances are accounted for in multiple funds, allocating operational and capital items in unique funds. The City takes great pride in balancing the operational budget each year, with any residual operating income transferred to the capital funds. This proposed budget includes intentional drawdowns of the operational fund balance reserves to fund upcoming capital improvement projects. For 2026, the City is planning on transferring $26.35 million to the capital funds to invest in infrastructure, buildings, vehicles and other City assets.

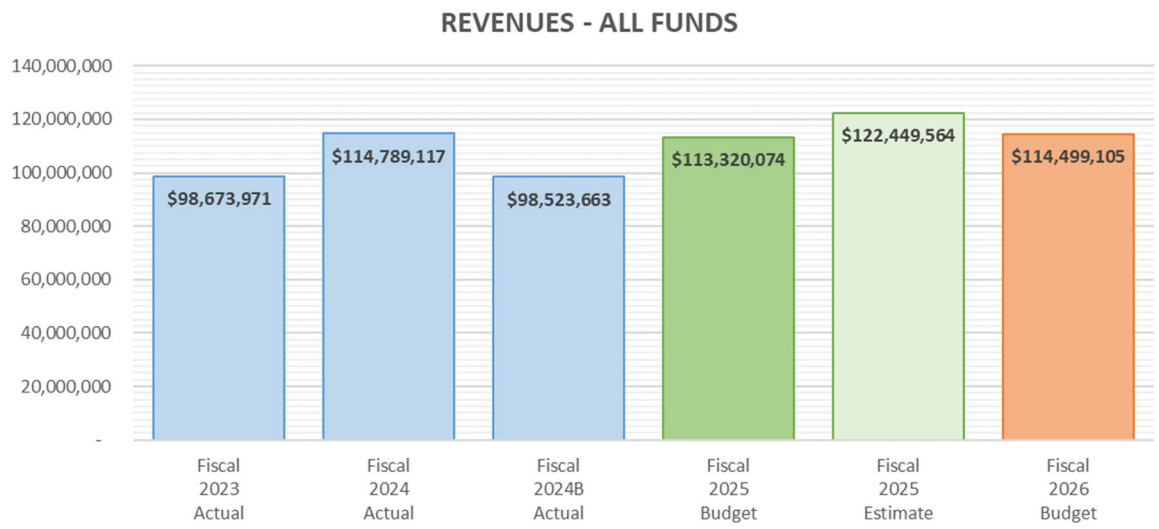


The City has traditionally operated on a fiscal year that would start on May 1st of each year and end April 30th of the following year. The City of Crystal Lake transitioned its fiscal year to a full calendar year basis for 2025. In order to achieve this transition, the City operated an 8-month fiscal year, referred to as Fiscal Year 2024B. This transitional fiscal year (FY 2024B) started on May 1, 2024 and ended on December 31, 2024. The benefits of making this conversion include aligning the City's budget with the annual tax levy request, federal W2 and 1099 reporting, and State of Illinois Motor Fuel Tax audit cycles. A significant benefit is that is also allows for the entire construction season for many capital projects to fall within a single fiscal year. This change applied to all City Funds (including the public safety pension funds) and the Library's Funds.

Transfers from governmental activities to capital funds for 2026 total $15.46 million. Business-type activities (Water & Sewer) project to transfer $10.89 million. The City has committed to funding capital investments using a pay as you go methodology where possible to reduce long-term debt obligations. Details regarding the upcoming projects for the 2026 fiscal year and the following four years can be found in the Capital Improvement Plan Highlights section of the budget document.

The proposed fiscal year 2026 operational budget is a **BALANCED BUDGET**.

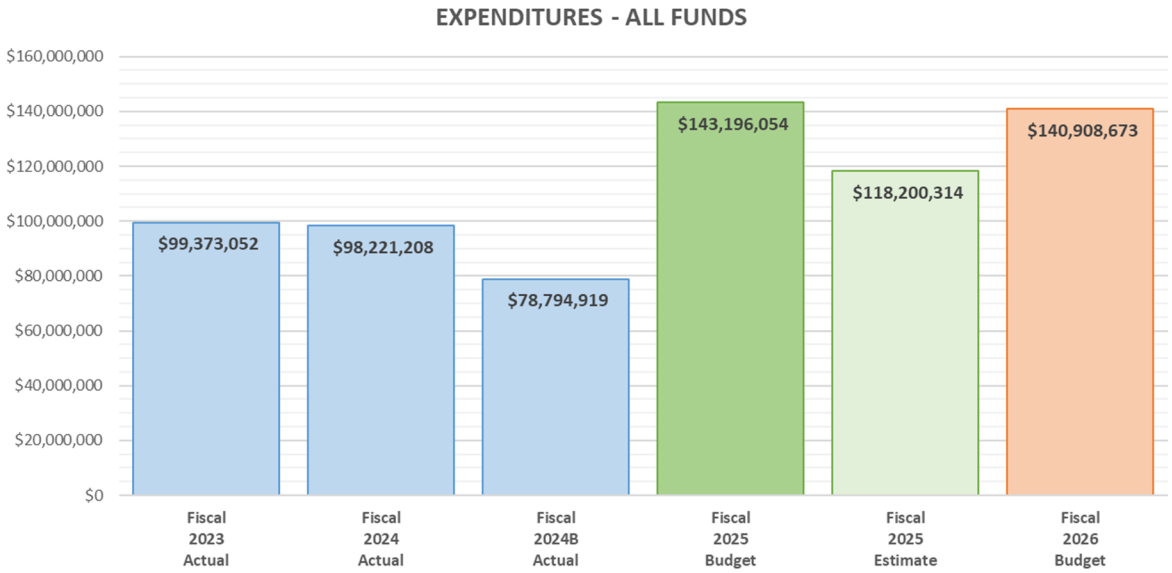
REVENUE SUMMARY - ALL FUNDS



Total revenues for FY 2026 are expected to increase by a modest $1.2 million (1%). These totals include ongoing operating and one-time revenues, such as grants and connection fees. The City's major revenue sources as a whole have been reliable and stable, with expected fluctuations for market conditions. The largest variance in revenues from year to year is changes in the one-time revenues as mentioned above. Fiscal Year 2026 includes conservative estimates based on the most current information available according to industry best practice, the State of Illinois Department of Revenue or the Illinois Municipal League.

Fund	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
Revenues*								
General Fund	$ 41,371,035	$ 44,580,643	$ 35,897,501	$ 47,386,240	$ 49,093,659	$ 46,715,244	$ (670,996)	-1.4%
Raue Building Fund	-	-	-	-	-	-	-	N/A
Restricted Police Funds	213,276	201,535	189,571	127,360	226,847	137,750	10,390	8.2%
Fire Rescue Fund	12,684,938	12,728,353	14,424,221	13,999,777	14,977,354	15,072,152	1,072,375	7.7%
Road/Vehicle License Fund	607,838	645,212	495,505	500,000	508,357	510,000	10,000	2.0%
School Crossing Guard Fund	116,783	135,390	114,564	161,474	157,007	163,885	2,411	1.5%
IMRF/FICA Fund	1,088,601	1,265,437	1,272,116	1,346,933	1,346,933	1,391,540	44,607	3.3%
Motor Fuel Tax Fund	2,221,367	2,053,811	1,589,050	1,831,626	1,952,643	1,863,464	31,838	1.7%
Foreign Fire Insurance Fund	17	-	-	-	-	-	-	N/A
Commuter Parking Fund	167,305	207,287	112,440	170,000	185,030	170,000	-	0.0%
Three Oaks Development Fund	319,904	609,539	281,476	300	151,200	300	-	0.0%
Debt Service Funds	244	(4,606)	-	-	-	-	-	N/A
TIF Funds	240,738	320,363	447,303	465,000	738,611	1,005,000	540,000	116.1%
Capital Replacement Fund	1,988,217	419,988	426,529	3,718,158	1,597,530	3,345,173	(372,985)	-10.0%
Vehicle Replacement Fund	-	-	-	-	-	-	-	N/A
Water & Sewer Funds	17,391,285	21,859,509	16,925,400	20,962,173	21,188,937	19,677,812	(1,284,361)	-6.1%
Group Insurance Fund	6,219,452	6,318,970	4,433,596	6,755,753	6,781,098	7,831,557	1,075,804	15.9%
Police Pension Fund	5,340,374	9,419,162	8,481,036	5,795,212	11,103,836	5,901,136	105,924	1.8%
Fire Pension Fund	3,458,463	8,376,863	7,836,437	4,194,345	6,777,205	4,543,022	348,677	8.3%
Library Funds	5,244,132	5,651,661	5,596,918	5,905,723	5,663,317	6,171,070	265,347	4.5%
Total - All Funds	**98,673,971**	**114,789,117**	**98,523,663**	**113,320,074**	**122,449,564**	**114,499,105**	**1,179,031**	**1.0%**
Total - All Funds	113,117,241	114,789,117	98,523,663	113,320,074	122,449,564	114,499,105	1,179,031	1.0%
Less Internal Service Charges	(5,242,013)	(5,124,229)	(3,486,829)	(3,528,671)	(5,467,646)	(6,407,350)	(2,878,679)	81.6%
All Other Revenues	$ 107,875,228	$ 109,664,888	$ 95,036,834	$ 109,791,403	$ 116,981,918	$ 108,091,755	$ (1,699,648)	-1.5%

EXPENDITURE SUMMARY – ALL FUNDS



As shown in the graph above and the chart below, total budgeted expenditures are expected to decrease by $2.3 million (1.6%) from the FY 2025 budget. Upcoming capital expenditures are expected to decrease $9.8 million (18%). Excluding capital, total expenditures are anticipated to increase 8%, mostly due to increased personnel and utility costs. Most funds are budgeting minor adjustments to non-personnel expenditures.

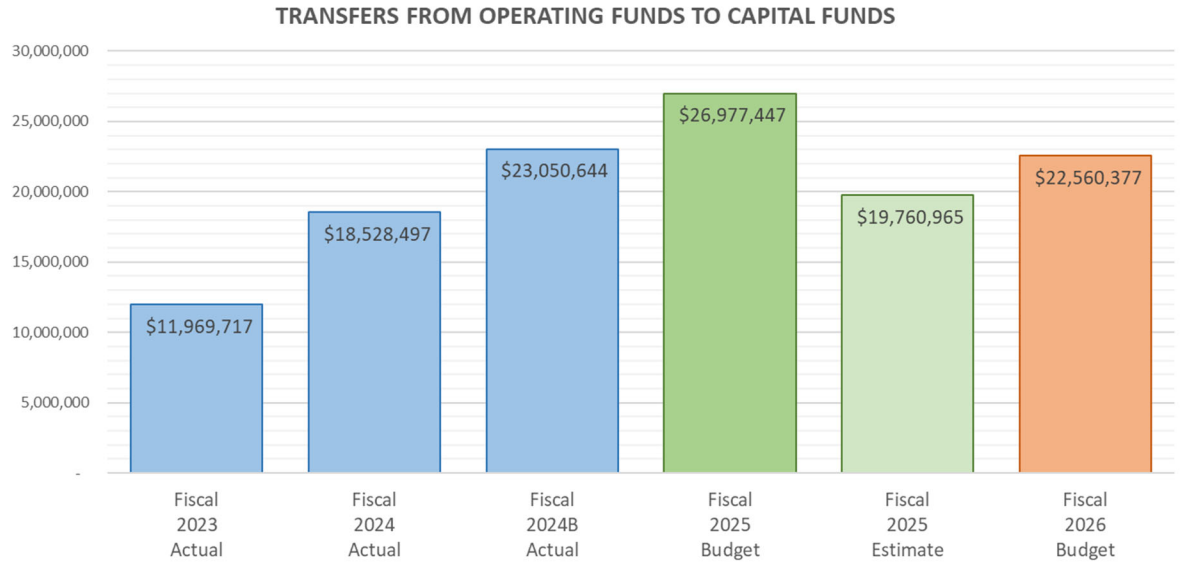
Fund	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
Expenditures*								
General Fund	$ 30,321,772	$ 31,257,647	$ 24,141,640	36,635,369	$ 34,654,359	$ 39,167,082	$ 2,531,713	6.9%
Raue Building Fund	-	-	-	-	-	175,000	$ 175,000	N/A
Restricted Police Funds	8,805	118,675	31,493	264,216	187,410	464,116	199,900	75.7%
Fire Rescue Fund	11,563,698	11,684,190	8,157,596	12,959,940	12,432,580	14,112,555	1,152,615	8.9%
Road/Vehicle License Fund	46,466	40,821	-	-	-	-	-	N/A
School Crossing Guard Fund	123,391	126,834	77,465	161,374	152,440	166,397	5,023	3.1%
IMRF/FICA Fund	1,436,179	1,345,982	911,360	1,771,317	1,573,921	1,877,893	106,576	6.0%
Motor Fuel Tax Fund	725,630	697,127	161,349	650,000	405,000	650,000	-	0.0%
Foreign Fire Insurance Fund	35,129	-	-	-	-	-	-	N/A
Commuter Parking Fund	176,480	166,446	121,552	224,633	227,044	238,738	14,105	6.3%
Three Oaks Development Fun	-	-	-	-	-	-	-	N/A
Debt Service Funds	1,052,993	1,303,557	1,002,417	1,125,000	1,124,505	1,131,600	6,600	0.6%
TIF Funds	88,364	40,144	23,376	77,610	10,590	526,190	448,580	578.0%
Capital Replacement Fund	9,900,964	13,878,861	11,442,392	22,112,718	15,344,012	17,429,540	(4,683,178)	-21.2%
Vehicle Replacement Fund	-	-	1,358,482	4,432,453	2,462,768	9,122,740	4,690,287	105.8%
Water & Sewer Funds	26,710,630	19,250,715	19,138,137	41,403,939	29,519,757	32,279,800	(9,124,139)	-22.0%
Group Insurance Fund	5,794,258	5,759,765	3,883,023	6,754,873	6,894,030	7,830,557	1,075,684	15.9%
Police Pension Fund	4,100,678	4,790,559	3,098,946	4,763,210	4,952,210	5,030,746	267,536	5.6%
Fire Pension Fund	2,336,029	2,823,804	2,003,902	3,037,200	3,082,921	3,277,648	240,448	7.9%
Library Funds	4,951,586	4,936,081	3,241,791	6,822,202	5,176,767	7,428,071	605,869	8.9%
Total - All Funds	**99,373,052**	**98,221,208**	**78,794,919**	**143,196,054**	**$ 118,200,314**	**$ 140,908,673**	$ (2,287,381)	-1.6%
Total - All Funds	$ 99,373,052	$ 98,221,208	$ 78,794,919	143,196,054	$ 118,200,314	$ 140,908,673		
Less Internal Service Charges	(5,242,013)	(5,124,229)	(3,486,829)	(3,528,671)	(3,504,838)	(5,353,382)		
Less Capitalized Lease Costs	(125,043)	(284,255)	-	-	-	-		
All Other Expenditures	$94,005,996	$ 92,812,724	$ 75,308,091	$ 139,667,383	$ 114,695,476	$ 135,555,291	$ (4,112,092)	-2.9%

* (Excludes transfers between funds)

INTERFUND TRANSFERS - ALL FUNDS

Transfer From:	Transfer To:	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget
General Fund	Capital Replacement Fund	8,845,105	6,000,000	8,320,000	1,750,000	6,050,000	2,200,000
General Fund	Vehicle Replacement Fund	-	4,000,000	4,000,000	500,000	2,500,000	1,200,000
General Fund	W&S Capital Fund	-	-	158,484	1,940,000	2,800,000	500,000
General Fund	Commuter Parking Fund	24,981	-	-	20,000	-	50,000
General Fund	Raue Building Fund	-	-	-	-	-	175,000
General Fund	Three Oaks Debt Service Fund	983,774	935,096	876,203	1,000,870	974,298	977,495
Fire Rescue Fund	Capital Replacement Fund	-	-	909,088	97,000	88,733	1,512,101
Fire Rescue Fund	Vehicle Replacement Fund	-	-	231,159	874,608	212,517	6,386,918
Restricted Police Fund	Capital Replacement Fund	-	-	27,100	-	-	-
Road/Vehicle License Fund	Capital Replacement Fund	551,220	572,350	450,160	500,000	500,000	645,701
Motor Fuel Tax Fund	Capital Replacement Fund	1,901,463	2,940,466	3,821,357	2,631,404	2,128,332	2,955,657
Three Oaks Develop. Fund	W&S Capital Fund	-	98,720	1,004,800	2,260,000	1,400,000	-
Main Street TIF	Capital Replacement Fund	-	-	118,091	-	-	60,000
Virginia Street TIF	General Fund	131,469	150,200	202,603	199,130	240,654	249,105
Vulcan Lakes TIF	Three Oaks Debt Service Fund	69,219	87,691	126,214	124,130	150,207	154,105
SSA Funds	General Fund	9,618	-	-	-	-	-
W&S Operating Fund	W&S Debt Service Fund	3,995,238	3,695,542	3,713,229	3,578,891	3,578,891	3,837,736
W&S Operating Fund	W&S Capital Fund	-	3,000,000	3,000,000	4,000,000	4,000,000	4,000,000
W&S Debt Service Fund	W&S Capital Fund	671,929	1,916,962	1,010,405	12,424,435	81,383	3,100,000
W&S 2019 Project Fund	W&S Capital Fund	58,020	726,782	1,768,241	581,011	221,452	-
W&S 2025 Project Fund	W&S Capital Fund	-	-	-	-	6,000,000	3,789,000
Library - Construction & Repai	Library - Special Reserve	-	-		-		
Library - Mulitple Funds	Library - Operations	-	245,144	970,922	-	118,867	-
Total - All Funds		17,242,035	24,368,952	30,708,056	32,481,479	31,045,334	31,792,818

The chart below illustrated the history of operating transfers to capital funds in the past few years, as well as the anticipated transfer for FY 2026. As the capital funds have limited direct revenues (utility taxes, grants, grocery tax starting in 2026, and other smaller revenue sources), the capital funds rely on operational surpluses to fund critical elements such as vehicles, roads, infrastructure and equipment. By policy, any General Fund operating surplus exceeding the fund balance policy range is tranferred to the capital funds for advance funding.



REVENUES & OTHER FINANCING SOURCES – ALL FUNDS

Fund	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
Revenues & Other Sources								
General Fund	$ 41,512,122	$ 44,793,137	$ 35,913,444	$ 47,585,370	$ 49,334,313	$ 46,964,349	$ (621,021)	-1.3%
Raue Building Fund	-	-	-	-	-	175,000		
Restricted Police Funds	213,276	201,535	189,571	127,360	226,847	137,750	10,390	8.2%
Fire Rescue Fund	12,684,938	12,728,353	14,424,221	13,999,777	14,977,354	15,072,152	1,072,375	7.7%
Road/Vehicle License Fund	607,838	645,212	495,505	500,000	508,357	510,000	10,000	2.0%
School Crossing Guard Fund	116,783	135,390	114,564	161,474	157,007	163,885	2,411	1.5%
IMRF/FICA Fund	1,088,601	1,265,437	1,272,116	1,346,933	1,346,933	1,391,540	44,607	3.3%
Motor Fuel Tax Fund	2,221,367	2,053,811	1,589,050	1,831,626	1,952,643	1,863,464	31,838	1.7%
Foreign Fire Insurance Fund	17	-	-	-	-	-	-	N/A
Commuter Parking Fund	192,286	207,287	112,440	190,000	185,030	220,000	30,000	15.8%
Three Oaks Development	319,904	609,539	281,476	300	151,200	300	-	0.0%
Debt Service Funds	1,053,237	1,018,181	1,002,417	1,125,000	1,124,505	1,131,600	6,600	0.6%
TIF Funds	240,738	320,363	447,303	465,000	738,611	1,005,000	540,000	116.1%
Capital Replacement Fund	13,442,641	10,424,316	14,635,884	8,696,562	10,364,595	10,718,632	2,022,070	23.3%
Vehicle Replacement Fund	-	4,000,000	4,479,747	1,374,608	2,825,015	7,586,918	6,212,310	451.9%
Water & Sewer Funds	39,944,754	32,058,316	27,666,682	56,246,510	49,680,663	35,404,548	(20,841,962)	-37.1%
Group Insurance Fund	6,219,452	6,318,970	4,433,596	6,755,753	6,781,098	7,831,557	1,075,804	15.9%
Police Pension Fund	5,340,374	9,419,162	8,481,036	5,795,212	11,103,836	5,901,136	105,924	1.8%
Fire Pension Fund	3,413,641	8,376,863	7,836,437	4,194,345	6,777,205	4,543,022	348,677	8.3%
Library Funds	5,582,578	6,334,365	5,596,918	5,905,723	5,663,317	6,171,070	265,347	4.5%
Total - All Funds	$ 134,194,548	$ 140,910,238	$ 128,972,406	$ 156,301,553	$ 163,898,529	$ 146,791,923	$ (9,949,977)	-6.4%

EXPENDITURES & OTHER FINANCING USES – ALL FUNDS

Fund	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
Expenditures & Other Uses								
General Fund	$ 40,175,632	$ 42,192,743	$ 37,496,327	$ 41,846,239	$46,978,657	$ 44,269,577	$ 2,423,338	5.8%
Raue Building Fund	-	-	-		-	175,000		
Restricted Police Funds	8,805	118,675	58,593	264,216	187,410	464,116	199,900	75.7%
Fire Rescue Fund	11,563,698	11,684,190	9,297,843	13,931,548	12,733,830	22,011,574	8,080,026	58.0%
Road/Vehicle License Fund	597,686	613,171	450,160	500,000	500,000	645,701	145,701	29.1%
School Crossing Guard Fund	123,391	126,834	77,465	161,374	152,440	166,397	5,023	3.1%
IMRF/FICA Fund	1,436,179	1,345,982	911,360	1,771,317	1,573,921	1,877,893	106,576	6.0%
Motor Fuel Tax Fund	2,627,094	3,637,593	3,982,706	3,281,404	2,533,332	3,605,657	324,253	9.9%
Foreign Fire Insurance Fund	35,129	-	-	-	-	-	-	N/A
Commuter Parking Fund	176,480	166,446	121,552	224,633	227,044	238,738	14,105	6.3%
Three Oaks Development	-	98,720	1,004,800	2,260,000	1,400,000	-	(2,260,000)	-100.0%
Debt Service Funds	1,052,993	1,347,236	1,002,417	1,125,000	1,124,505	1,131,600	6,600	0.6%
TIF Funds	289,052	278,035	470,283	400,870	401,451	989,400	588,530	146.8%
Capital Replacement Fund	9,900,964	13,878,861	11,442,392	22,112,718	15,344,012	17,429,540	(4,683,178)	-21.2%
Vehicle Replacement Fund	-	-	1,358,482	4,432,453	2,462,768	9,122,740	4,690,287	105.8%
Water & Sewer Funds	31,435,816	28,590,002	28,630,011	61,988,276	43,401,483	47,006,536	(14,981,740)	-24.2%
Group Insurance Fund	5,794,258	5,759,765	3,883,023	6,754,873	6,894,030	7,830,557	1,075,684	15.9%
Police Pension Fund	4,100,678	4,790,559	3,098,946	4,763,210	4,952,210	5,030,746	267,536	5.6%
Fire Pension Fund	2,336,029	2,823,804	2,003,902	3,037,200	3,082,921	3,277,648	240,448	7.9%
Library Funds	5,290,032	5,443,696	3,241,791	6,822,202	5,176,767	7,428,071	605,869	8.9%
Total - All Funds	116,943,915	122,896,310	108,532,052	175,677,533	$ 149,126,781	$ 172,701,491	$ (3,756,911)	-2.1%

REVENUES & EXPENDITURES BY TYPE – ALL FUNDS

Type	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
Revenues and Other Sources:								
Property taxes	$ 14,574,086	$ 15,247,445	$ 15,749,746	$ 16,343,355	$ 16,625,093	$ 17,342,532	$ 999,177	6.1%
Intergovernmental	25,327,854	27,097,493	21,320,017	31,180,629	28,771,543	25,059,781	(6,120,848)	-19.6%
Licenses and permits	1,059,180	1,420,681	807,285	880,500	884,500	884,500	4,000	0.5%
Other taxes	11,393,576	11,968,191	10,591,724	16,949,820	17,584,197	19,656,159	2,706,339	16.0%
Fines and forfeits	528,493	595,639	354,082	535,000	514,900	485,000	(50,000)	-9.3%
Charges for services	21,987,280	23,265,610	19,438,263	24,533,008	26,033,994	26,545,688	2,012,680	8.2%
Interest	1,900,804	13,118,503	12,286,744	2,597,400	11,725,381	2,627,264	29,864	1.1%
Miscellaneous	5,681,446	11,299,664	8,892,055	8,963,464	9,178,993	9,319,761	356,297	4.0%
Internal service charges	11,009,225	5,124,229	3,486,829	5,431,175	5,467,646	6,407,350	976,175	18.0%
Internal transfers	17,241,436	24,123,914	29,737,133	32,481,479	30,926,467	31,792,818	(688,661)	-2.1%
Library	5,582,578	6,334,365	5,596,918	5,905,723	5,663,317	6,171,070	265,347	4.5%
Other sources	17,985,516	1,314,502	711,610	10,500,000	10,522,498	500,000	(10,000,000)	N/A
Total	134,271,475	140,910,238	128,972,406	156,301,553	163,898,529	146,791,923	(9,509,630)	-6.1%
Expenditures and Other Uses:								
General government	7,805,995	8,433,213	5,726,424	10,111,711	9,078,249	11,151,415	1,039,704	10.3%
Public safety	35,385,824	37,083,570	27,683,008	41,021,633	40,077,378	44,111,081	3,089,448	7.5%
Highways and streets	6,761,199	6,902,024	4,574,826	8,508,850	7,632,138	9,484,151	975,301	11.5%
Waterworks and sewerage	15,629,582	15,284,568	5,899,564	10,706,426	10,065,731	11,179,213	472,787	4.4%
Culture and recreation	5,609,309	5,741,467	3,892,980	7,461,117	5,891,451	8,103,809	642,692	8.6%
Capital outlay	9,377,101	13,228,753	21,279,267	53,313,851	33,241,658	43,797,987	(9,515,864)	-17.8%
Debt service	12,070,368	4,903,618	4,772,152	4,755,421	4,736,233	5,020,816	265,395	5.6%
Lease payments	891,127	884,008	1,083,676	562,172	583,446	229,644	(332,528)	N/A
Internal service charges	5,794,258	5,759,765	3,883,023	6,754,873	6,894,030	7,830,557	1,075,684	15.9%
Internal transfers	17,570,863	24,631,529	29,737,133	32,481,479	30,926,467	31,792,818	(688,661)	-2.1%
Total	116,895,626	122,852,514	108,532,052	175,677,533	149,126,781	172,701,491	(2,976,042)	-1.7%
Revenues & Other Sources in Excess of Expenditures & Other Uses	17,375,849	18,057,724	20,440,353	(19,375,980)	14,771,748	(25,909,568)		
Beginning Balance*	174,045,959	192,946,356	209,728,722	205,471,640	224,628,475	239,400,223		
Change in Receiv/Pay	1,524,548	(1,791,944)	(5,540,600)	-	-	-		
Ending Balance	$ 192,946,356	$ 209,212,135	$ 224,628,475	$ 186,095,660	$ 239,400,223	$ 213,490,655		

**Restated for prior period adjustment*

FUND BALANCE:
HISTORY AND BUDGETARY CHANGES – ALL FUNDS

Fund	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Estimate	2026 Revenues & Other Sources	2026 Expenditures & Other Uses	Fiscal 2026 Estimate	$ Change	% Change
GENERAL FUND									
General Fund	$ 21,087,371	$ 23,687,988	$ 22,104,883	$ 24,460,539	$ 46,964,349	$ 44,269,577	$ 27,155,311	$ 2,694,772	11.0%
FIRE RESCUE FUND									
Fire Rescue Fund	7,637,647	8,681,811	13,808,189	16,051,713	15,072,152	22,011,574	9,112,291	(6,939,422)	-43.2%
OTHER FUNDS									
Raue Building Fund	-	-	-	-	175,000	175,000	-	-	N/A
Restricted Police Funds	702,720	785,580	916,557	955,994	137,750	464,116	629,628	(326,366)	-34.1%
Road/Vehicle License Fund	69,958	101,999	147,344	155,701	510,000	645,701	20,000	(135,701)	N/A
School Crossing Guard Fund	111,982	120,539	157,638	162,205	163,885	166,397	159,693	(2,512)	-1.5%
IMRF/FICA Fund	1,145,024	1,064,479	1,425,235	1,198,247	1,391,540	1,877,893	711,894	(486,353)	-40.6%
Motor Fuel Tax Fund	8,117,336	6,533,554	4,139,898	3,559,209	1,863,464	3,605,657	1,817,016	(1,742,193)	-48.9%
Commuter Parking Fund	31,929	72,771	63,659	21,645	220,000	238,738	2,907	(18,738)	-86.6%
Three Oaks Develop. Fund	1,485,323	1,996,142	1,272,817	24,017	300	-	24,317	300	1.2%
Group Insurance Fund	1,432,430	1,991,635	2,542,207	2,429,275	7,831,557	7,830,557	2,430,275	1,000	0.0%
Police Pension Fund	49,287,365	53,915,969	59,298,059	65,449,685	5,901,136	5,030,746	66,320,075	870,390	1.3%
Fire Pension Fund	50,785,349	56,338,408	62,170,943	65,865,227	4,543,022	3,277,648	67,130,601	1,265,374	1.9%
DEBT SERVICE FUNDS									
2012 GOB (Crystal Heights)	285,482	-	-	-	-	-	-	-	N/A
2009 Bonds (Three Oaks)	-	-	-	-	1,131,600	1,131,600	-	-	N/A
TIF FUNDS									
Main Street TIF Fund	37,663	85,572	32,220	257,966	250,000	60,895	447,071	189,105	73.3%
Virginia Street TIF Fund	-	-	-	-	250,000	250,000	-	-	N/A
Vulcan Lakes TIF Fund	-	-	-	-	155,000	155,000	-	-	N/A
Waters Edge TIF Fund	(181,191)	(186,773)	(156,400)	(44,986)	350,000	523,505	(218,491)	(173,505)	385.7%
WATER & SEWER OPERATING FUNDS									
W&S Operating Fund	11,743,870	13,275,567	12,332,462	12,168,599	16,937,885	19,008,749	10,097,735	(2,070,864)	N/A
W&S Debt Service Fund	7,181,317	5,378,244	4,588,683	4,650,993	3,837,736	6,937,736	1,550,993	(3,100,000)	-66.7%
W&S 2019 Project Fund	2,523,396	1,917,817	216,252	-	-	-	-	-	N/A
W&S 2025 Project Fund	-	-	-	3,770,000	25,000	3,795,000	-	(3,770,000)	-100.0%
GOVERNMENTAL CAPITAL FUNDS									
Capital Replacement Fund	19,549,640	16,095,099	19,805,404	14,825,987	10,718,632	17,429,540	8,115,079	(6,710,908)	-45.3%
Vehicle Replacement Fund	-	4,000,000	7,121,265	7,483,512	7,586,918	9,122,740	5,947,690	(1,535,822)	-20.5%
WATER & SEWER CAPITAL FUNDS									
W&S Capital Fund	5,915,460	8,463,200	5,393,498	8,220,483	14,603,927	17,265,051	5,559,359	(2,661,124)	-32.4%
LIBRARY FUNDS									
Operating Fund	2,673,358	2,971,516	2,673,358	4,806,176	5,577,606	6,077,606	4,306,176	(500,000)	-10.4%
Construction & Repair	482,980	433,351	433,351	449,603	351,965	351,965	449,603	-	0.0%
Ames Trust	390,117	394,947	394,947	404,553	-	13,000	391,553	(13,000)	-3.2%
Gift & Memorial	13,041	15,851	15,851	16,584	41,500	63,500	(5,416)	(22,000)	-132.7%
Working Cash	51,492	54,240	51,492	-	-	-	-	-	N/A
Per Capita	(329)	59,068	59,068	-	-	-	-	-	N/A
Special Reserve	72,277	517,168	-	1,393,594	-	350,000	1,043,594	(350,000)	-25.1%
IMRF Fund	167,908	326,884	326,884	411,042	100,000	330,000	181,042	(230,000)	-56.0%
FICA Fund	151,022	119,510	119,510	252,663	100,000	242,000	110,663	(142,000)	-56.2%
TOTAL - ALL FUNDS	$ 192,951,937	$ 209,212,135	$ 221,455,274	$ 239,400,226	$ 146,791,924	$ 172,701,491	$ 213,490,659	($25,909,567)	-10.8%

Expenditures and Other Uses in excess of Revenues and Other Sources represent planned use of available balances to pay for capital equipment and replacement. Of the $25.91 million decrease, $7 million is unspent bond proceeds currently held by the City for water and sewer projects. Due to the variable amounts of capital projects planned each fiscal year, the City intentionally plans for drawdowns of fund balance when necessary to smooth the effects on the overall financial health of the City. All funds are projected to remain above their minimum fund balance levels per policy.

MAJOR REVENUES

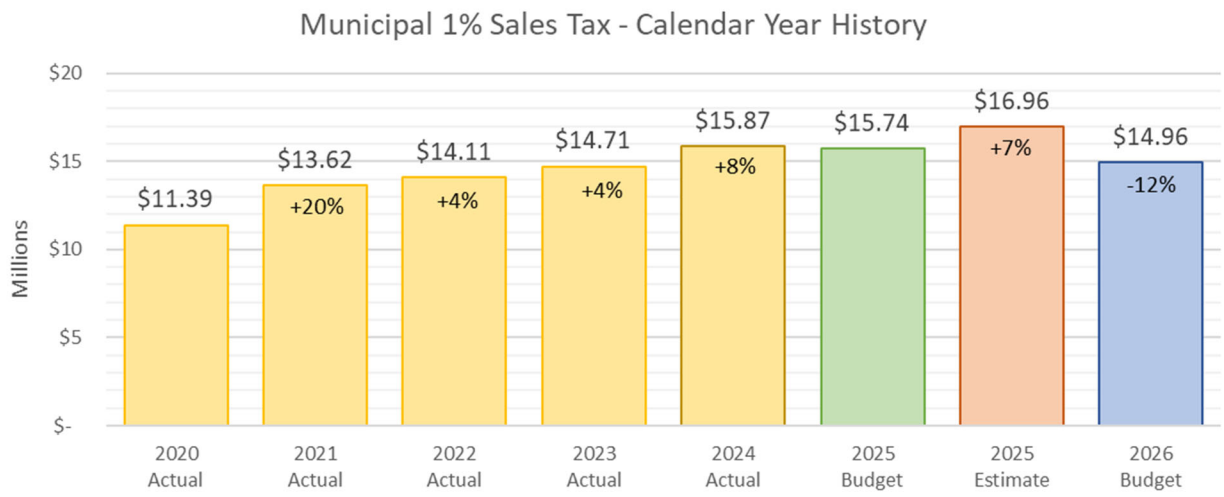
For discussion purposes, commentary on many major revenue sources included comparisons on a calendar year, not the City's former May to April fiscal years, as the 2025 budget transitioned the City into a full calendar fiscal year.

Property Taxes

Property taxes include amounts levied against all real estate in the City. Real property taxes that will be collected during 2026 are levied December 2025. Assessed values are established by the County Assessor at approximately 33.33% of appraised market value. The County Treasurer collects property taxes on behalf of all taxing districts in the County. The County Treasurer periodically remits to the City its portion of the taxes collected.

Property taxes are levied primarily for purposes of meeting pension obligations, public safety, library and recreation, and debt service. The City currently has no General Fund property tax.

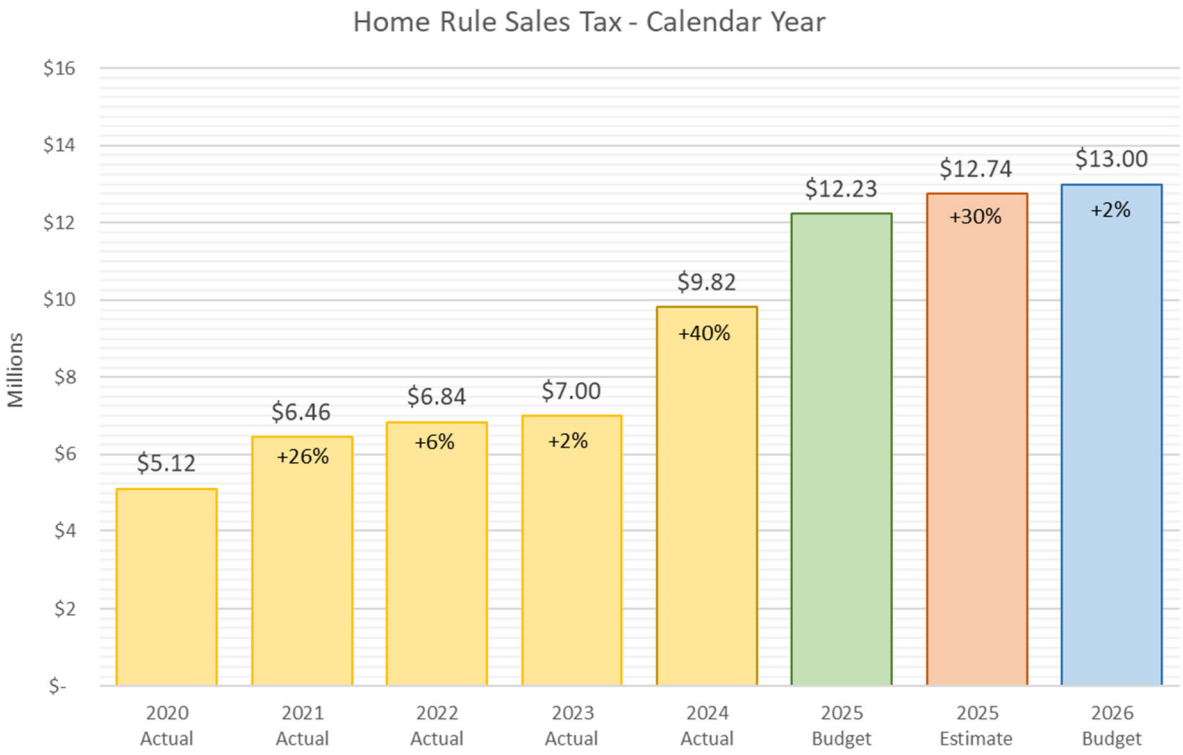
Municipal Sales Tax



Sales tax receipts have outperformed previous year levels as inflation continues to rise. The most prevalent estimates for forecasting recommend continuing a conservative approach to any revenue subject to the volatility of the economy. The FY 2026 budget reflects a 12% decline in receipts of sales tax compared to 2025 receipts due to the State of Illinois sunsetting the statewide provision for a sales tax on groceries. The replacement grocery tax will be recorded separately as a revenue source of the Capital Replacement Fund starting in 2026. For the current fiscal year 2025, receipts of Sales Tax are anticipated to end the year at $16.96 million, 8% above the fiscal year budget of $15.74 million. State legislative changes regarding the sales tax base have drastically reduced Local Use Taxes, now classified as Municipal Sales Tax instead.

Home Rule Sales Tax

A Home Rule Sales Tax allows operational services of the City to be maintained, as well as to provide for Three Oaks Recreation Area debt service. The Home Rule Sales Tax is only imposed on general merchandise purchases; it is not applied to titled or registered personal property such as vehicles, watercraft or trailers. It is also not applied to qualifying food, drugs and medical appliances.



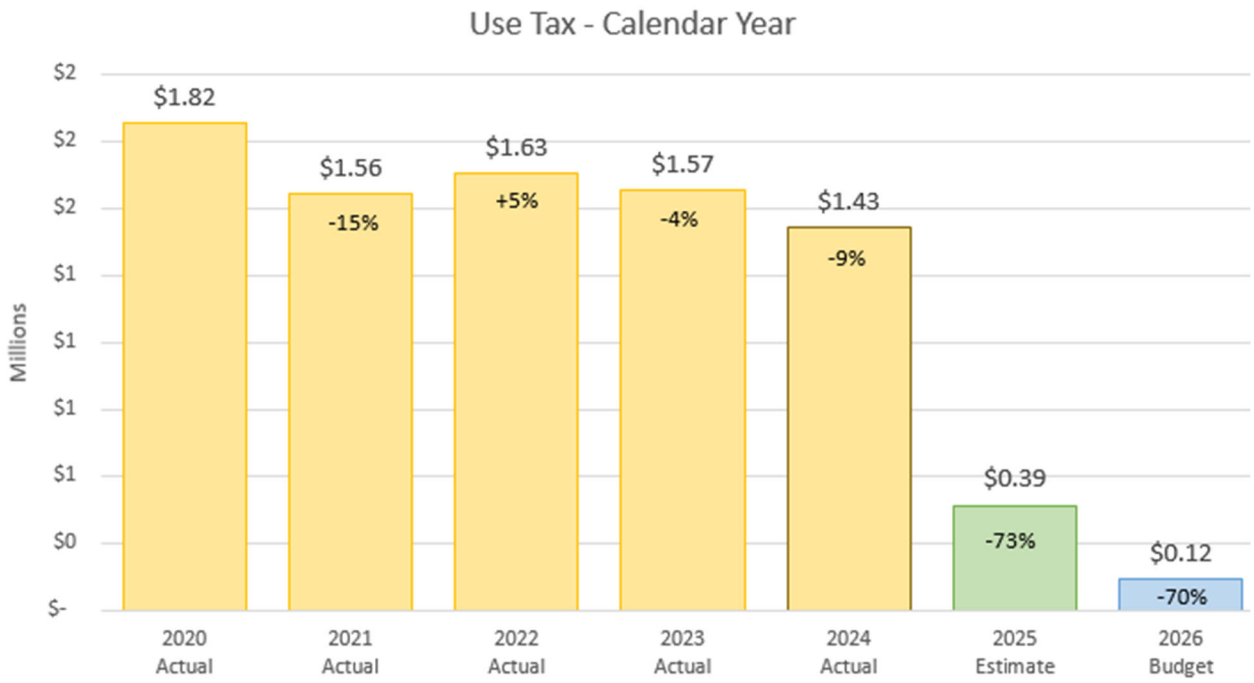
Starting July 2024, the Home Rule Sales Tax rate was increased from 0.75% to 1.25% in order to offset costs of increasing police patrol and firefighter/paramedic personnel, as well as funding for the road program and lead water service line replacements. The increase provided additional revenues to fund additional firefighter/paramedics and police officers, road improvements in lieu of a municipal vehicle sticker, and funding for a lead service line replacement grant for affected homeowners. Due to the timing of the increase, receipts in both 2024 and 2025 were affected compared to the prior year.

Receipts for FY 2025 are trending above budgeted expectations. Fiscal year 2025 revenue is expected to end the year at $12.74 million, 4% above the fiscal year budget of $12.23 million. Budgetary projections for FY 2026 reflect a 2% increase in Home Rule Sales Tax receipts when compared to receipts/estimates, with adjustments to account for the rate increase.

State Use Tax

State Use Tax is imposed on the privilege of using in Illinois any item of tangible property that is purchased outside Illinois at retail. Beginning January 1, 2020, marketplace facilitators such as Amazon were required to collect a 6.25% Use Tax on marketplace sales from certain retailers. Effective January 1, 2021, marketplace facilitators and eligible remote retailers are required to collect state and locally-imposed sales taxes, instead of the Use Tax, on online purchases from sellers based on where the product is delivered. As of January 1, 2021, this has shifted revenues out of the Use Tax classification and into the Sales Tax classification.

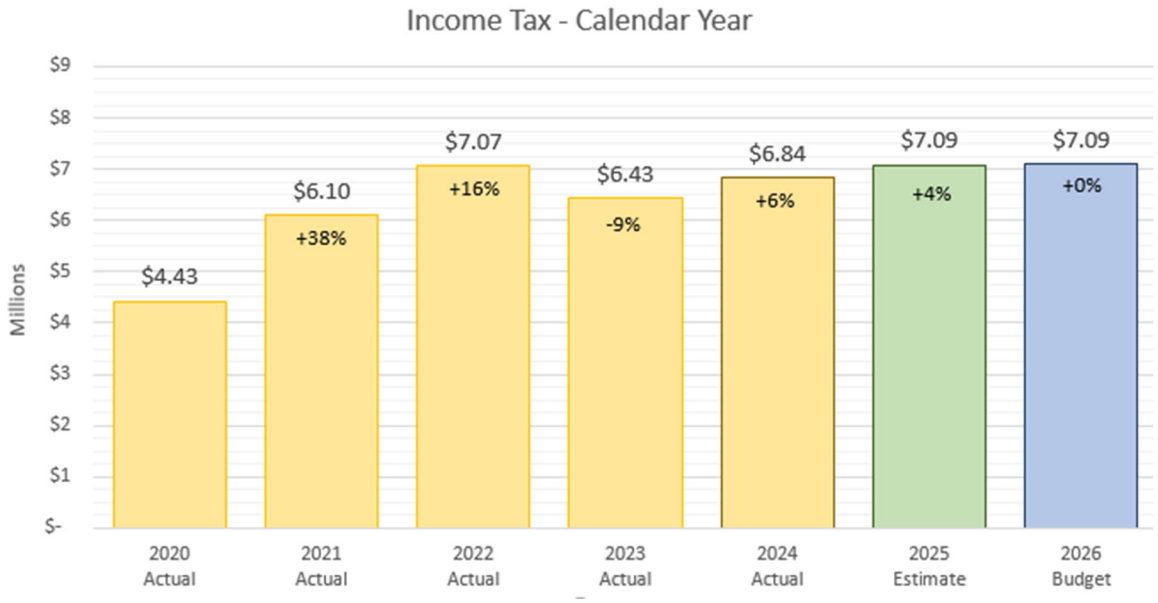
Starting in January 2025, the State reclassified additional internet sales transactions as Municipal Sales Tax instead of State Use Tax. This has caused a dramatic drop in State Use Tax receipts, but is contributing to the Sales Tax increase mentioned above. A further decline is anticipated in 2026. The remaining Use Tax still collected is distributed on a per capita basis.



Current FY 2025 receipts are anticipated to end the year grossly under budget at $389 thousand, well below the FY 2025 budget of $998 thousand. FY2026 receipts are budgeted for $115 thousand based on forecasting models showing the continued reclassification into Sales Tax.

State Income Tax

Distributions of State Income Tax to cities and counties are based on their population in proportion to the total state population.



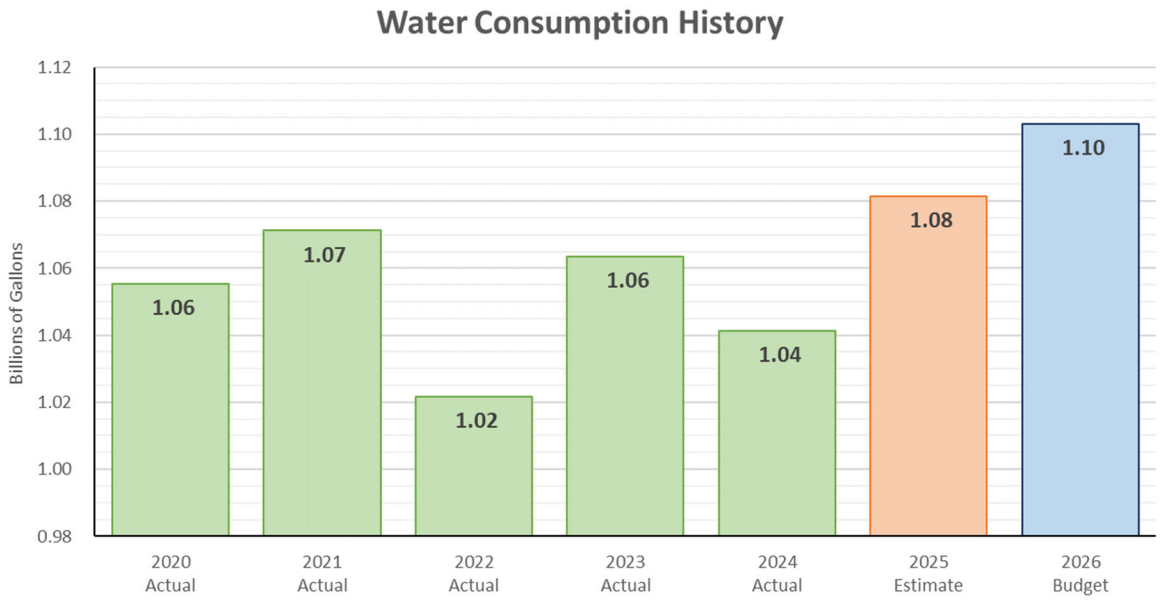
Of continual concern is the future impact of the State of Illinois on City finances. Local Government Distributive Fund (LGDF) continues to be at risk of reduction as the State of Illinois reviews their own dire budget situation. The State previously shared 10% of collections but reduced the sharing percentage to allow the State to retain a higher amount of the tax. Municipalities and supporting agencies have lobbied the State to restore the 10% rate. With a few incremental increases over time, the State is currently sharing 6.47% (last increased August 2024). While the proposed State FY 2025/26 budget does not include any reductions to the LGDF at this time, this revenue source remains vulnerable to future reductions as shown by history.

Receipts of State Income Tax are anticipated to end the year at almost $7.09 million or 1.1% above the FY 2025 budget of $7.01 million. Based on a recommendation from the Illinois Municipal League citing economic factors and conservative adjustments, the amount of State Income Tax for FY 2026 has been budgeted at $7.09 million. This applies a 2% adjustment to every month except May, which is projected to see a 9% decline in 2026 from the abnormally high May 2025 receipt.

Water & Sewer User Fees

User fees for water and sewer are calculated on the number of gallons of water consumed as determined by a water meter. Meters are read every month. Fees for water and sewer are combined in a monthly bill sent to residents and businesses.

Residential customers account for approximately 75% of monthly consumption. Consumption is predicted to end the year around 1.08 billion gallons, much higher in comparison to the 1.04 billion gallons during 2024. Spring 2024 weather was wet and cool, which tends to reduce the demand for water consumption. While homes are being equipped with more water conservation devices, new customers have been added due to recent grown in the community. The chart below demonstrates the variability in water consumption from year to year.



The 2026 budget does not include any increases to water and/or sewer rates at this time. Pending a review of the exiting rate structure, a change to the rates may be implemented in 2026.

The FY 2025 budget included an increase of 3% that was implemented in September 2025. The increase provides a funding mechanism that allows the Water and Sewer Fund to continue to be financially independent and allows for some capital investment in order to maintain water and sewer infrastructure systems.

Fire Rescue Services

Through intergovernmental agreements, the City of Crystal Lake's Fire Rescue Department provides fire rescue and emergency lifesaving services to the citizens of the Crystal Lake Fire Protection District and to the citizens of the Village of Lakewood. In exchange, the Crystal Lake Rural Fire Protection District is charged an annual fee equal to 90.50% of the District's property tax receipts. The Village of Lakewood is assessed a fee based on the Equalized Assessed Value (EAV) of property within the Village's boundaries. The Crystal Lake Rural Fire Protection District and the Village of Lakewood are non-home rule communities. Both are subject to limitations of the Property Tax Extension Limitation Law.

For fiscal year 2025, the City invoiced $2,906,658 for these services. In fiscal year 2026, the City anticipates receiving $3,073,257. This projection includes the assumption that both agencies will experience small growth in their EAV for the 2025 levy.

PERSONNEL SUMMARY - ALL FUNDS

Position	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget
City Administration	13.05	14.00	14.00	13.00	13.00	14.00
Administrative Adjudication	1.00	0.50	0.50	0.50	0.50	0.50
Information Technology	1.00	1.00	1.00	1.00	2.00	4.00
Police	78.70	78.70	88.70	88.70	88.50	89.40
Community Development	15.00	15.00	15.00	16.00	16.00	16.00
Public Works Administration	5.75	4.50	4.50	4.50	4.50	4.50
Engineering	7.00	8.00	8.00	8.00	8.00	9.00
Streets	15.00	15.00	15.00	15.00	15.00	16.00
Fleet Services	7.00	5.00	5.00	5.00	5.00	5.00
Facility Services	0.00	3.00	2.00	3.00	3.00	3.00
Water Operations	16.00	16.00	16.00	16.00	16.00	16.00
Wastewater Treatment	13.00	13.00	13.00	13.00	13.00	13.00
Fire Rescue	67.50	68.00	80.00	81.00	81.00	81.00
Total FTE	240.00	241.70	262.70	264.70	265.50	271.40
Change from PY	2.00	1.70	21.00	2.00	2.80	6.70
% Change	0.84%	0.71%	8.69%	0.76%	1.07%	2.53%

In FY 2024B, ten (10) new police officers and twelve (12) new firefighter/paramedic positions were authorized. These new positions are being filled with a phased in approach, with one third of the next police officers and one quarter of the firefighter paramedics being funded for each of the next

three and four years respectively. In addition to these positions, the FY2026 budget adds seven new positions across multiple departments. These include a Deputy City Clerk, an IT Network Administrator, an IT Help Desk Support Technician, an IT Support Specialist, an additional engineering inspector, an additional street maintenance worker, and a part-time Legal & Transparency Compliance Coordinator. The three new IT positions will replace the contracted IT employees that the City had previously been utilizing for IT support services. These changes result in an increase to authorized FTE's for the FY 2026 budget of 6.7 FTEs.

Overall, since 2010, the City has only increased staffing by 3.90 full-time equivalents (FTE).

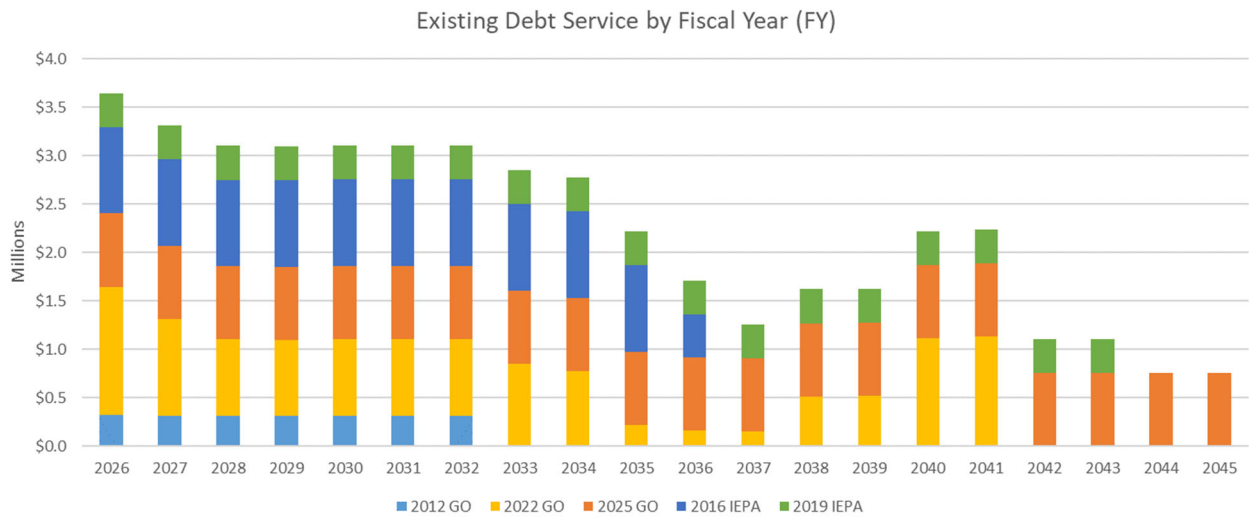
Position	Fiscal 2010 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
City Administration	16.50	13.00	14.00	(2.50)	-15.2%
Administrative Adjudication	1.00	0.50	0.50	(0.50)	-50.0%
Information Technology	3.00	2.00	4.00	1.00	33.3%
Police	81.25	88.50	89.40	8.15	10.0%
Community Development	17.00	16.00	16.00	(1.00)	-5.9%
Public Works	81.25	64.50	66.50	(14.75)	-18.2%
Fire Rescue	67.50	81.00	81.00	13.50	20.0%
Total FTE	267.50	265.50	271.40	3.90	1.5%

The Personnel Summary-All Funds does not include elected officials, Planning and Zoning Committee members, Library personnel, or temporary employees. Personnel summaries throughout this budget document reflect positions for which salaries and wages are budgeted. Organizational charts reflect the structure of each department.

DEBT SERVICE

At December 31, 2025, the City will have a number of debt issues outstanding. Balance outstanding on general obligation bonds of $29,105,000 will be repaid in stages over the next twenty (20) years. General obligation bonds are repaid using alternative revenue sources, not ad valorem property taxes. The City also has two low-interest loan agreements with the Illinois Environmental Protection Agency (IEPA) for water and wastewater infrastructure improvements including the new deep well #20 at Water Treatment Plant #4. At December 31, 2025, the remaining balance for both IEPA loans will be will be $15,691,452. In FY2022/23, the City issued bonds for several other water, sewer, and wastewater projects, including the portion of the new deep well #19 at Waste Treatment Plant #2 above the $5,420,116 received through the American Rescue Plan Act (ARPA). Additional revenue resulting from planned water and sewer rate increases will go towards paying principal and interest over the loan's twenty-year term. In FY2025, the City issued general obligation bonds in the amount of $9.91 million in order to finance the City-wide water meter replacement program.

Looking at existing debt payments (exclusive of vehicle lease payments), the following chart illustrates remaining scheduled payments through retirement.



The following summarizes the City's expected debt services obligations as of December 2025:

Debt Issuance	Interest Rate	Purpose
2012 GO Bonds	2.00% - 2.625%	Proceeds used for Flooding Mitigation and Water & Sewer Improvements.
2016 IEPA Loan	1.86%	Proceeds used for improvements to Wastewater Treatment Plant #2 and Wastewater Treatment Plant #3.
2019 IEPA Loan	1.35%	Proceeds used for improvements to Water Treatment Plant #2.
2019A GO Bonds	3.00% - 4.00%	Refinance 2009B GO Bonds and fund water & sewer improvements, including WWTP #2 UV Disinfection System Replacement, Lift Station #14 Rehabilitation. The 2009B GO Bonds were issued to fund the development of the Three Oaks Recreation Area.
2022B GO Bonds	3.00% - 4.00%	Proceeds used for water & sewer improvements, including Dole Avenue Watermain, Edgewater Storage, Lift Station #16 Rehabilitation, Reestablish Crystal Creek.
2022C GO Bonds	2.65%	Refinance 2013 GO Bonds. The 2013 GO Bonds were issued to fund various water and sewer system improvements.
2025 GO Bonds	4.00% - 5.00%	Proceeds used for city-wide water meter replacement program.

Debt Service Schedule - Prinicpal Payments

Fiscal Year	2012 GO Bonds	2019 GO Bonds	2022 GO Bonds	2025 GO Bonds	2016 IEPA Loan	2019 IEPA Loan	Total
2026	270,000	1,005,000	1,050,000	305,000	718,008	276,537	3,624,545
2027	275,000	1,045,000	750,000	320,000	731,425	280,283	3,401,708
2028	280,000	1,090,000	565,000	335,000	745,093	284,080	3,299,172
2029	285,000	-	580,000	350,000	759,016	287,928	2,261,943
2030	295,000	-	595,000	370,000	773,199	291,828	2,325,027
2031	300,000	-	615,000	390,000	787,647	295,781	2,388,428
2032	310,000	-	630,000	405,000	802,366	299,787	2,447,153
2033	-	-	710,000	430,000	817,359	303,848	2,261,207
2034	-	-	655,000	450,000	832,633	307,964	2,245,597
2035	-	575,000	120,000	470,000	848,192	312,135	2,325,327
2036	-	975,000	60,000	495,000	430,021	316,364	2,276,385
2037	-	1,005,000	55,000	520,000	-	320,649	1,900,649
2038	-	1,035,000	420,000	545,000	-	324,992	2,324,992
2039	-	1,065,000	435,000	575,000	-	329,394	2,404,394
2040	-	-	1,045,000	595,000	-	333,856	1,973,856
2041	-	-	1,100,000	620,000	-	338,379	2,058,379
2042	-	-	-	645,000	-	342,962	987,962
2043	-	-	-	670,000	-	347,608	1,017,608
2044	-	-	-	695,000	-	-	695,000
2045	-	-	-	725,000	-	-	725,000
Total	**$ 2,015,000**	**$ 7,795,000**	**$ 9,385,000**	**$ 9,910,000**	**$ 8,244,958**	**$ 5,594,375**	**$ 42,944,333**

Debt Service Schedule - Total Payments

Fiscal Year	2012 GO Bonds	2019 GO Bonds	2022 GO Bonds	2025 GO Bonds	2016 IEPA Loan	2019 IEPA Loan	Total
2026	318,356	1,270,250	1,328,673	757,025	892,485	351,131	4,917,920
2027	317,619	1,270,050	993,895	756,775	892,485	351,131	4,581,955
2028	316,431	1,273,250	786,320	755,775	892,485	351,131	4,375,392
2029	314,781	139,650	786,348	754,025	892,485	351,131	3,238,420
2030	318,013	139,650	785,978	756,525	892,485	351,131	3,243,781
2031	315,638	139,650	790,210	758,025	892,485	351,131	3,247,139
2032	318,138	139,650	788,913	753,525	892,485	351,131	3,243,841
2033	-	139,650	852,218	758,275	892,485	351,131	2,993,759
2034	-	139,650	778,175	756,775	892,485	351,131	2,918,216
2035	-	714,650	223,525	754,275	892,485	351,131	2,936,066
2036	-	1,097,400	159,745	755,775	446,242	351,131	2,810,294
2037	-	1,098,150	152,855	756,025	-	351,131	2,358,161
2038	-	1,098,000	516,123	755,025	-	351,131	2,720,279
2039	-	1,096,950	517,893	757,775	-	351,131	2,723,749
2040	-	-	1,114,190	754,775	-	351,131	2,220,096
2041	-	-	1,135,750	755,975	-	351,131	2,242,856
2042	-	-	-	756,175	-	351,131	1,107,306
2043	-	-	-	755,375	-	351,131	1,106,506
2044	-	-	-	753,575	-	-	753,575
2045	-	-	-	754,906	-	-	754,906
Total	**$ 2,218,975**	**$ 9,756,600**	**$ 11,710,808**	**$ 15,116,381**	**$ 9,371,092**	**$ 6,320,360**	**$ 54,494,216**

CAPITAL EXPENDITURES

The City of Crystal Lake's Capital Improvement Plan (CIP) is a long-range planning document designed to review the City's anticipated capital needs. Ultimately, the CIP's goal is to ensure that the City's infrastructure (including its street system, water conveyance system, fleet, etc.) can meet both the service demands of the public and operational needs of the organization. A capital asset is a tangible or intangible asset having significant value that is used in operations and has an initial useful life that benefits more than a single fiscal year period. Capital assets include land, land improvements, buildings, infrastructure, equipment, software and construction in progress. Capital assets are defined as assets with an initial, individual cost of more than $25,000, or vehicles, trailers and boats regardless of cost.

Capital expenditures of the City are budgeted in one of three capital replacement funds: Capital Replacement Fund, Vehicle Replacement Fund or Water & Sewer Capital Replacement Fund. Projects are split based on the nature and funding source of the projects. Any project of governmental nature as to nature and funding source (General Fund, Fire Rescue Fund, Motor Fuel Tax Fund, et.al.) are budgeted in the Capital Replacement Fund. Any project related to water and sewer functions are budgeted in the Water & Sewer Capital Replacement Fund.

All capital expenditures can be found in the Capital Replacement Funds section on page 203 and in the Capital Plan Highlights section on page 227.

CITY OF CRYSTAL LAKE

ANNUAL BUDGET

FISCAL YEAR 2026

GENERAL FUND

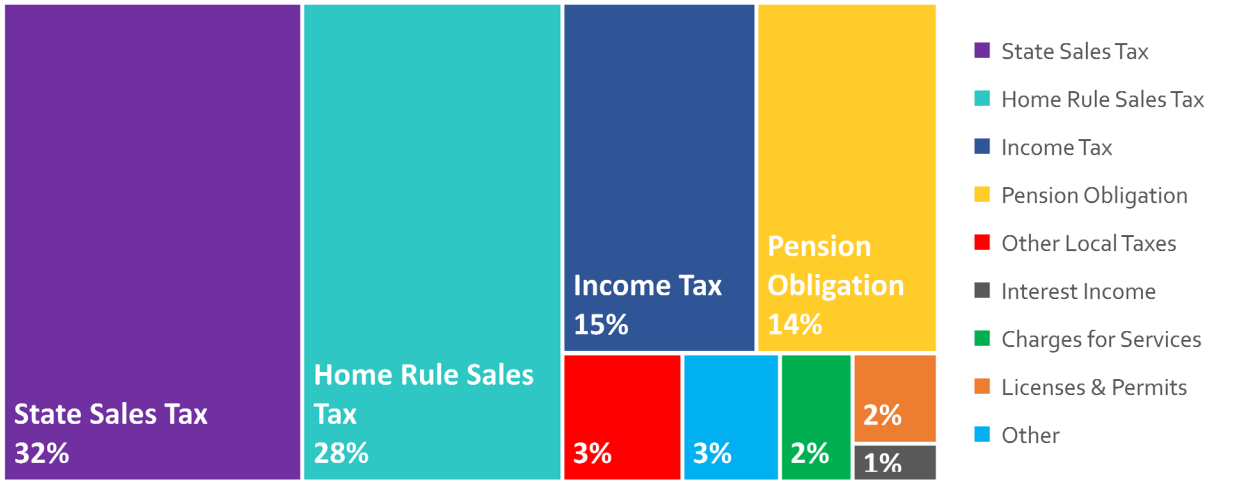
ANNUAL BUDGET SUMMARY

	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
REVENUES								
40030. Property Tax - Police Pension	$ 3,481,668	$ 3,482,254	$ 3,612,536	$ 3,992,645	$ 3,992,645	4,012,787	$ 20,142	0.5%
40035. Property Tax - Fire Pension	2,285,797	2,286,134	2,285,640	2,316,993	2,316,993	2,618,873	301,880	13.0%
Total Property Taxes	5,767,466	5,768,388	5,898,176	6,309,638	6,309,638	6,631,660	322,022	5.1%
41020. Personal Property RT- State	457,772	331,006	151,053	251,279	164,657	170,421	(80,858)	-32.2%
41025. Personal Property RT- Township	68,600	45,345	27,359	24,410	15,522	16,065	(8,345)	-34.2%
41030. Sales Tax - Il	14,154,945	15,169,052	11,051,870	15,735,386	16,958,920	14,956,350	(779,036)	-5.0%
41040. Income Tax - Il	6,506,600	6,592,621	4,569,869	7,011,965	7,086,871	7,090,180	78,215	1.1%
41045. Use Tax - Il	1,664,317	1,518,838	957,269	998,415	389,320	115,371	(883,044)	-88.4%
41700. Grant Proceeds - State of IL	9,892	48,290	26,998	2,000	50,000	2,000	-	0.0%
41800. Grant Proceeds - Federal	22,462	23,516	17,638	20,000	16,140	17,000	(3,000)	-15.0%
41850. Grant Proceeds - Other Govt	33,923	38,874	-	-	51,273	-	-	N/A
41900. Grant Proceeds - Other	213	4,500	4,084	-	-	-	-	N/A
Total Intergovernmental Revenue	22,918,723	23,772,041	16,806,139	24,043,455	24,732,703	22,367,387	(1,676,068)	-7.0%
42050. Liquor Licenses	133,858	147,399	139,627	140,000	140,000	140,000	-	0.0%
42090. Miscellaneous Licenses	15,540	17,375	15,625	15,500	15,500	15,500	-	0.0%
42210. Building Permits	695,633	1,101,302	582,895	650,000	650,000	650,000	-	0.0%
Total Licenses and Permits	845,032	1,266,076	738,147	805,500	805,500	805,500	-	0.0%
43032. Home Rule Sales Tax	6,826,463	7,179,057	7,614,329	12,226,859	12,744,477	12,999,364	772,505	6.3%
43035. Auto Rental Tax - Il	60,825	58,694	46,878	51,486	55,849	56,365	4,879	9.5%
43040. Local Cannabis Tax	62,931	324,664	209,507	335,000	257,095	238,554	(96,446)	-28.8%
43200. Hotel Tax	329,027	352,400	389,252	360,249	435,305	440,000	79,751	22.1%
43300. Telecommunications Tax	557,117	528,630	353,276	485,443	532,395	521,747	36,304	7.5%
43500. Franchise Fees - Cable	604,830	543,973	304,973	429,040	409,310	352,664	(76,376)	-17.8%
Total Other Taxes	8,441,192	8,987,418	8,918,217	13,888,077	14,434,431	14,608,694	720,617	5.2%
44300. Police Fines	268,401	331,697	177,630	310,000	255,000	255,000	(55,000)	-17.7%
44310. Police Towing Fines	96,500	91,500	90,000	95,000	95,000	95,000	-	0.0%
44320. Police False Alarms	23,550	21,000	6,450	5,000	9,900	10,000	5,000	100.0%
44510. Adjudication Fines	69,907	54,495	41,313	55,000	75,000	55,000	-	0.0%
Total Fines and Forfeits	458,357	498,692	315,392	465,000	434,900	415,000	(50,000)	-10.8%
45105. Rent - Three Oaks Boats	123,356	163,130	132,159	140,000	125,000	140,000	-	0.0%
45110. Rent - Three Oaks Pavillions	18,682	21,966	21,170	20,000	25,000	20,000	-	0.0%
45115. Rent - Three Oaks Beach Chairs	2,025	2,165	3,409	2,000	1,800	2,000	-	0.0%
45120. Rent - Three Oaks Concessions	72,280	71,259	68,139	70,000	70,000	70,000	-	0.0%
45150. Parking - Three Oaks	123,842	124,201	99,648	120,000	95,000	120,000	-	0.0%
45160. Beach Admission - Three Oaks	185,003	217,202	226,390	195,000	195,000	195,000	-	0.0%
45165. Instruction - Three Oaks	14,780	17,240	13,469	15,000	15,000	15,000	-	0.0%
45170. Season Pass - Three Oaks	3,480	3,570	1,450	3,000	2,500	3,000	-	0.0%
45210. Plan Review Fees	186,129	232,698	143,576	180,000	180,000	180,000	-	0.0%
45270. Inspection Fees	6,367	4,238	20,910	9,000	15,000	9,000	-	0.0%
45400. Police Detail	110,318	86,828	88,775	85,000	85,000	85,000	-	0.0%
45700. Rental Income - City Facilities	171,570	135,249	88,419	128,970	128,820	134,789	5,819	4.5%
Total Charges for Services	1,017,831	1,079,745	907,515	967,970	938,120	973,789	5,819	0.6%
47010. Interest Income	627,823	970,287	896,376	300,000	800,000	300,000	-	0.0%
47020. Interest Income Leases	36,547	35,899	27,485	-	42,087	39,964	39,964	N/A
47990. Unrealized Gain/Loss on Invest	(105,428)	617,625	377,980	-	-		-	N/A
Total Interest Income	558,942	1,623,812	1,301,842	300,000	842,087	339,964	39,964	13.3%

ANNUAL BUDGET SUMMARY (CONTINUED)

	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
REVENUES (Continued)								
48170. Consumables - Three Oaks	2,322	2,969	2,589	2,500	2,500	2,500	-	0.0%
48650. Historical Preservation Services	1,820	8,002	8,379	7,000	9,037	7,000	-	0.0%
48800. Host Fees	441,333	434,477	331,488	435,000	400,000	400,000	(35,000)	-8.0%
48820. Capital Facility Fees	159,498	281,447	148,080	60,000	67,000	60,000	-	0.0%
48930. Electrical Civic Contribution	49,002	-	-	-	-		-	N/A
48940. EV Charging Station	192	260	317	100	500	250	150	0.0%
48950. Reimbursements	365,077	188,015	48,213	56,000	57,243	53,500	(2,500)	-4.5%
48990. Miscellaneous Income	344,249	669,301	473,007	46,000	60,000	50,000	4,000	8.7%
Total Miscellaneous	1,363,492	1,584,470	1,012,073	606,600	596,280	573,250	(33,350)	-5.5%
Total Revenues	41,371,035	44,580,643	35,897,501	47,386,240	49,093,659	46,715,244	(670,996)	-1.4%

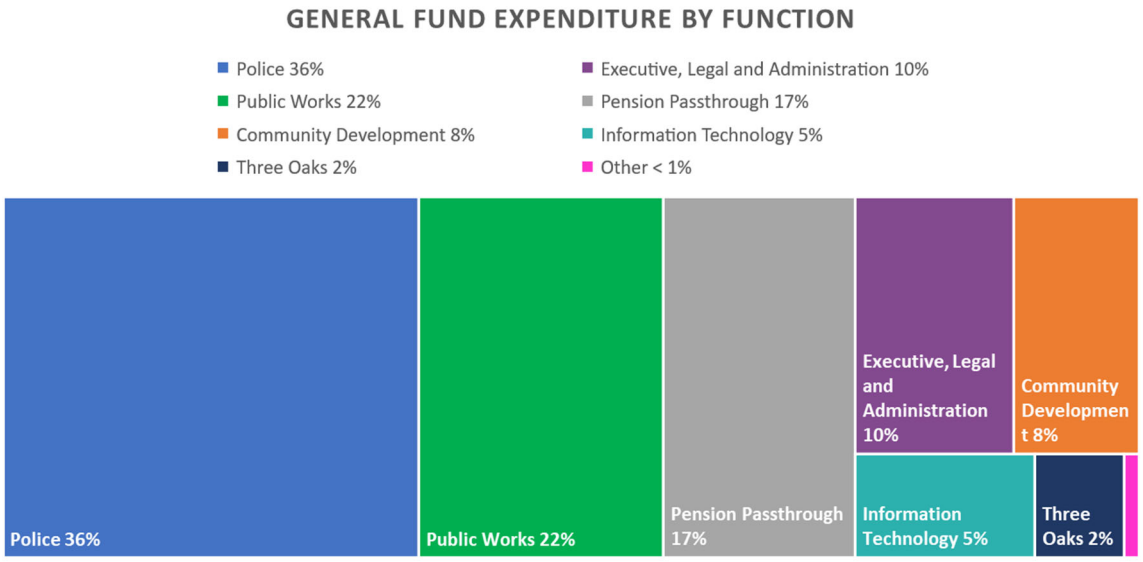
GENERAL FUND REVENUE BY TYPE



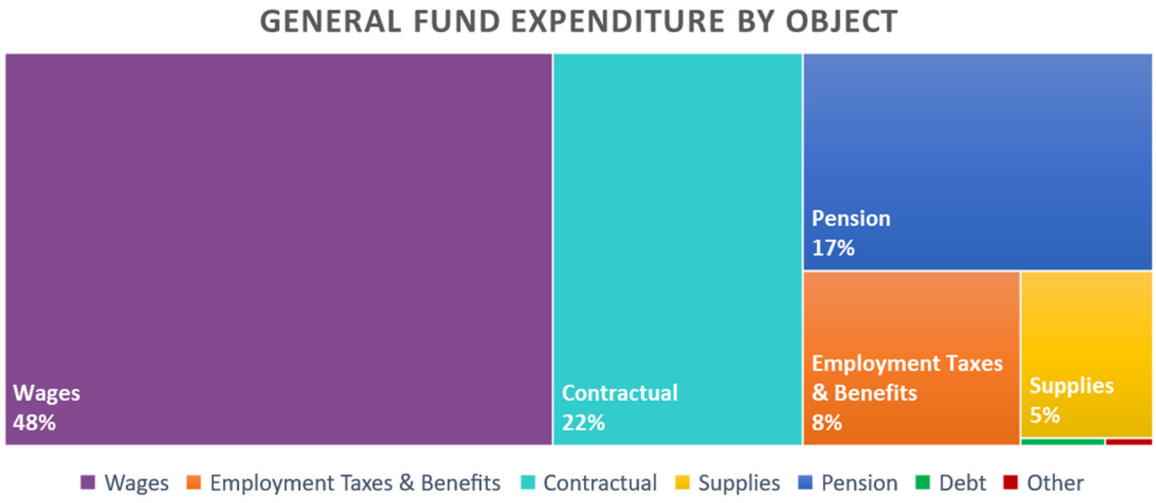
ANNUAL BUDGET SUMMARY (CONTINUED)

	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
EXPENDITURES								
Executive Department	451,084	500,425	410,284	535,285	539,253	458,260	(77,025)	-14.4%
Legal Department	560,998	717,292	484,218	763,200	713,200	763,200	-	0.0%
City Administration Department								
Administration	1,960,376	2,017,658	1,437,459	2,358,407	2,202,779	2,607,580	249,173	10.6%
Information Technology	935,993	1,286,190	1,062,518	1,777,523	1,696,442	1,783,502	5,979	0.3%
Administrative Adjudication	106,329	47,665	33,901	65,587	44,936	67,378	1,791	2.7%
Police Department	11,244,337	11,562,137	8,257,327	13,227,090	12,638,414	14,331,846	1,104,756	8.4%
Community Development Department	2,311,109	2,197,087	1,363,068	2,757,582	2,294,628	3,067,412	309,830	11.2%
Public Works Department								
Streets	3,492,139	3,522,913	2,540,542	4,409,716	4,112,256	4,728,654	318,938	7.2%
Engineering	1,072,972	1,272,323	897,595	1,468,696	1,385,367	1,637,692	168,996	11.5%
Fleet Services	1,423,991	712,481	494,896	855,340	722,770	850,762	(4,578)	-0.5%
Facility Services	-	656,358	480,444	1,125,098	1,006,745	1,203,305	78,207	7.0%
Three Oaks Recreation Area	912,460	901,246	691,098	854,145	839,480	886,038	31,893	3.7%
Fire & Police Commission	29,811	42,538	36,551	74,332	94,721	96,113	21,781	29.3%
Pension Obligation	5,767,466	5,768,388	5,898,176	6,309,638	6,309,638	6,631,660	322,022	5.1%
Debt Service	52,706	52,723	53,563	53,730	53,730	53,680	(50)	-0.1%
Total Expenditures	30,321,772	31,257,424	24,141,640	36,635,369	34,654,359	39,167,082	2,531,713	6.9%
Revenues Over (Under) Expenditures	11,049,263	13,323,219	11,755,861	10,750,871	14,439,300	7,548,162		
OTHER FINANCING SOURCES (USES)								
Transfer In								
Virginia Street TIF Fund	131,469	150,200	202,603	199,130	240,654	249,105		
Other								
SSA & SA Funds	9,618	106	(186,659)	-	-	-		
Gain/Loss on Leased Assets	-	60,974	-	-	-	-		
Gain/Loss on Sale of Assets	-	1,214	-	-	-	-		
Transfer Out								
Capital Replacement Fund	(3,145,105)	(3,000,000)	(1,620,000)	(1,750,000)	(1,750,000)	(2,200,000)		
Capital Replacement Fund - Advance	(5,700,000)	(3,000,000)	(6,700,000)	-	(4,300,000)	-		
Commuter Parking Fund	(24,981)	-	-	(20,000)	-	(50,000)		
Raue Center Building Fund	-	-	-	-	-	(175,000)		
Three Oaks Debt Service	(983,774)	(935,096)	(876,203)	(1,000,870)	(974,298)	(977,495)		
Vehicle Replacement Fund	-	(4,000,000)	(4,000,000)	(500,000)	(2,500,000)	(1,200,000)		
Water & Sewer Capital Fund	-	-	(158,484)	(1,940,000)	(2,800,000)	(500,000)		
Total Other Financing Sources (Uses)	(9,712,773)	(10,722,602)	(13,338,743)	(5,011,740)	(12,083,644)	(4,853,390)		
Net Change in Fund Balance	1,336,490	2,600,617	(1,582,882)	5,739,131	2,355,656	2,694,772		
Beginning Fund Balance	19,751,536	21,087,371	23,687,765	18,483,199	22,104,883	24,460,539		
Prior Period Adjustment	(655)	(223)		-	-	-		
Ending Fund Balance	21,087,371	23,687,765	22,104,883	24,222,330	24,460,539	27,155,311		
Restricted or Assigned Fund Balance	(5,485,450)	(8,101,493)	(6,680,512)	(6,506,270)	(6,683,549)	(6,818,338)		
Available Fund Balance	$ 15,601,921	$ 15,586,273	$ 15,424,371	$ 17,716,060	$ 17,776,990	$ 20,336,973		

As a service organization, one important way to analyze spending is to look at the expenditures by function, otherwise known as purpose. As the graphic below shows, the majority of General Fund expenditures are related to the Police Department operations. Public Works expenditures for the General Fund, the second largest function, includes divisions of Engineering, Streets, Fleet Services and Facility Services. Public Safety Pension obligations for Police and Fire make up the third largest percentage.



Another important way to review spending in the General Fund is to look at expenditures by object, or type of good or service. As is typical in a service organization, 73% of the expenditures in the General Fund relate to personnel services (wages, pensions, taxes and benefits). The second largest is contractual services at 22%. Supplies and debt services, as well as other smaller categories make up the remaining 5%.

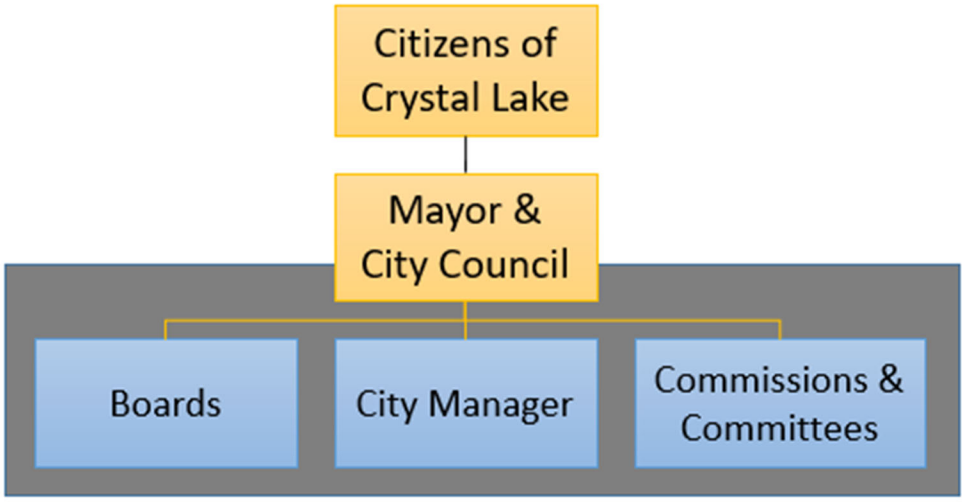


EXECUTIVE DEPARTMENT

STATEMENT OF ACTIVITIES

It is the responsibility of the Mayor and City Council to develop policies and enact ordinances and resolutions to ensure the health, safety, and welfare of Crystal Lake residents. The City Council adopts an annual budget outlining the services to be offered to City residents during the coming year and establishes the revenue sources to be used to finance the services.

ORGANIZATIONAL CHART



ANNUAL BUDGET

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
54110. Wages-Full Time	$ 22,800	$ 22,800	$ 15,200	$ 22,800	$ 20,400	$ 19,200	$ (3,600)	-15.8%
Personnel Services	22,800	22,800	15,200	22,800	20,400	19,200	(3,600)	-15.8%
55200. Training	3,834	3,803	2,974	8,380	5,500	8,380	-	0.0%
55220. Dues and Subscriptions	18,748	17,794	13,298	21,150	24,177	24,729	3,579	16.9%
55240. Insurance Services	12,048	12,049	7,225	13,255	12,522	13,351	96	0.7%
55760. Community Events	84,954	104,739	40,968	102,600	99,054	72,600	(30,000)	-29.2%
55900. Hotel Tax Program	308,700	339,240	330,620	347,100	367,100	300,000	(47,100)	-13.6%
58900. Miscellaneous	-	-	-	20,000	10,500	20,000	-	0.0%
Contractual Services	428,284	477,625	395,084	512,485	518,853	439,060	(73,425)	-14.3%
Total - Executive	$ 451,084	$ 500,425	$ 410,284	$ 535,285	$ 539,253	$ 458,260	$ (77,025)	-14.4%

ACCOUNT INFORMATION

For definitions of budgetary account activities, see "Account Descriptions" presented later in this document. Major changes in budget amounts are briefly explained below.

- Funds budgeted in the Hotel Tax Program account represent distributions of hotel/motel tax to non-profit agencies that sponsor programs aimed at attracting tourism to the City of Crystal Lake. Starting in 2026, a portion of Hotel Taxes will be dedicated to funding reimbursements of improvements and major repairs to the Raue Center Building in lieu of a payment to the Raue Center for the Arts under the Hotel Tax Program.
- Wages have decreased due to the City Clerk position being combined with the Deputy City Manager.
- The Community Events has decreased due to a firework donation that was received in FY 2024B, budgeted for in FY 2025, but not re-budgeted for in FY 2026.

LEGAL AND JUDICIARY

STATEMENT OF ACTIVITIES

It is the responsibility of Legal and Judiciary to provide legal advice to elected and administrative officials, to prepare and review legal documents for the City, to litigate cases involving the City and to conduct real estate transactions for the City.

ANNUAL BUDGET

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
55010. Professional Services	$ 8,809	$ 4,424	$ 11,379	$ 13,200	$ 13,200	$ 13,200	$ -	0.0%
55030. Legal Services	552,189	712,868	472,839	750,000	700,000	750,000	-	0.0%
Contractual Services	560,998	717,292	484,218	763,200	713,200	763,200	-	0.0%
Total - Legal	$ 560,998	$ 717,292	$ 484,218	$ 763,200	$ 713,200	$ 763,200	$ -	0.0%

CITY ADMINISTRATION DEPARTMENT

STATEMENT OF ACTIVITIES

The City Administration Department is subdivided into the City Manager's Office, Finance, and Human Resources. The Statement of Activities for the Administration Department is as follows:

City Manager's Office

The City Manager, who is appointed by the City Council, serves as the chief executive officer and is responsible for the day-to-day operations of the City. The City Manager's Office is the center point of communication between the Mayor and City Council, the various City Departments, and the citizenry. The City Manager's Office provides leadership by translating policy, as established by the City Council, into operating programs. The City Manager's Office ensures that the mission statement is the driving force behind all operational endeavors. In addition, the City Manager's Office coordinates the budget, handles risk management, and is responsible for promoting an overall customer service culture, managing and responding to City Council issues, providing vision, guidance, oversight, and examples to departments concerning performance and general service delivery, administering initiatives and participating in community leadership efforts.

Finance Department

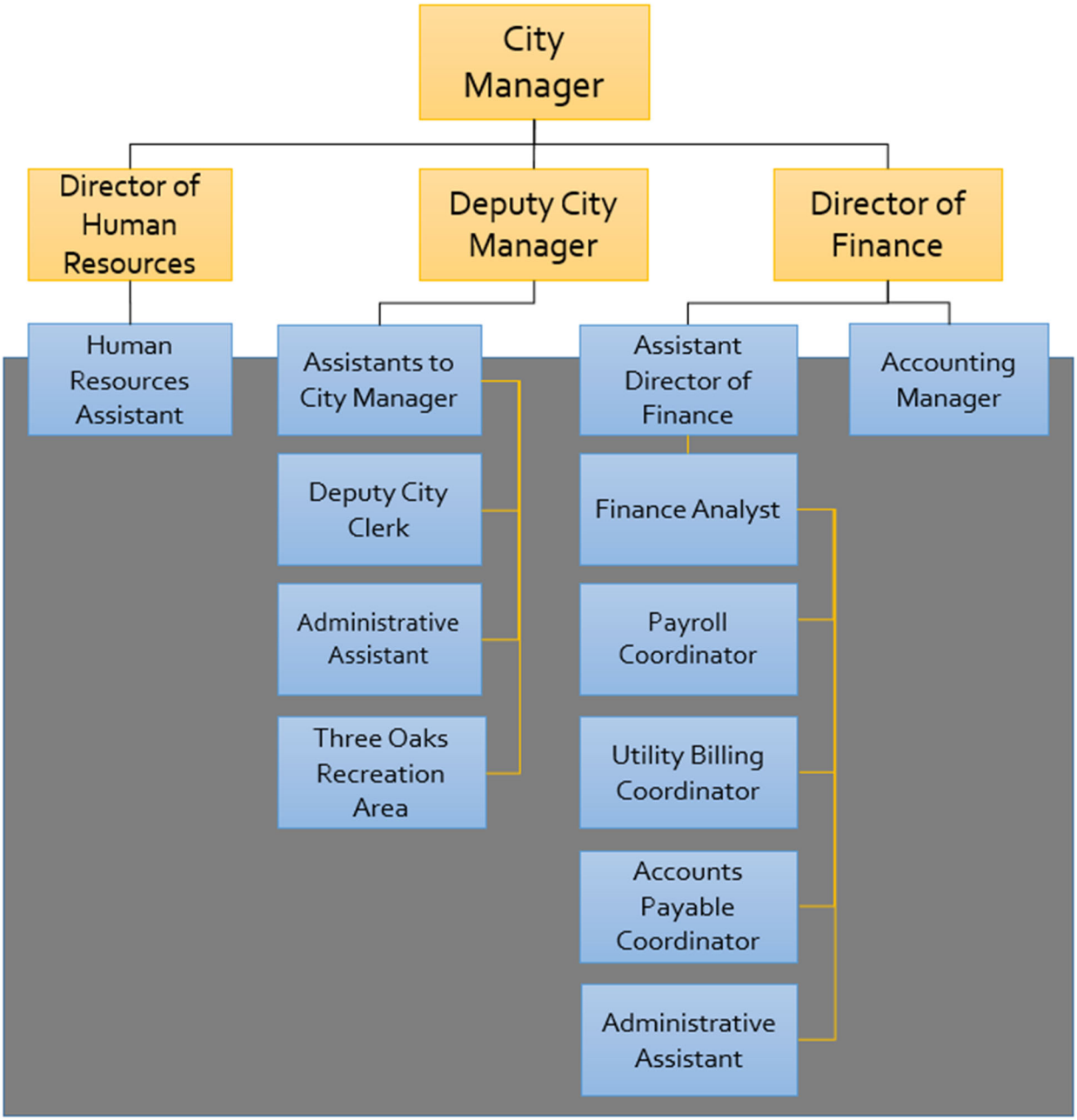
The Finance Department is responsible for maintaining the integrity of all financial systems, records and functions of the City in accordance with applicable laws, ordinances, policies and procedures. These activities include the recording and reporting of all financial transactions, billing and collection of all monies due the City, 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 assist with the administration of the Police and Fire Pension programs, as well as the Administrative Adjudication Program.

Human Resources

The Human Resources Division is responsible for all recruitment efforts: the interview, testing, and hiring processes. The operating departments rely on Human Resources for assistance and direction as it applies to labor relations, employee relations and performance management, as well as for guidance in the administration of organizational policies, and federal and state regulations. In addition, the Human Resources Division is responsible for benefits administration, which includes health, dental, vision, life, disability, and workers compensation insurance issues, as well as providing administrative assistance to the pension funds and one

deferred compensation program. The Division handles classification and compensation administration, personnel records management, and training and development for full-time, part-time and seasonal employees of the City of Crystal Lake.

ORGANIZATIONAL CHART



PERSONNEL SUMMARY

Position	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget
City Manager	1.00	1.00	1.00	1.00	1.00	1.00
Deputy City Manager	1.00	0.00	1.00	1.00	1.00	1.00
Assistant City Manager	1.00	1.00	0.00	0.00	0.00	0.00
Assistant to the City Manager	0.00	1.00	1.00	1.00	1.00	2.00
Management Analyst	1.00	1.00	1.00	0.00	0.00	0.00
Deputy City Clerk	0.00	0.00	0.00	0.00	0.00	1.00
Director of Human Resources	1.00	1.00	1.00	1.00	1.00	1.00
Director of Finance	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Finance Director	1.00	1.00	1.00	1.00	1.00	1.00
Executive Assistant	1.00	1.00	1.00	1.00	1.00	0.00
Human Resources Assistant	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	1.30	1.00	1.00	1.00	1.00	1.00
Accounting Manager	0.00	1.00	1.00	1.00	1.00	1.00
Accountant	1.00	0.00	0.00	0.00	0.00	0.00
Finance Analyst	0.00	1.00	1.00	1.00	1.00	1.00
Payroll Coordinator	0.00	1.00	1.00	1.00	1.00	1.00
Accounts Payable Coordinator	0.00	1.00	1.00	1.00	1.00	1.00
Financial Services Rep	1.75	0.00	0.00	0.00	0.00	0.00
Total FTE	13.05	14.00	14.00	13.00	13.00	14.00

The Deputy City Clerk position has been budgeted in the FY2026 budget. A second Assistant to the City Manager position has been added and the current Executive Assistant will assume that role.

ACCOMPLISHMENTS

The City Manager's Office had the following objectives:

- Pursue online licensing features through the City's online permitting software, Accela.

  On Track. City Manager's Office staff is on track to utilize Accela for the spring 2026 license renewal period for liquor, commercial refuse, and tobacco licenses. Video gaming implementation through Accela will be pursued in early 2026.

- Utilize the Public Arts Commission to enhance the aesthetics and cultural identity of the City.

  Ongoing. The City continues to utilize the expertise of the Arts Commission to enhance the aesthetics of the City. The Commission is currently implementing artistic benches in the Downtown area.

- Pursue the action items selected for the Mayors' Monarch Pledge program and continue to promote the environment through the Sustainability Committee.

  Ongoing. The Sustainability Committee is pursuing tasks to accomplish the action items selected for the Mayor's Monarch Pledge. In addition, the Committee is pursuing litter clean-up initiatives to keep the City clean.

- Evaluate long-term electric vehicle charging station opportunities.

  Ongoing. The City continues to evaluate strategic opportunities for electric vehicle charging stations as new developments come to the City.

- Expand the use of Filebound for City property files. Research the backscanning needs of the CMO, Finance, and Fire Rescue Departments and continue the plan to backscan documents into the City's document management system.

  On track. The City continues to expand the use of Filebound (previously Optiview) to save the City's property files, contracts, and ordinances.

- Implementation of the Three Oaks Recreation Area Master Plan based on the priorities identified by the City Council and available funding sources, with the priority of high water level control.

  Ongoing. The lake loop trail is the highest ranked amenity in the Master Plan and the project is on track for substantial completion in fall 2025. The water level control project is in progress and is anticipated to be completed in 2025.

- Improve transparency on the City website by utilizing additional software features.

  Ongoing. The City is currently evaluating potential vendors to implement a website upgrade in 2026.

- Complete a new community wide survey to update the City's strategic plan.

  Completed. The City completed a new community survey in 2025 and utilized the results to update the City's strategic plan and provide valuable insight for CALEA certification.

The City's Human Resources Department had the following objectives:

- Begin negotiations with MAP Chapter 177 for a successor Police Department collective bargaining agreement.

  Completed. The new CBA was signed in July 2025.

- Train and equip supervisors through a comprehensive training program.

  Ongoing.

- Complete the 457 Deferred Compensation Plan recordkeeper transition to improve employee investment options.

  Completed. Transition completed in March 2025.

- Improve employee engagement through various programs initiated by the City's wellness committee.

  Ongoing.

- Evaluate timekeeping solutions for part-time and seasonal staff.

  Held. Move to 2026 to evaluate for all City staff.

The Human Resources Department achieved the following additional accomplishments during fiscal year 2025:

- The City completed NIMS emergency management certification requirements.

The City's Finance Department had the following objectives for the coming year:

- Create a financial procedures manual to help ensure Finance Department continuity.

  On track. Financial procedures continue to be documented and collected into a draft financial procedures manual.

- Implement a water meter replacement program ensure accurate water readings and provide additional resources to customers regarding their water usage.

  On track. The installation of new water meters began in early July 2025. The project is expected to be completed in mid-2026.

- Create a long-term capital improvement plan that projects capital needs over the next twenty years.

  Completed. The 20-year capital plan has been prepared and will be released along with the FY2026 budget.

The Finance Department achieved the following additional accomplishments during fiscal year 2025:

- Received the Certificate of Achievement for the City's FY2023/24 Annual Comprehensive Financial Report. This is the thirty-fifth year that the City has received the award for the ACFR.

- Received the Distinguished Budget Presentation Award from the GFOA for the FY2025 budget document. This is the seventeenth year the City has received the budget award.

- Received the Certificate of Achievement for the City's FY2023/24 Popular Annual Finance Report. This is the fourth year that the City has received the award for the PAFR.

OBJECTIVES

The City Manager's Office has the following objectives:

- Pursue online licensing features, including liquor licensing, video gaming, and massage licenses through the City's online permitting software, Accela.
- Utilize the Public Arts Commission to enhance the aesthetics and cultural identity of the City by continuing the bench art program, establishing a mural program, calling for artists for the Water's Edge mural panels, and completion of the Congress Parkway roundabout sculpture.
- Pursue the action items selected for the Mayors' Monarch Pledge program and continue to promote the environment through the Sustainability Committee by enhancing litter clean up initiatives.
- Utilize the Youth Commission to enhance the voices of youth in the community by hosting civic engagement forums where youth can learn about local government and learn how and where to vote.
- Expand the use of Filebound for City property files. Research the backscanning needs of the CMO, Finance, and Fire Rescue Departments and continue the plan to backscan documents into the City's document management system.
- Improve transparency on the City website by implementing an updated website that is fully ADA compliant, create a new online transparency dashboard for the public to access information, and utilize additional software features.
- Begin discussions with the Rural Fire Protection District to execute a new service agreement.

The City's Human Resources Department has the following objectives:

- Begin negotiations with Local 150 for a successor Public Works collective bargaining agreement.
- Begin negotiations with IAFF for a successor Fire collective bargaining agreement.
- Begin negotiations with Police Sergeants for a new collective bargaining agreement.
- Redesign the employee performance evaluation form to improve clarity, relevance, and effectiveness.

- Evaluate electronic timekeeping solutions for City staff.

The City's Finance Department has the following objectives for the coming year:

- Implement a water meter replacement program ensure accurate water readings and provide additional resources to customers regarding their water usage.
- Explore software options for capital planning, financial reporting, and transparency.
- Research and implement a purchasing card program.
- Create a Unified Fee Schedule that would consolidate the various fees throughout the City Code into a single, comprehensive fee schedule.

ANNUAL BUDGET

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
54110. Wages-Full Time Employees	$ 1,427,793	$ 1,419,285	$ 1,013,694	$ 1,679,310	$ 1,592,505	$ 1,825,549	$ 146,239	8.7%
54115. Wages-Part Time Employees	45,130	59,412	32,512	56,600	40,836	59,240	2,640	4.7%
54150. Wages-Overtime	271	310	1,427	2,500	2,000	2,500	-	0.0%
54200. Group Insurance	177,336	220,487	162,696	223,288	223,288	316,669	93,381	41.8%
Personnel Services	1,650,530	1,699,494	1,210,328	1,961,698	1,858,629	2,203,958	242,260	12.3%
55010. Professional Services	59,895	62,546	41,384	85,788	98,784	74,815	(10,973)	-12.8%
55040. Annual Audit Services	26,246	18,740	27,975	25,248	23,563	27,965	2,717	10.8%
55140. Publishing Services	5,496	4,314	3,838	5,800	3,931	5,800	-	0.0%
55160. Postage & Freight	26,266	33,687	23,387	34,000	35,051	41,000	7,000	20.6%
55200. Training	9,937	13,193	10,074	11,650	7,436	11,650	-	0.0%
55220. Dues and Subscriptions	11,435	14,294	8,542	12,459	12,256	13,648	1,189	9.5%
55240. Insurance and Bonding Services	58,326	44,900	24,690	52,475	40,000	51,705	(770)	-1.5%
55310. Examinations	4,336	6,038	4,877	5,100	7,000	5,100	-	0.0%
55340. Maintenance Services-Office Equip.	4,028	1,517	422	2,039	1,689	2,039	-	0.0%
55550. Employee Programs Services	36,133	42,128	24,568	74,500	35,425	73,600	(900)	-1.2%
Contractual Services	242,098	241,356	169,755	309,059	265,135	307,322	(1,737)	-0.6%
56000. Office Supplies	10,529	12,669	7,098	10,000	10,000	10,000	-	0.0%
56040. Motor Fuel & Lubricants	376	104	131	600	200	400	(200)	-33.3%
56050. Computer Hardware & Software	9,010	6,510	3,399	5,250	4,200	5,850	600	11.4%
56060. Small Tools and Equipment	1,996	2,995	2,351	2,700	964	2,200	(500)	-18.5%
56070. Automotive Supplies	460	109	-	1,000	1,000	1,100	100	10.0%
56950. Stationery and Printing	45,378	47,126	37,272	58,100	55,671	66,750	8,650	14.9%
Materials & Supplies	67,749	69,513	50,251	77,650	72,035	86,300	8,650	11.1%
58900. Miscellaneous	-	7,295	7,124	10,000	6,980	10,000	-	0.0%
Other Expenses	-	7,295	7,124	10,000	6,980	10,000	-	0.0%
Total - City Administration	$ 1,960,376	$ 2,017,658	$ 1,437,459	$ 2,358,407	$ 2,202,779	$ 2,607,580	$ 249,173	10.6%

ACCOUNT INFORMATION

For definitions of budgetary account activities, see "Account Descriptions" presented later in this document. Major changes in budget amounts are briefly explained below.

- The full-time employee wages have increased due to an additional Deputy City Clerk position in the department.
- The amount for Professional Services has decreased due to the completion of a citizen survey in 2025.
- Market trends indicate a projected increase to Group Health insurance in 2026.
- The budget for stationary and printing has increased to account for enhanced City newsletter mailings to apartments.

ADMINISTRATIVE ADJUDICATION DIVISION

STATEMENT OF ACTIVITIES

The City's Division of Administrative Adjudication hears a wide range of cases involving violations of municipal ordinances that were once heard in the McHenry County Circuit Court. Having hearings at City Hall expedites compliance, reduces litigation expenses and allows the Circuit Court to focus on more serious offenses. Hearings at City Hall also are more convenient for residents who wish to contest a ticket or other citation. An administrative hearing is a civil, not a criminal proceeding. Cases filed in adjudication are punishable by fines and a variety of other penalties, excluding jail time. Under the administrative hearing system, an Administrative Law Judge, not the City entity that issued the ticket, complaint or notice of violation, hears cases. Administrative Law Judges, all of whom are experienced attorneys, are required to undergo State mandated training to be professional, fair and courteous.

PERSONNEL SUMMARY

Position	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget
Financial Services Rep	1.00	0.00	0.00	0.00	0.00	0.00
Administrative Assistant	0.00	0.50	0.50	0.50	0.50	0.50
Total FTE	1.00	0.50	0.50	0.50	0.50	0.50

ACCOMPLISHMENTS

- Continued to successfully implement the Administrative Adjudication Program for the City of Crystal Lake.

OBJECTIVES

- Continue to enhance the Administrative Adjudication process to allow for the fair adjudication of matters unique to the City.

ANNUAL BUDGET

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
54110. Wages-Full Time Employees	$ 57,034	$ 25,909	$ 19,452	$ 32,275	$ 23,260	$ 33,516	$ 1,241	3.8%
54200. Group Insurance	24,573	3,502	2,513	3,812	3,812	4,362	550	14.4%
Personnel Services	81,607	29,411	21,965	36,087	27,072	37,878	1,791	5.0%
55010. Professional Services	24,073	17,456	11,410	28,500	17,000	28,500	-	0.0%
55160. Postage & Freight	649	799	527	900	864	900	-	0.0%
Contractual Services	24,722	18,254	11,936	29,400	17,864	29,400	-	0.0%
56000. Office Supplies	-	-	-	100	-	100	-	0.0%
Materials & Supplies	-	-	-	100	-	100	-	0.0%
Total - Administrative Adjudication	$ 106,329	$ 47,665	$ 33,901	$ 65,587	$ 44,936	$ 67,378	$ 1,791	2.7%

ACCOUNT INFORMATION

For definitions of budgetary account activities, see "Account Descriptions" presented later in this document. Major changes in budget amounts are briefly explained below.

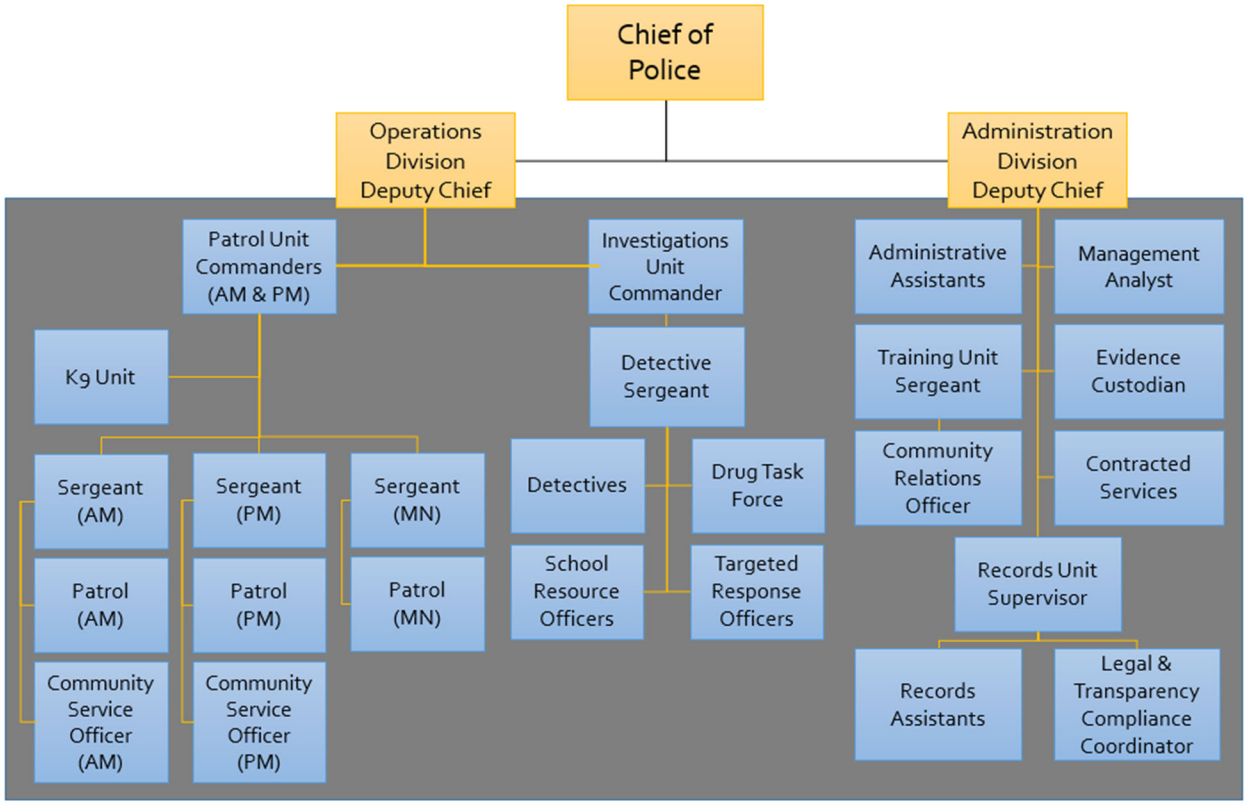
- The increase in Professional Services best reflects the anticipated costs for the Prosecutor and the Hearing Officer for FY2026.

POLICE DEPARTMENT

STATEMENT OF ACTIVITIES

The Police Department is responsible for providing a variety of professional services to the community. These services include, but are not limited to: preventative patrol operations, traffic services, criminal investigations, youth services, crime prevention, parking enforcement and public education. The Police Department proudly serves the public as we continue to explore ways to enhance our partnerships with various community groups and expand our community outreach efforts. We are committed to the fair and impartial enforcement of the law and will remain transparent in all our actions in order to retain the public's trust in our organization.

ORGANIZATIONAL CHART



PERSONNEL SUMMARY

Position	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	
Police Chief	1.00	1.00	1.00	1.00	1.00	1.00	
Deputy Police Chief	2.00	2.00	2.00	2.00	2.00	2.00	
Commander	3.00	3.00	3.00	3.00	3.00	3.00	
Sergeant	11.00	11.00	11.00	11.00	11.00	11.00	
Police Officer	50.00	50.00	60.00	60.00	60.00	60.00	*
Property Control Officer	1.00	1.00	1.00	1.00	1.00	1.00	
Community Service Officer	3.00	3.00	3.00	3.00	3.00	3.00	
Management Analyst	1.00	1.00	1.00	1.00	1.00	1.00	
Administrative Assistant	1.70	1.70	1.70	1.70	2.00	2.00	
Police Records Supervisor	1.00	1.00	1.00	1.00	1.00	1.00	
Legal & Transparency Compliance Coordinator	0.00	0.00	0.00	0.00	0.00	0.70	
Police Records Assistant	4.00	4.00	4.00	4.00	3.50	3.70	
Total FTE	78.70	78.70	88.70	88.70	88.50	89.40	

* In FY2024B, an additional ten (10) police officers were authorized. However, in FY 2026, three new positions are being included in the budget which represent the last of the 10 new approved positions. Additionally, a part-time Legal & Transparency Compliance Coordinator position has also been added. Also, an administrative assistant position has been moved from part-time to full-time, and a police records position has been moved from full-time to part-time status.

ACCOMPLISHMENTS

- The Department will continue to participate in the Illinois Traffic Safety Challenge, demonstrating our commitment to traffic safety with the goal of reducing traffic crashes and, most importantly, reduce the occurrences of crash-related injuries.

  Met. The Department continues to participate in the Illinois Traffic Safety Challenge. The Department is actively engaged in our commitment to traffic safety with the goal of reducing traffic crashes and the occurrences of crash related injuries. Through Traffic Enforcement Efforts and proactive approaches from January through June of 2025, this Department has demonstrated an increase in DUI arrests, recorded zero fatal crashes citywide, and a 31.25% decrease in crashes at the major intersection of Route 31 and Three Oaks Road.

- Maintain qualifications under the Incident Command System in order to continue our effective responses during any planned or unplanned major event.
  - Provide introductory training for any newly appointed supervisors.

    Met. Sergeant Lloyd-Mietus attended ICS 300 and 400 in November.

- Provide two scenario-based training opportunities for police supervisors to practice their skills in a simulated environment.

  Met. Two tabletop exercises were completed with supervisory staff.

- Research and develop a mass casualty/rapid response training exercise to occur in 2026/2027.

  Met. Discussion and development of the exercise have started and is ongoing.

- Enhance community policing efforts.

  - The Department will facilitate at least three community presentations during the fiscal year covering topics of current crime trends affecting our residents and/or business owners.

    Met. Chief Black facilitated Coffee with the Chief in March and September. Chief Black also participated in a Rotary Club Dawn Breakers event June. Also, the Community Relations Officer completed thirty-seven additional community presentations.

  - In addition to their current tasks and assignments, all patrol officers, on average, will conduct foot patrols in order to actively engage the residential and business community by means of consensual and non-enforcement related contacts.

    Met. Each shift has residential and business foot patrols attached to their individual Shift Expectations, requiring patrol officers to complete foot patrols on a daily basis.

  - Police Department staff will complete six short Public Safety Announcement video presentations to post on social media. Topics can vary regarding issues concerning our residents.

    Met. Seven videos have been completed and disseminated.

- The Investigations Unit will continue to conduct sex offender compliance checks to ensure those sex offenders registered within the City are accurately reporting the information required under State law.

  - At least three compliance checks will be conducted.

    Met. A compliance check was completed in March, July, and October.

  - One compliance check will be conducted within two weeks prior to Halloween.

    Met. A compliance check was completed within the time frame.

- Continue supervisory and management training, as well as develop leadership and mentoring opportunities.
    - Send at least one Sergeant to the Northwestern University Center for Public Safety to attend a session of Staff and Command.

      Met. Sergeants Beasley and Munaretto completed training in 2025.
    - Send command staff to advanced leadership and management training.

      Met. Commander Coutre graduated from the FBI National Academy in December.
- Maintain CALEA accreditation compliance.
    - The Department will be required to submit evidence of compliance to CALEA on an annual basis.

      Met. The Department successfully completed its second year of the four year cycle on October 15.
- Successfully implement the IDOT Traffic Enforcement Grant Program.
    - Focus efforts on impaired driving, distracted driving, and speeding violations.

      Met. Efforts have been focused on these factors, with the Department continuously exceeding grant objectives.
    - Staff each campaign fully with officers to ensure grant funds are spent as outlined in the grant.

      Met. Each campaign has met this requirement.
    - Ensure minimum production standards for enforcement efforts are adhered to as specified in the grant.

      Met. Minimum production standards have been adhered to and/or exceeded during the grant program.
    - Complete data reports and grant reimbursement paperwork on time and with a high degree of accuracy, with appropriate paperwork forwarded to IDOT and the City's Finance Department.

      Met. All reports were submitted prior to the assigned deadline (to include campaign reports as well as quarterly and annual reports). No accuracy issues were noted by IDOT and the Department received timely reimbursement based upon the submitted reports. All financial campaign reports were submitted to the City's Finance Department at the same time they were transmitted to IDOT.

- The Department will ensure all requirements are met for records related items due to recent law changes including Juvenile Expungements and Federal and State reporting.

  Met. The Department is ensuring all requirement are met for records related Federal and State reporting items, including Juvenile Expungements.

- Utilize the PD's Police Social Worker to respond to and engage with community members that may be experiencing crisis.

  Met. The Department's Police Social Worker has received 262 referrals for services from January-August and is on pace to receive approximately 400 referrals in calendar year 2025. Of the 262 referrals, the Social Worker directly engaged with 178 people.

OBJECTIVES

- The Department will continue to participate in the Illinois Traffic Safety Challenge, demonstrating our commitment to traffic safety with the goal of reducing traffic crashes and, most importantly, reduce the occurrences of crash-related injuries.
- Maintain qualifications under the Incident Command System in order to continue our effective responses during any planned or unplanned major event.
    - Newly appointed supervisors will be provided with introductory training.
    - Police supervisors will practice their skills in a simulated environment by participating in two scenario-based training opportunities.
- Enhance community policing efforts.
    - The Department will conduct a minimum of three community presentations during the fiscal year to inform residents and business owners about current crime trends impacting the community.
    - In addition to their regular duties, all patrol officers will, on average, perform foot patrols to actively engage with residents and business owners through voluntary, non-enforcement interactions.
    - Police Department staff will produce six brief Public Safety Announcement videos for social media, covering various topics relevant to community concerns.
- The Investigations Unit will continue to conduct sex offender compliance checks to ensure those sex offenders registered within the City are accurately reporting the information required under State law.

  - Three compliance checks will be conducted at a minimum.
  - Within two weeks prior to Halloween officers will conduct a compliance check.

- Continue supervisory and management training, as well as develop leadership and mentoring opportunities.
  - Provide one Sergeant training at Northwestern University Center for Public Safety Staff and Command.
  - Identify advanced leadership and management training for command staff members to attend.
- Maintain CALEA accreditation compliance.
  - The Department will submit all necessary evidence of compliance to CALEA.
- Successfully implement the IDOT Traffic Enforcement Grant Program.
  - Focus efforts on impaired driving, distracted driving, and speeding violations.
  - Staff each campaign fully with officers to ensure grant funds are spent as outlined in the grant.
  - Ensure minimum production standards for enforcement efforts are adhered to as specified in the grant.
  - Complete data reports and grant reimbursement paperwork on time and with a high degree of accuracy, with appropriate paperwork forwarded to IDOT and the City's Finance Department.
- The Department will ensure all requirements are met for records related items due to recent law changes including Juvenile Expungements and Federal and State reporting.

ANNUAL BUDGET

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
54110. Wages-Full Time Employees	$ 7,472,805	$ 7,866,819	5,535,928	$ 9,022,202	$ 8,600,291	$ 9,638,147	$ 615,945	6.8%
54115. Wages-Part Time Employees	67,348	81,212	51,022	95,520	81,198	132,437	36,917	38.6%
54150. Wages-Overtime	507,498	503,957	397,006	598,500	590,000	623,500	25,000	4.2%
54200. Group Insurance	1,487,360	1,309,387	960,002	1,522,824	1,522,824	1,856,157	333,333	21.9%
Personnel Services	9,535,012	9,761,375	6,943,958	11,239,046	10,794,313	12,250,241	1,011,195	9.0%
55010. Professional Services	920,259	924,883	669,043	1,019,045	985,862	1,051,845	32,800	3.2%
55140. Publishing Services	-	114	103	115	375	155	40	34.8%
55160. Postage & Freight	3,416	4,157	4,284	3,000	6,600	6,000	3,000	100.0%
55200. Training	95,043	66,628	71,548	88,647	78,415	88,830	183	0.2%
55220. Dues and Subscriptions	50,388	61,544	96,833	163,427	150,848	194,339	30,912	18.9%
55240. Insurance and Bonding Services	246,094	315,720	143,797	293,745	250,000	289,433	(4,312)	-1.5%
55310. Examinations	2,565	3,230	1,956	8,500	1,750	8,500	-	0.0%
55320. Maintenance Services-Oper. Equip.	38,536	44,947	27,488	55,000	39,649	24,785	(30,215)	-54.9%
55340. Maintenance Services-Office Equip.	3,442	3,110	1,256	2,300	500	1,500	(800)	-34.8%
55360. Radio Equipment Services	-	5,772	2,886	2,000	1,520	2,000	-	0.0%
55760. Community Events	-	400	170	300	-	300	-	0.0%
Contractual Services	1,359,744	1,430,507	1,019,365	1,636,079	1,515,519	1,667,687	31,608	1.9%
56000. Office Supplies	10,835	10,806	6,426	10,000	10,000	10,000	-	0.0%
56020. Cleaning Supplies	899	808	351	800	800	800	-	0.0%
56040. Motor Fuel & Lubricants	107,778	115,616	76,406	125,000	110,000	132,000	7,000	5.6%
56050. Computer Hardware & Software	34,686	30,446	24,247	37,925	23,409	44,028	6,103	16.1%
56060. Small Tools and Equipment	41,151	65,277	31,153	45,840	33,005	46,240	400	0.9%
56070. Automotive Supplies	61,722	69,933	41,312	45,000	55,000	58,500	13,500	30.0%
56120. Clothing	75,707	68,156	75,182	79,900	90,405	114,850	34,950	43.7%
56950. Stationery and Printing	10,187	9,212	2,292	7,500	5,963	7,500	-	0.0%
Materials & Supplies	342,966	370,255	257,369	351,965	328,582	413,918	61,953	17.6%
58800. Grants - Historical	4,901	-	-	-	-	-	-	0.0%
58900. Miscellaneous	1,715	-	36,635	-	-	-	-	0.0%
Other Expenses	6,616	-	36,635	-	-	-	-	0.0%
Total - Police	$ 11,244,337	$ 11,562,137	8,257,327	$ 13,227,090	$ 12,638,414	$ 14,331,846	$ 1,104,756	8.4%

ACCOUNT INFORMATION

For definitions of budgetary account activities, see "Account Descriptions" presented later in this document. Major changes in budget amounts are briefly explained below.

- Full-time wages includes the addition of three new police officers. The department will be applying for the COPS Hiring Grant when it opens to supplement these costs.
- Clothing account has increased due to additional staffing and the new collective bargaining agreement.
- Overtime has increased due to the volume of special events and increased staffing.
- Professional Services account increased as a result of potential increased SEECOM fees.
- Postage and Freight increased due to the volume of items being sent out.
- Dues and Subscription account increased due to the use of the CLEAR investigative program, Starcom airtime costs, and additional Flock cameras being added to our account. The Flock increase will be supplemented by an awarded grant.
- Operating Equipment account is decreased as a result of no longer paying monthly rent for an off-site storage location.
- Office Equipment and Maintenance account is decreased as a result of lower copy machine repair and maintenance costs.
- Motor Fuel and Lubricants account is increased due to the fleet and staffing additions.
- Computer Hardware and Software account is increased due to contractual costs increasing.
- Auto Supplies account is increased as a result of the fleet garage performing more preventative maintenance and locating issues instead of sending vehicle off-site.
- The department plans on purchasing new ballistic shields to support the officers when responding to incidents that require ballistic protection. These shields will be stored in the squad cars for quick deployment. Included in this purchase are two higher ballistic rated shield for rounds fired from a rifle.
- The department also anticipates replacing all body-worn cameras and in-squad camera systems as original contract expires in 2026.

- Additionally, the department will replace the Tasers as part of the planned rotational cycle as the equipment nears expected life-span of approximately 5-years. Axon changed Taser purchasing from itemized to bundles with a 5-year contract. The new bundles include the full virtual reality training package.

- The department is looking to purchase thirty-seven office chairs to replace the ones currently in use. The chairs in use are at their end of life, showing damage from wear and tear, and parts are no longer available for repair.

- The patrol rifle utilized by officers has become an essential item of equipment that law enforcement utilizes for critical incident response. This is a result of the rifle's accuracy, reliability, ammunition capacity, and versatility. In 2009, the police department purchased patrol rifles that are deployed from the squad cars. Those rifles are reaching the end of life and may begin to experience barrel failure issues. The department plans on replacing the rifles currently in use.

- The department is anticipating replacing the portable radios as part of the planned rotational cycle as the equipment will be at the manufacturer's recommended rotation. This will be a tiered implementation over three years.

FIRE AND POLICE COMMISSION

STATEMENT OF ACTIVITIES

The Board of Fire and Police Commissioners consists of a Chairperson and two Commissioners. The Director of Human Resources for the City of Crystal Lake serves as the staff liaison to the Board of Fire and Police Commissioners. The Board has the authority to provide for promotion of certain positions in the Fire Rescue and Police Departments. In addition, certain disciplinary actions and/or terminations are subject to the exclusive jurisdiction of the Board of Fire and Police Commissioners according to applicable state law.

ACCOMPLISHMENTS

- Fulfilled the duties of the Board as outlined in the Board of Fire and Police Commission Rules and Regulations as adopted in May 2023.

OBJECTIVES

- Conduct promotional examinations and processes as needed for the establishment of eligibility lists for the positions of Police Sergeant, Fire Lieutenant or Battalion/Bureau Chief should there become a risk of the current active lists being exhausted prior to their expiration dates.
- Fulfill the duties of the Board as outlined in the Board of Fire and Police Commission Rules and Regulations as adopted in May 2023.

ANNUAL BUDGET

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
55010. Professional Services	$ 1,339	$ 94	$ -	$ 500	$ 200	$ 500	$ -	0.0%
55140. Publishing Services	1,898	2,587	1,575	1,500	897	1,500	-	0.0%
55160. Postage & Freight	136	99	22	250	100	250	-	0.0%
55200. Training	-	-	-	1,000	-	1,000	-	0.0%
55220. Dues and Subscriptions	375	-	-	375	-	375	-	0.0%
55240. Insurance and Bonding Services	1,623	1,624	941	2,314	1,662	2,280	(34)	-1.5%
55310. Examinations	24,440	38,134	34,014	68,393	91,862	90,208	21,815	31.9%
Contractual Services	29,811	42,538	36,551	74,332	94,721	96,113	21,781	29.3%
Total - Fire & Police Commission	$ 29,811	$ 42,538	$ 36,551	$ 74,332	$ 94,721	$ 96,113	$ 21,781	29.3%

ACCOUNT INFORMATION

For definitions of budgetary account activities, see "Account Descriptions" presented later in this document. Major changes in budget amounts are briefly explained below.

- The increase in Examinations is due to the anticipated additional hires in the Police and Fire Rescue Departments and promotion processes for Police Sergeants and Fire Lieutenants.

COMMUNITY DEVELOPMENT DEPARTMENT

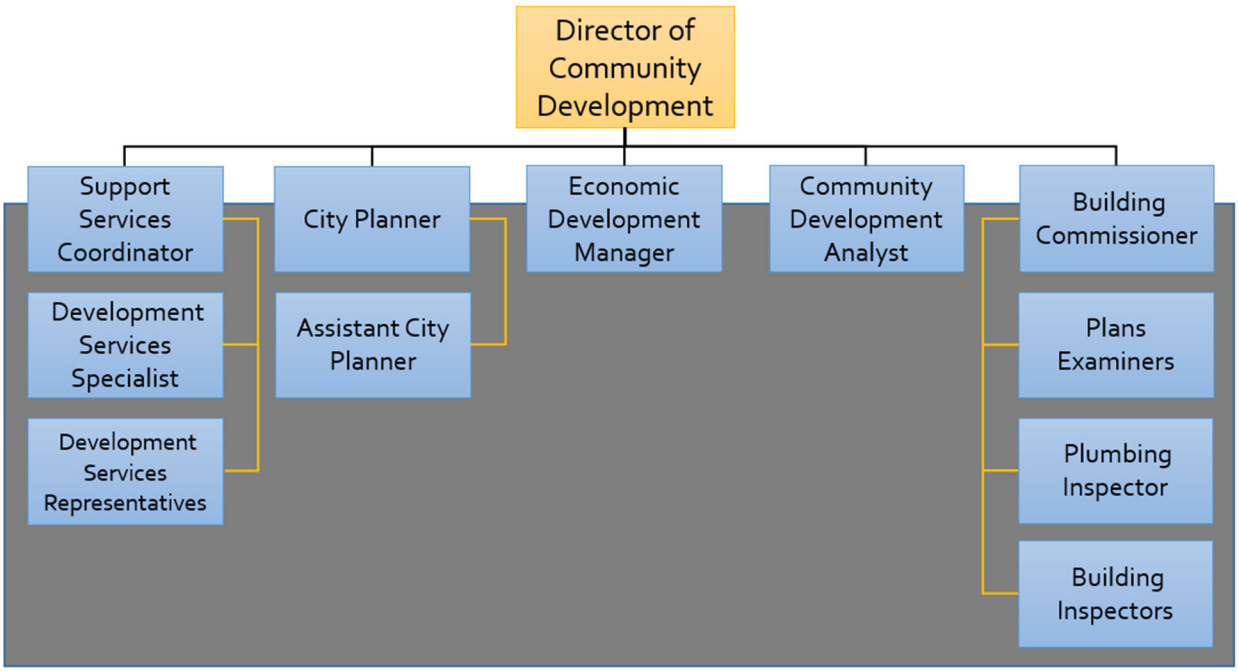
STATEMENT OF ACTIVITIES

The Community Development Department helps the City maintain and improve a vibrant business community while ensuring the safety and well-being of our citizens. The Department accomplishes this through two distinct yet cooperative disciplines: (1) Building and (2) Planning and Economic Development.

Building Division: The Building Division works with residents, business owners, and developers to build safe, high-quality improvements to their property. The Division works closely with the property owner throughout the design, permitting, and construction phases to assure that the project meets community standards, City codes, and addresses life-safety matters. This is an interactive process that helps keep the projects on schedule, provides a helpful business climate, and puts the customer first. The Building Division works with the public to maintain the high quality of life enjoyed by City residents.

Planning and Economic Development Division: The Planning and Economic Development Division oversees the economic development, planning and zoning aspects of the City's operations. The Division advances business recruitment and retention through several programs and initiatives. The Division also coordinates development proposals as they move through the City process, conducts plan reviews and building permit reviews. The Division also participates in several community organizations, such as the Chamber of Commerce and the Downtown Crystal Lake organization.

ORGANIZATION CHART



PERSONNEL SUMMARY

Position	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget
Community Development Director	1.00	1.00	1.00	1.00	1.00	1.00
Building Commissioner	1.00	1.00	1.00	1.00	1.00	1.00
Economic Development Manager	1.00	1.00	1.00	1.00	1.00	1.00
City Planner	1.00	1.00	1.00	1.00	1.00	1.00
Assistant City Planner	1.00	1.00	1.00	1.00	1.00	1.00
Plans Examiner	2.00	2.00	2.00	2.00	2.00	2.00
Support Service Coordinator	1.00	1.00	1.00	1.00	1.00	1.00
Plumbing Inspector	1.00	1.00	1.00	1.00	1.00	1.00
Building Inspector	3.00	3.00	3.00	3.00	3.00	3.00
Community Development Analyst	0.00	0.00	0.00	1.00	1.00	1.00
Development Services Specialist	0.00	0.00	0.00	0.00	0.00	1.00
Development Services Representative	3.00	3.00	3.00	3.00	3.00	2.00
Total FTE	15.00	15.00	15.00	16.00	16.00	16.00

ACCOMPLISHMENTS

Department Wide:

- Assist in expanding the City's capabilities with the Accela Land Management software, by converting processes to Accela that are currently being handled by other software programs..

  Completed. The department has worked with our consultant and CMO to convert the waste hauler and tobacco licensing to Accela Land Management Software..

- Review the development process and seek opportunities to improve efficiency.

  On track. The department continues to work to improve processes. It is desirous to allow for additional administrative approvals to encourage a speedy approval process for minor amendments to approved plans..

- Continue to expand the public's access to code and ordinance requirements and information about developments and events in town by implementing interactive website pages for building codes and zoning information and utilizing ESRI Story Maps and other tools.

  On track. Accela recently acquired Open Counter and staff is exploring if this application could be an option to help the public access code requirements in a customer-friendly way. A new development story map was launched.

- Continue to improve service to customers by investing in staff training. Cross-train employees to ensure continuous operations of essential functions.

  On track. Staff have participated in multiple cross-trainings..

- Pursue grant funding from outside agencies.

  On track. Two grant applications were submitted for Depot Park, unfortunately we were not selected.

Building Division:

- Improve public awareness of the importance of building code benefits by promoting International Code Council Building Safety Month and creating timely, informational articles for the City newsletter and social media.

  Completed. Participated in Building Safety Month and provided information to residents in the City's newsletter. Staff continues to educate customers on ez APP, our online permit submittal portal. Staff walks customers through the set-up process as well as troubleshooting and providing instructions.

- Review the policy for property maintenance issues and establish timeframes for actions steps through the process to ensure chronic nuisance properties are being addressed.

  Completed. The Department continued to work to reach this benchmark and met customer expectations for review times.

- Review the commercial and residential building codes for potential updates or new adoptions.

  On track. The Department continued to work to reach this benchmark and met customer expectations for review times. This fiscal year there were more large scale developments that required more staff time for reviews and inspections.

Planning and Economic Development Division:

- Promote and market development, redevelopment, and business occupancies in primary retail-commercial corridors and industrial parks.

  On track. Email blasts were sent featuring available properties, along with mail and email targeted marketing packages to brokers, retailers, and manufacturers that may be interested in the Crystal Lake market. Crystal Lake is marketed through Crain's, ILReJournal, Bisnow, and Heartland. Division staff continued to reach out and build connections through contacts with brokers, potential retailers, and manufacturers. Throughout the past year outreach meetings were held along with weekly in-person/zoom/phone calls to keep existing connections going and initiate new relationships with brokers, shopping center owners, retailers, restaurants and developers. The City also worked closely with Brixmor, Eilers and Downtown Businesses on their reinvestments and façade renovations with the creation of the new façade program. The City also promoted Crystal Lake opportunities at ICSC Recon, ICSC Central, ILEDA Summit, Bisnow- Future of the Chicagoland Suburbs, CRE Broker Presentation, IL Restaurants Association- Hospitality Industry Status Update and at the Heartland Relators Organization. A number of our shopping center owners changed hands and the City worked to develop relationships with the new owners.

- Foster a support system for small businesses and encourage entrepreneurship in the City by hosting a business workshop.

  Completed. The City initiated a business seminar program with Downtown Crystal Lake and the Chamber of Commerce. The City held a seminar for businesses on the use of Canva.

- Assist development teams and property owners on creating successful infill developments to meet the City's need for growth by supporting these smaller developments through preliminary zoning reviews, customer research and support, walk-throughs, conceptual reviews, and other customer service activities.

On track. Currently working with several developers on infill subdivision projects.

- Plan for development in the northwest corridor and promote citywide strategic parcels.

  Completed. Staff has continued to work with prospective residential developers in the northwest corridor. The City has focused its marketing efforts on strategic parcels with conceptual site planning, targeting marking packets, and email blasts. The City will host a meeting with the major home builders in the fall to gauge interest in the area.

- Work with strategic partners, such as the McHenry County Economic Development Corporation, McHenry County College, Naturally McHenry County, Downtown Crystal Lake, McHenry County Workforce Resource Team, Chamber of Commerce and Manufacturing Pathways to develop strategies to attract manufacturing businesses.

  On track. The City continues to provide leadership on the MCEDC Board of Directors, is co-chair of the MCEDC EDGE group, active on the EDGE Incubator group to bring a test kitchen into McHenry County, regularly collaborates with MCC and Manufacturing Pathways to assist and network with manufacturers, partnered this year with Downtown Crystal Lake and the Crystal Lake Chamber to support and promote local businesses with summer shopping campaigns and maintains an active role on the Naturally McHenry Board and Executive Board.

- Enhance activity of the City's LinkedIn page to build page out and share development successes.

  On track. Worked to add details and information to the City profile and began posting major wins in Crystal Lake.

- Staff joint workshops and bring forth relevant topics for discussion with the Planning and Zoning Commission and City Council.

  On track. A joint workshop is scheduled for September.

- Modify the zoning approval process as necessary to streamline and clarify the process thereby ensuring high quality development can receive approvals efficiently.

  On track. Petitioners have been shown how to utilize ez APP in order to streamline the application process. City staff encourages all who inquire to apply online so they can see review comments in a timely manner.

- Create a mural program with the Public Arts Commission.

  On track. City staff has drafted proposed language that will be shared with the Public Arts Commission and incorporated into the UDO with upcoming text amendments pending City Council approval.

- Work with Public Works and Engineering to determine where sidewalk deferrals were approved with development requests.

  Completed. Community Development staff assisted Public Works and Engineering on the sidewalk gap project.

OBJECTIVES

Department Wide:

- Work with the implementation consultant to implement massage licensing and food vendor permit processes in Accela.
- Continue to improve service to customers by investing in staff training. Cross-train employees to ensure continuous operations of essential functions through shadowing of employees.
- Expand the public's access to code and ordinance requirements and information about developments and events in town by implementing interactive website pages for building codes and zoning information. Incorporate surveys and improve website functionality.
- Pursue grant funding from outside agencies.
- Train Development Services Representative(s) on planning terms and how to answer minor questions.

Building Division:

- Bring completed code updates to City Council for adoption of 2024 ICC Codes by end of January 2026.
- Improve public awareness of the importance of building code benefits by promoting International Code Council Building Safety Month and creating timely, informational articles for the City newsletter and social media.
- Review department handouts to ensure that they are current and match the adopted 2024 ICC codes.

Planning and Economic Development Division:

- Continue to enhance services and communication with the business community thru the Quarterly Economic Development Newsletter.

- Create a campaign to promote residents and individuals to get out in the business community.
- Work with strategic partners, such as the McHenry County Economic Development Corporation, McHenry County College, Naturally McHenry County, Downtown Crystal Lake, McHenry County Workforce Resource Team, Chamber of Commerce and Manufacturing Pathways to develop strategies to attract manufacturing businesses.
- Utilize new role as Crystal Lake Chamber Ambassador to open ongoing communication and support with existing small businesses and new businesses in Crystal Lake.
- UDO Text Amendments. Update the UDO to reflect current best practices.
- Create a conceptual plan for the Beardsley and Ellsworth Streets parking lots to encourage thoughtful redevelopment in the area.
- Comprehensive Plan Update, draft two sections of the updated plan with current best practices.
- Promote and market development, redevelopment, and business occupancies in primary retail-commercial corridors and industrial parks.

ANNUAL BUDGET

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
54110. Wages-Full Time Employees	$ 1,381,090	$ 1,447,592	$ 971,248	$ 1,677,564	$ 1,562,811	$ 1,746,376	$ 68,812	4.1%
54115. Wages-Part Time Employees	22,406	35,173	33,634	44,240	37,186	46,160	1,920	4.3%
54150. Wages-Overtime	720	-	492	7,000	-	1,000	(6,000)	-85.7%
54200. Group Insurance	222,573	219,963	112,626	217,351	217,351	269,273	51,922	23.9%
Personnel Services	1,626,788	1,702,729	1,118,000	1,946,155	1,817,348	2,062,809	116,654	6.0%
55010. Professional Services	478,434	343,506	166,750	604,450	320,150	514,200	(90,250)	-14.9%
55140. Publishing Services	1,283	937	480	1,000	1,000	1,000	-	0.0%
55160. Postage & Freight	1,704	1,519	1,474	2,000	2,000	2,000	-	0.0%
55200. Training	6,604	7,941	4,467	12,200	9,600	13,500	1,300	10.7%
55220. Dues and Subscriptions	4,879	4,188	3,902	5,816	5,316	6,219	403	6.9%
55240. Insurance and Bonding Services	69,607	68,293	39,039	95,811	68,830	94,404	(1,407)	-1.5%
55310. Examinations	-	-	-	4,000	-	-	(4,000)	N/A
55650. Historic Preservation Services	6,015	6,130	1,383	7,000	6,000	7,000	-	0.0%
55910. Enhanced Sales Tax Incentive	95,776	40,235	18,468	60,000	38,764	335,000	275,000	458.3%
Contractual Services	664,302	472,748	235,962	792,277	451,660	973,323	181,046	22.9%
56000. Office Supplies	2,043	2,975	2,333	3,000	5,200	4,600	1,600	53.3%
56040. Motor Fuel & Lubricants	5,669	5,847	3,632	7,000	5,000	7,000	-	0.0%
56050. Computer Hardware & Software	3,623	-	-	-	-	-	-	N/A
56060. Small Tools and Equipment	942	324	-	1,500	4,720	5,280	3,780	252.0%
56070. Automotive Supplies	6,319	10,653	2,554	5,000	5,000	6,000	1,000	20.0%
56120. Clothing	1,285	1,530	587	1,700	1,600	1,700	-	0.0%
56950. Stationery and Printing	138	281	-	950	1,100	1,700	750	78.9%
Materials & Supplies	20,019	21,610	9,106	19,150	22,620	26,280	7,130	37.2%
55660. Arts Council	-	-	-	-	3,000	5,000	5,000	N/A
Total Other Expenses	-	-	-	-	3,000	5,000	5,000	N/A
Total - Community Development	$ 2,311,109	$ 2,197,087	$ 1,363,068	$ 2,757,582	$ 2,294,628	$ 3,067,412	$ 309,830	11.2%

ACCOUNT INFORMATION

For definitions of budgetary account activities, see "Account Descriptions" presented later in this document. Major changes in budget amounts are briefly explained below.

- The Professional Services account has been reduced due to the drawdown of the Commercial Façade Improvement Grant and a reduction in economic development professional services.
- Enhanced Sales Tax has increased. The funds are utilized for development agreements with major sales tax generating users. In the previous year, Steinhafels was the only active agreement. In 2025, the City Council approved a development agreement with M'Lady Nissan for the dealership expansion and improvements.

PUBLIC WORKS DEPARTMENT
ENGINEERING DIVISION

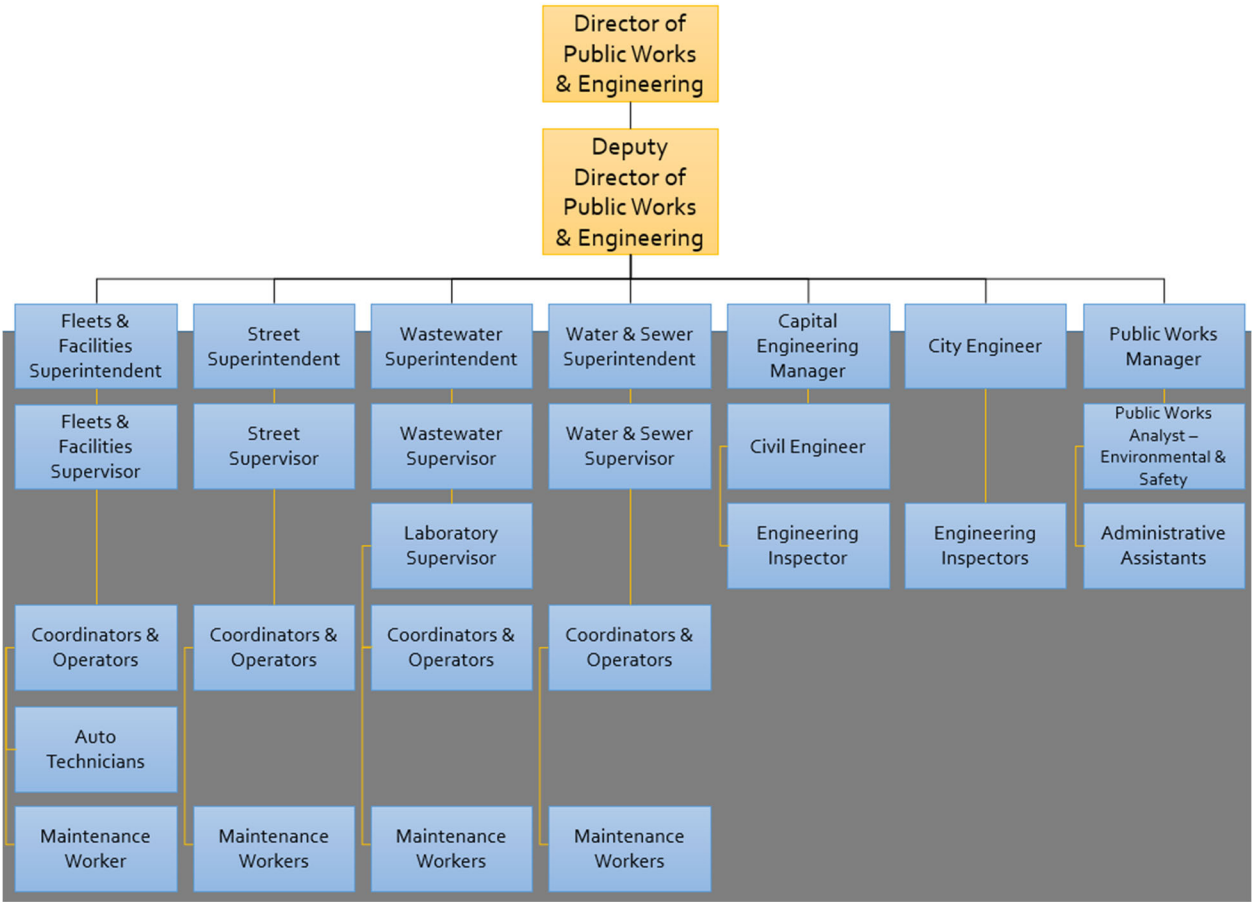
STATEMENT OF ACTIVITIES

The Engineering Division oversees public infrastructure projects from concept planning through design and construction to ensure safe, high-quality improvements in the City. This work ranges from annual street resurfacing and sidewalk programs to large scale roadway and public works infrastructure improvements. Projects are developed with a focus on the quality of life for our citizens and protecting our natural resources. The Division strives for robust public participation and communication with residents on major projects while being fiscally responsible through value engineering and researching and obtaining alternative funding sources.

The Engineering Division is responsible for the review and inspection of private development work involving grading, drainage, and installation of public utilities. The Division works with residents, business owners, and developers throughout the review and construction phases to provide a high level of customer service as an advocate for development within the City. This work ranges from driveways and home additions to large scale commercial and residential developments. The Division is responsible for the review, issuance, and inspection of all franchise utility permits in the City (ComEd, Nicor, Comcast, AT&T, etc.).

Citizen complaints regarding traffic, private drainage, sidewalk, curb, and flooding are all handled by the Engineering Division. Engineering staff investigates and responds to drainage complaints ranging from nuisance sump pumps to area flooding. The Division provides an annual assessment of the City's infrastructure including pavement condition, sidewalk tripping hazards or repair, and pavement markings while continually reviewing a means to preserve existing infrastructure. The Division coordinates the Traffic Safety Committee to ensure citizen complaints are investigated and where warranted, improvements made.

ORGANIZATIONAL CHART



PERSONNEL SUMMARY

Position	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget
Deputy Director of Public Works & Engineering	0.00	1.00	1.00	1.00	1.00	1.00
City Engineer	1.00	1.00	1.00	1.00	1.00	1.00
Capital Engineering Manager	1.00	1.00	1.00	1.00	1.00	1.00
Civil Engineer	1.00	1.00	1.00	1.00	1.00	1.00
Engineering Inspector	3.00	3.00	3.00	3.00	3.00	4.00
Public Works Analyst	1.00	1.00	1.00	1.00	1.00	1.00
Total FTE	7.00	8.00	8.00	8.00	8.00	9.00

In FY2023/24, the position of Deputy Director of Public Works was re-allocated to the Public Works Engineering budget from Public Works Administration.

ACCOMPLISHMENTS

- Initiate and/or complete construction on the following projects/programs; annual resurfacing and concrete program, Pingree Rd./Grandview Dr. pedestrian project, Pedestrian Connections to the Prairie Trail, Three Oaks Rd. at Lutter Dr./Sands Rd. intersection.

  On track. Pingree Rd./Grandview waiting on potential grant award. Three Oaks Rd./Lutter Dr./Sands Rd. us under construction.

- Initiate and/or complete engineering on the following projects; Oak St./IL 176; multi-use path on Oak St.; Main St. at Liberty Dr.

  On track. Projects initiated and/ or going through Illinois Department of Transportation approval process.

- Provide engineering expertise for the design and construction of the Depot Park project.

  On track. Project under construction with Engineering Division staff leading construction observation efforts.

- Provide engineering expertise for the design and construction of the Three Oaks Recreation Area loop trail.

  On track. Project to be completed by mid-October.

- Complete two (2) bicycle projects and work with the Community Development Department to reduce sidewalk gaps in the City.

  On track. Completed gap analysis and presented to Council and coordinated with MCCD. Filled in sidewalk gap on Huntley Road. Completed Pedestrian Connections to Prairie Trail project (gaps on Congress Pkwy., Main St., Virginia Rd.).

- Provide training opportunities for all staff utilizing experienced employees and outside resources.

  On track. Staff completed trainings and attended seminars are part of license and certification requirements.

- Complete the engineering design for at least two projects utilizing in-house staff.

  On track. Completed cemetery wall project and Hillside Road retaining wall utilizing in-house staff.

- Start construction on the Re-establishment of Crystal Creek and Three Oaks Recreation Area Water Level Control Project.

  Held/On track. Additional grant funding has delayed construction of Crystal Creek project until 2026. Three Oaks water level control project will be completed this year.

- Ensure all development inspections are completed with City deadlines.

  On track. Engineering reviews and construction inspections completed within prescribed deadlines.

The Engineering Division achieved the following additional accomplishments during fiscal year 2025:

- Provided design and construction engineering services to Community Development and City Manager's Office for 121 Woodstock Street.
- Bard Estates stop work order, supervision of emergency repairs and permanent repairs to Huntley Road.

OBJECTIVES

- Complete Three Oaks Road/Lutter Drive/ Sands Road intersection project.
- Complete Phase I engineering for Oak Street multi-use path, Main Street at Liberty Drive.
- Complete two (2) bicycle projects and work with the Community Development Department to reduce sidewalk gaps in the City.
- Provide training opportunities for all staff utilizing experienced employees and outside resources.
- Complete the engineering design for at least two projects utilizing in-house staff.
- Start construction on the Re-establishment of Crystal Creek.

ANNUAL BUDGET

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
54110. Wages-Full Time Employees	$ 745,431	$ 890,507	$ 613,297	$ 970,712	$ 941,740	$ 1,105,023	$ 134,311	13.8%
54115. Wages-Part Time Employees	16,972	8,112	9,240	36,480	25,848	25,600	(10,880)	-29.8%
54150. Wages-Overtime	7,650	11,569	4,197	20,000	20,000	20,000	-	0.0%
54200. Group Insurance	128,266	149,992	92,886	168,672	168,672	208,272	39,600	23.5%
Personnel Services	898,319	1,060,180	719,620	1,195,864	1,156,260	1,358,895	163,031	13.6%
55010. Professional Services	38,033	73,602	44,517	97,000	80,000	102,000	5,000	5.2%
55080. Pest Control Services	108,022	108,272	108,022	139,000	109,000	139,000	-	0.0%
55140. Publishing Services	1,039	1,502	266	1,000	700	1,000	-	0.0%
55160. Postage & Freight	71	39	180	500	250	500	-	0.0%
55200. Training	3,147	1,397	1,147	4,700	3,710	5,100	400	8.5%
55220. Dues and Subscriptions	580	986	622	1,365	1,530	1,330	(35)	-2.6%
Contractual Services	150,893	185,798	154,754	243,565	195,190	248,930	5,365	2.2%
56000. Office Supplies	304	319	577	700	700	700	-	0.0%
56040. Motor Fuel & Lubricants	5,993	6,761	5,302	6,850	6,850	6,850	-	0.0%
56050. Computer Hardware & Software	7,990	11,171	4,797	11,717	11,217	11,817	100	0.9%
56060. Small Tools and Equipment	1,543	3,042	5,284	4,800	7,150	4,800	-	0.0%
56070. Automotive Supplies	5,369	3,649	6,078	4,000	7,000	4,500	500	12.5%
56120. Clothing	1,020	1,404	1,183	1,000	1,000	1,000	-	0.0%
56950. Stationery and Printing	200	-	-	200	-	200	-	0.0%
Materials & Supplies	22,419	26,345	23,221	29,267	33,917	29,867	600	2.1%
Other Expenses	1,341	-	-	-	-	-	-	0.0%
Total - Engineering Division	$ 1,072,972	$ 1,272,323	$ 897,595	$ 1,468,696	$ 1,385,367	$ 1,637,692	$ 168,996	11.5%

ACCOUNT INFORMATION

For definitions of budgetary account activities, see "Account Descriptions" presented later in this document. Major changes in budget amounts are briefly explained below.

- An additional Engineering Inspector position is proposed to administer the lead service line (LSL) replacement program. Reporting and testing/ sampling requirements have increased significantly in 2025. These requirements will continue into the future. In 2026 the City will have to significantly increase the number of LSL's being replaced and prepare engineering bid packages for 2027 when the Federally mandated requirements start to replace, for Crystal Lake, approximately 160 LSL's per year for the next 10 years.

PUBLIC WORKS DEPARTMENT
STREETS DIVISION

STATEMENT OF ACTIVITIES

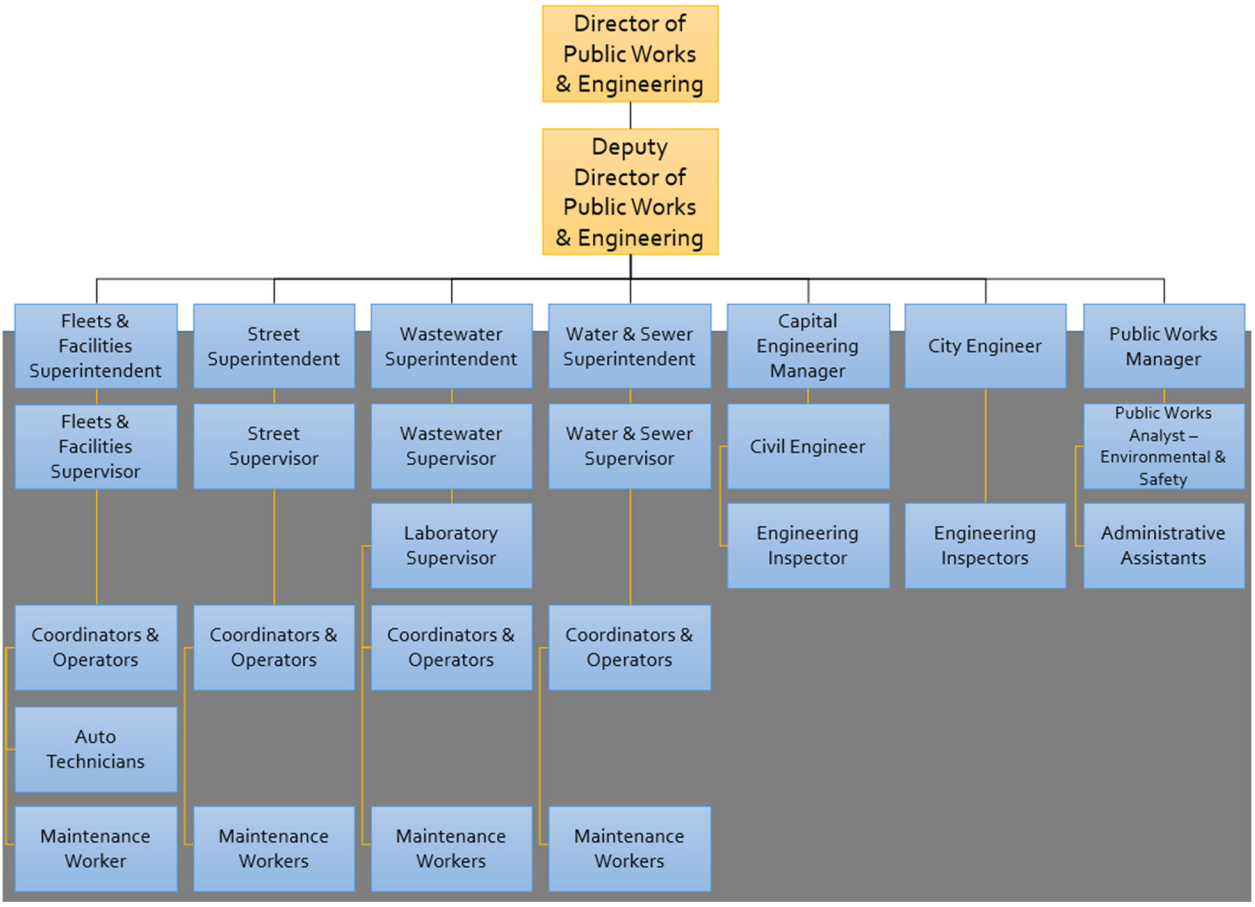
It is the responsibility of the Streets Division to manage and repair public streets, traffic control signs, parkways, parkway trees, public and municipal grounds in a manner consistent with City policy and regulatory agency requirements.

The Division is responsible for the maintenance, repair, as well as the deicing and snow removal operations of over 175 centerline miles of public streets, 23 commuter and public parking lots containing over 1,450 parking spaces, and over 7,400 traffic control signs throughout the City. In addition, the Streets Division is responsible for maintaining pavement markings, curb and gutter maintenance, asphalt patching of existing streets, and parkway maintenance.

The Streets Division is also responsible for the Spring and Fall tree planting programs, Spring brush pickup, the brush drop off site (April – November), tree trimming and trimming programs, tree removals, including storm damage and those deteriorating due to disease, and the maintenance of City owned properties and rights-of-way.

The Division is also called upon for many special projects throughout the year including assistance with the opening and closing and general maintenance at the Three Oaks Recreation Area and the installation of all holiday decorations in the Downtown Business District and the Virginia Street Corridor.

ORGANIZATIONAL CHART



PERSONNEL SUMMARY

Position	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget
Superintendent	1.00	1.00	1.00	1.00	1.00	1.00
Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Program Coordinator	3.00	3.00	3.00	3.00	2.00	2.00
Maintenance Worker	8.00	8.00	8.00	8.00	9.00	10.00
Administrative Assistant	2.00	2.00	2.00	2.00	2.00	2.00
Total FTE	15.00	15.00	15.00	15.00	15.00	16.00

ACCOMPLISHMENTS

- Implement asset management software to enhance internal customer service and measure true costs of service.

  On track. Streets has fully implemented work order system and is tracking task completion times and resources (equipment and personnel).

- Complete annual pavement patching, tree replacement and winter tree trimming programs.

  On track. All programs are being implemented.

- Develop five (5) key performance indicators (KPI's) that track and document division efficiencies and activities.

  Held. Development of KPI's will take place after more data is generated through asset management system.

- Implement and monitor new snow routes and utilize new salt storage facility.

  On track. New snow plow routes were implemented during the 24/25 snow season.

The Streets Division achieved the following additional accomplishments during fiscal year 2025:

- Improved winter storm pre-planning and scheduling.
- Completion of Woodstock Street cemetery wall project.
- Restoration of properties in the Pine St./Oriole Tr. area and assistance with restoration of turf areas for Deep Well 19 transmission main that were out of scope for the contract.

OBJECTIVES

- Develop five (5) key performance indicators (KPI's) that track and document division efficiencies and activities.
- Complete at least 50 percent of night-time retroreflectivity sign replacements.
- Fully implement new sign fabrication system and software purchased in 2025.

ANNUAL BUDGET

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
54110. Wages-Full Time Employees	$ 1,203,940	$ 1,211,449	$ 726,066	$ 1,268,782	$ 1,152,395	$ 1,317,663	$ 48,881	3.9%
54115. Wages-Part Time Employees	21,953	35,571	35,608	102,960	71,412	90,250	(12,710)	-12.3%
54150. Wages-Overtime	166,951	26,677	39,394	56,040	59,000	61,600	5,560	9.9%
54155. Wages-Snow Overtime	-	111,561	13,844	142,000	90,000	142,000	-	0.0%
54200. Group Insurance	295,512	301,028	173,441	289,804	289,804	306,989	17,185	5.9%
Personnel Services	1,688,357	1,686,286	988,354	1,859,586	1,662,611	1,918,502	58,916	3.2%
55010. Professional Services	662,974	730,342	854,824	1,147,568	1,031,668	1,254,668	107,100	9.3%
55140. Publishing Services	825	366	421	300	300	300	-	0.0%
55160. Postage & Freight	26	19	5	100	100	100	-	0.0%
55200. Training	5,610	6,485	3,474	11,302	9,922	11,521	219	1.9%
55220. Dues and Subscriptions	1,321	1,866	1,366	2,516	2,969	3,436	920	36.6%
55240. Insurance and Bonding Services	129,376	116,177	90,660	143,562	116,027	141,455	(2,107)	-1.5%
55270. Animal Control Services	-	-	700	1,000	995	1,500	500	50.0%
55300. Maintenance Services-Buildings & Offic	143,045	116,041	35,970	70,000	62,000	70,000	-	0.0%
55310. Examinations	1,452	2,155	1,448	2,270	1,770	2,270	-	0.0%
55320. Operating Equipment Maintenance	-	71	-	2,000	2,000	2,000	-	0.0%
55340. Office Equipment Maintenance	-	-	-	250	250	13,250	13,000	5200.0%
55360. Radio Equipment Services	-	-	-	550	500	500	(50)	-9.1%
55410. Street Lights Services	552,464	577,830	392,378	734,000	827,000	851,000	117,000	15.9%
55640. Tree Removal Services	9,760	12,830	-	-	-	-	-	N/A
55680. Rent - Buildings and Equipment	411	802	-	1,000	2,400	2,400	1,400	140.0%
Contractual Services	1,507,266	1,564,985	1,381,246	2,116,418	2,057,901	2,354,400	237,982	11.2%
56000. Office Supplies	1,614	2,263	2,232	2,000	1,000	1,500	(500)	-25.0%
56020. Cleaning Supplies	2,277	2,787	1,839	3,000	3,800	4,300	1,300	43.3%
56030. Landscape Materials	2,890	2,491	4,695	2,800	7,500	5,300	2,500	89.3%
56040. Motor Fuel & Lubricants	101,253	78,326	34,816	41,000	68,500	72,000	31,000	75.6%
56050. Computer Hardware & Software	2,112	12,628	741	36,812	30,992	39,302	2,490	6.8%
56060. Small Tools and Equipment	17,893	19,156	13,013	31,000	27,050	25,300	(5,700)	-18.4%
56070. Automotive Supplies	98,336	95,983	54,688	95,000	95,000	95,000	-	0.0%
56080. Public Works Materials	39,165	25,574	36,679	178,200	116,002	165,200	(13,000)	-7.3%
56120. Clothing	15,363	11,238	10,783	10,900	10,900	12,150	1,250	11.5%
56230. Street Signs	5,211	21,195	11,255	32,000	30,000	34,700	2,700	8.4%
56950. Stationery and Printing	-	-	200	1,000	1,000	1,000	-	0.0%
Materials & Supplies	286,115	271,643	170,941	433,712	391,744	455,752	22,040	5.1%
Other Expenses	10,402	-	-	-	-	-	-	N/A
Total - Streets	$ 3,492,139	$ 3,522,913	$ 2,540,542	$ 4,409,716	$ 4,112,256	$ 4,728,654	$ 318,938	7.2%

ACCOUNT INFORMATION

For definitions of budgetary account activities, see "Account Descriptions" presented later in this document. Major changes in budget amounts are briefly explained below.

- An additional Highway Maintenance Worker position is being added. In the infrastructure constructed as part of the Woodlore, Redwood Homes, Springs and Waters Edge development will be accepted and become the maintenance responsibility of the City. The Streets Division will also be taking on additional maintenance responsibilities for Three Oaks Recreation Area.
- Costs for electricity associated with streetlights, downtown parking lot lighting and traffic signals has increased as a result of electricity supplier increases.
- Office furniture in the Streets Division offices will be replaced. The existing furniture is approximately 20 years old.

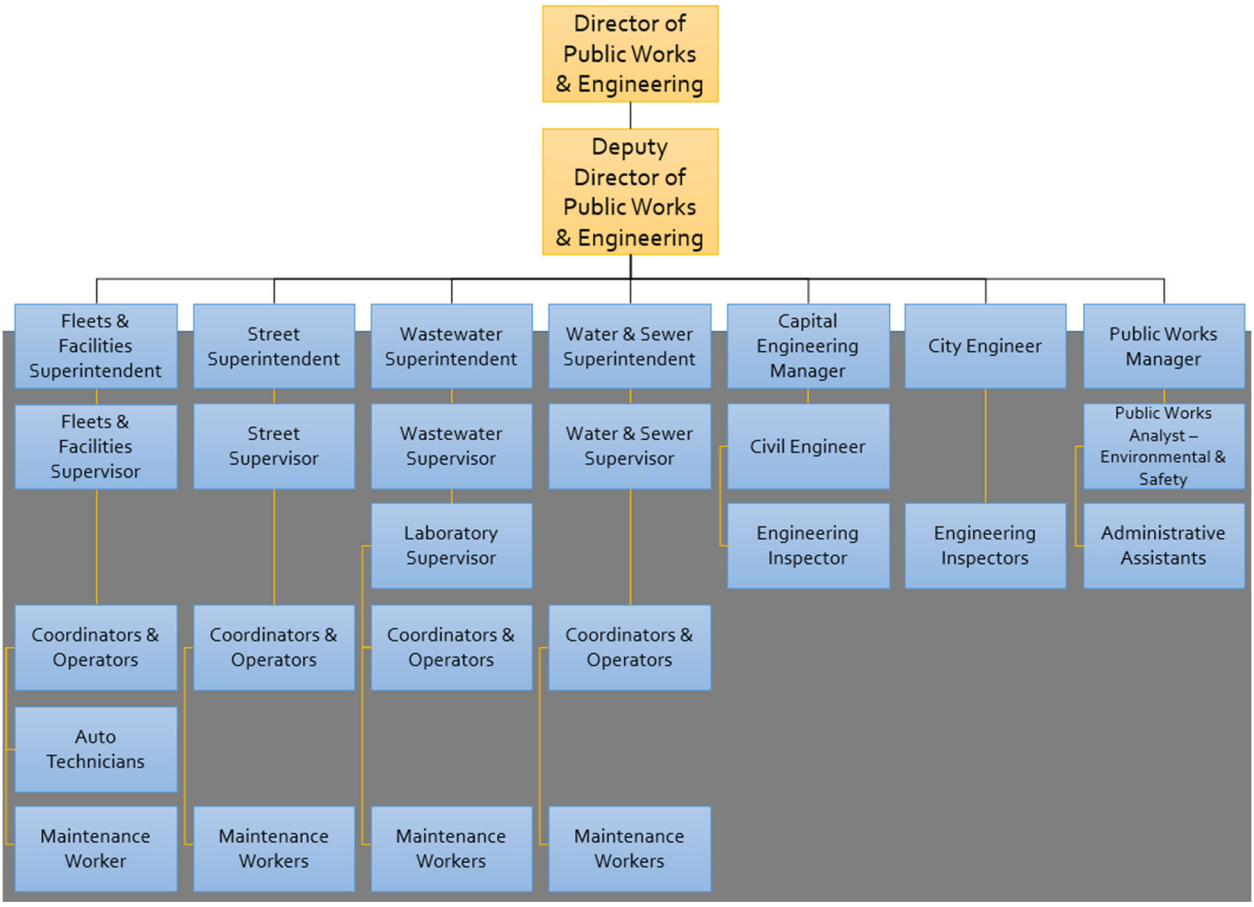
PUBLIC WORKS DEPARTMENT
FLEET SERVICES DIVISION

STATEMENT OF ACTIVITIES

The Fleet Services Division is responsible for an extensive variety of services within the City of Crystal Lake. These services include, but are not limited to the maintenance, service, and repair of approximately 326 vehicles and pieces of equipment, with the Division averaging 300 repairs monthly. Additionally, we coordinate outsourced repairs, new vehicle preparation, technical training, accident repairs, equipment replacement, crane & sling inspections, and equipment disposal. We work with other departments to write specifications for vehicles and equipment necessary to perform the varied requirements of their specific department. We coordinate all vehicle orders with Enterprise Fleet Lease as well as coordination of parts, materials, PPE and fluids purchasing through Napa IBS. The division also maintains the fuel dispensing system and coordinates all required inspections. We coordinate the annual testing of fire pumps, aerial ladders, and ground ladders for the Fire Department. We also recommend items for surplus and market those items at public auction.

Our goal is to support each department by providing effective and efficient service, preventative maintenance, repairs, and technical assistance necessary to all City vehicles and equipment while optimizing useful life and reducing downtime. We will do this at the lowest possible cost with the least interference to the operating function of individual departments.

ORGANIZATIONAL CHART



PERSONNEL SUMMARY

Position	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget
Superintendent	1.00	1.00	1.00	1.00	1.00	1.00
Program Coordinator	1.00	0.00	0.00	0.00	0.00	0.00
Automotive Technician	4.00	4.00	4.00	4.00	4.00	4.00
Maintenance Worker	1.00	0.00	0.00	0.00	0.00	0.00
Total FTE	7.00	5.00	5.00	5.00	5.00	5.00

In FY 2023/24, to more accurately allocate costs, the Fleets and Facility Services Division was separated into two divisions: Fleet Services Division and Facility Services Division.

ACCOMPLISHMENTS

- Complete repair requests from internal customers within the promised timeframe.

  On track. Staff has improved completion times and communication with internal customer departments.

- Provide at least four (4) training opportunities for all staff utilizing experienced employees and outside resources.

  On track. Staff attended a variety of training opportunities.

- Complete requests for assistance in developing bid specifications for new vehicles within 30 day of the request.

  On track. Staff has prepared specifications for new vehicle purchases when requested to meet requested deadlines.

The Fleet Services Division achieved the following additional accomplishment during fiscal year 2025:

- Implemented new supervisor role and hired new technician.

OBJECTIVES

- Complete repair requests from internal customers within the promised timeframe.
- Provide at least four (4) training opportunities for all staff utilizing experienced employees and outside resources.
- Complete requests for assistance in developing bid specifications for new vehicles to meet bidding and budget deadlines.

ANNUAL BUDGET

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
54110. Wages-Full Time Employees	$ 667,995	$ 470,269	$ 356,162	$ 612,069	$ 477,647	$ 590,923	$ (21,146)	-3.5%
54115. Wages-Part Time Employees	2,121	-	-	-	-	-	-	N/A
54150. Wages-Overtime	31,633	2,174	3,462	2,800	4,000	3,500	700	25.0%
54200. Group Insurance	141,030	99,938	65,840	107,461	107,461	103,763	(3,698)	-3.4%
Personnel Services	842,779	572,382	425,465	722,330	589,108	698,186	(24,144)	-3.3%
55010. Professional Services	81,873	85,569	47,696	87,000	86,500	91,000	4,000	4.6%
55140. Publishing Services	386	56	-	250	53	250	-	0.0%
55160. Postage & Freight	373	103	12	200	175	200	-	0.0%
55200. Training	4,699	4,044	521	8,448	8,768	9,967	1,519	18.0%
55220. Dues and Subscriptions	475	790	358	1,286	1,909	2,083	797	62.0%
55240. Insurance and Bonding Services	22,189	14,201	-	-	350	-	-	N/A
55260. Utilities	85,252	2,614	-	-	-	-	-	N/A
55300. Maintenance Services-Bldgs & Offices	352,069	1,014	921	-	-	-	-	N/A
55310. Examinations	1,070	935	294	905	905	905	-	0.0%
55320. Maintenance Services-Operating Equip	4,934	2,542	917	5,350	6,238	6,600	1,250	23.4%
55350. Rent - Clothing	3,289	3,424	952	1,400	1,400	1,400	-	0.0%
55360. Radio Equipment Services	-	-	-	550	375	1,550	1,000	181.8%
Contractual Services	556,608	115,291	51,670	105,389	106,673	113,955	8,566	8.1%
56000. Office Supplies	448	200	402	850	750	850	-	0.0%
56020. Cleaning Supplies	953	511	418	1,000	735	1,000	-	0.0%
56040. Motor Fuel & Lubricants	2,762	2,283	1,984	2,325	2,325	2,325	-	0.0%
56050. Computer Hardware & Software	9,167	7,779	5,969	9,404	8,214	10,304	900	9.6%
56060. Small Tools and Equipment	5,527	8,155	1,930	6,000	6,000	15,000	9,000	150.0%
56070. Automotive Supplies	778	1,573	2,428	2,550	2,100	2,000	(550)	-21.6%
56120. Clothing	3,430	2,178	3,795	4,500	4,500	4,700	200	4.4%
56320. Operating Supplies	869	2,129	835	950	2,365	2,400	1,450	152.6%
56950. Stationery and Printing	-	-	-	42	-	42	-	0.0%
Materials & Supplies	23,933	24,808	17,761	27,621	26,989	38,621	11,000	39.8%
Other Expenses	672	-	-	-	-	-	-	N/A
Total - Fleet Services	$ 1,423,991	$ 712,481	$ 494,896	$ 855,340	$ 722,770	$ 850,762	$ (4,578)	-0.5%

ACCOUNT INFORMATION

For definitions of budgetary account activities, see "Account Descriptions" presented later in this document. Major changes in budget amounts are briefly explained below.

- Professional Services has increased due to a contractual increases in the NAPA Services contract.
- The increase in Travel & Training is due to anticipated fire vehicle maintenance training and certification renewal trainings.
- Small Tools & Equipment increased due to the addition of budgeted replacement toolboxes in the maintenance garage.

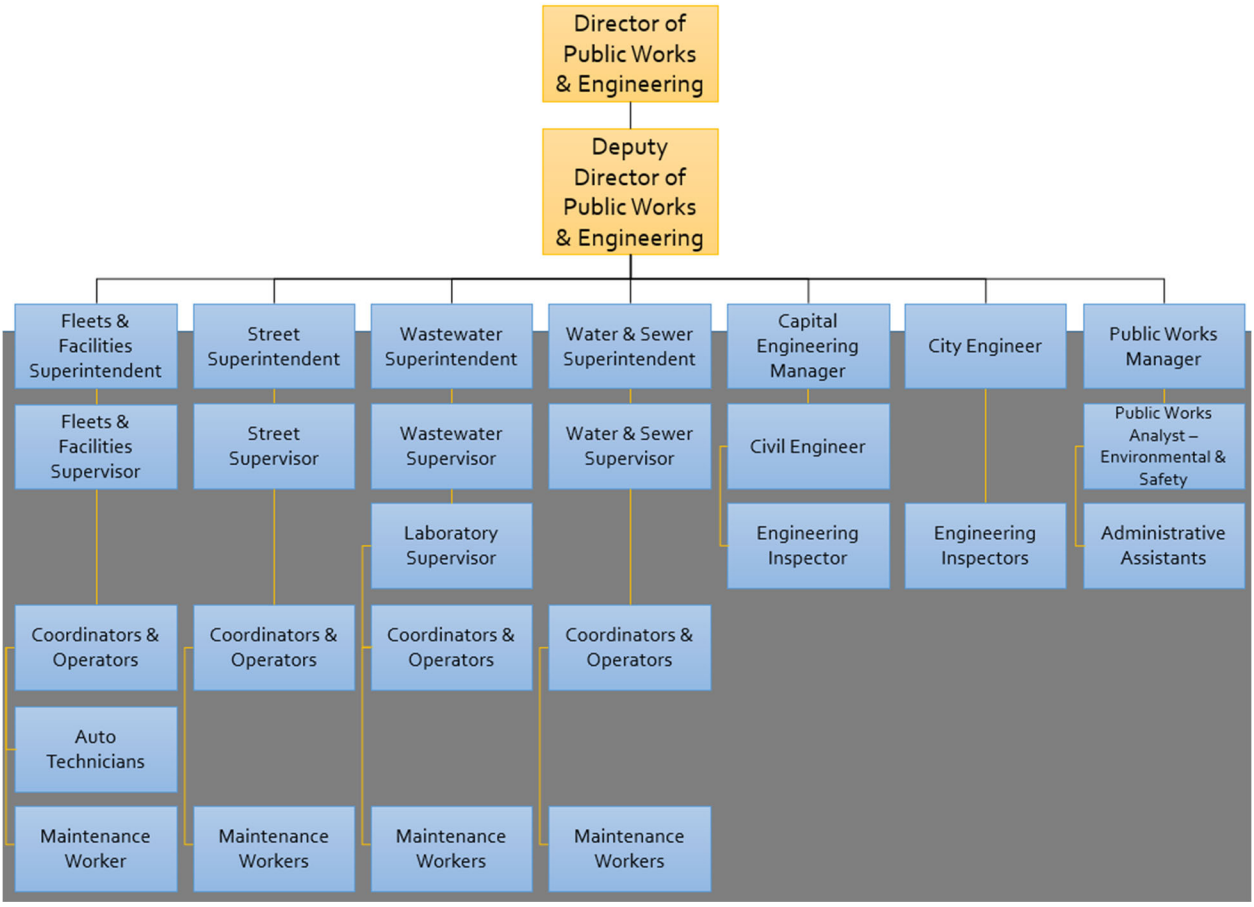
PUBLIC WORKS DEPARTMENT
FACILITY SERVICES DIVISION

STATEMENT OF ACTIVITIES

The Facility Services side of the Division performs maintenance, service, building upgrades, and repairs necessary to the daily operations of the Municipal Complex and offers support to the Three Oaks Recreational Area buildings. These services include, but are not limited to the maintenance, service, and repairs of the mechanical systems, including HVAC systems, steam boilers, fire alarm systems, backup generators, elevators, surveillance & security systems, and overhead garage doors. The division offers janitorial services and building maintenance to support the Police Department. We are also responsible for the management of service contracts with outside vendors.

Our goal is to support each department by providing effective and efficient service, preventative maintenance, repairs, and technical assistance necessary to the Municipal Complex, and Three Oaks Recreational Area buildings. We will do this at the lowest possible cost with the least interference to the operating function of individual departments.

ORGANIZATIONAL CHART



PERSONNEL SUMMARY

Position	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget
Supervisor	0.00	1.00	0.00	1.00	1.00	1.00
Program Coordinator	0.00	1.00	1.00	1.00	1.00	2.00
Maintenance Worker	0.00	1.00	1.00	1.00	1.00	0.00
Total FTE	0.00	3.00	2.00	3.00	3.00	3.00

The Facility Services Division has budgeted for the addition of a Supervisor position in FY2025. In FY 2023/24, to more accurately allocate costs, the Fleets and Facility Services Division was separated into two divisions: Fleet Services Division and Facility Services Division.

ACCOMPLISHMENTS

- Complete the following construction projects: City Hall Boiler Replacement, Replacement of Air Cooled Condensing Units 1-6, Fire Station 1 kitchen reconfiguration, Fleets garage floor replacement, police and fleets HVAC replacement projects.

  On track. HVAC project in final commissioning/warranty work stage. Fleets HVAC work should be completed by end of 2025/ early 2026.

- Provide at least four (4) training opportunities for all staff utilizing experienced employees and outside resources.

  On track. One Facility staff successfully completed Building Operator Level II and another is working on Building Operator Level I (October completion).

- Initiate design for multi-year PD/ IT space reallocation project (multi-year).

  On track. Design project initiated.

The Facility Services Division achieved the following additional accomplishment during fiscal year 2025:

- Hot water heat fin-tube valve actuator replacement project.
- Completed second phase of Public Works garage floor replacement program.
- Completed final year of multi-year HVAC duct cleaning project.

OBJECTIVES

- Close out HVAC related construction projects for City Hall, Police Department, Fire Department, and Fleets garage.
- Assist staff in completed Facility Operator Level II certification. Train both facility staff members on Building Automation System (BAS).
- Utilize new asset management system to develop KPI's for Division (request completion time, etc.).

ANNUAL BUDGET

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
54110. Wages-Full Time Employees	$ -	$ 172,524	$ 116,882	$ 270,743	$ 249,862	$ 318,076	$ 47,333	17.5%
54115. Wages-Part Time Employees	-	6,176	7,905	10,800	10,822	14,000	3,200	29.6%
54150. Wages-Overtime	-	31,208	8,175	18,500	8,000	18,500	-	0.0%
54200. Group Insurance	-	44,840	30,247	72,217	72,217	82,445	10,228	14.2%
Personnel Services	-	254,749	163,209	372,260	340,901	433,021	60,761	16.3%
55010. Professional Services	-	-	-	50,000	48,825	50,000	-	0.0%
55140. Publishing Services	-	593	269	550	550	650	100	18.2%
55160. Postage & Freight	-	67	31	140	140	140	-	0.0%
55200. Training	-	747	2,023	2,860	2,700	4,260	1,400	49.0%
55220. Dues and Subscriptions	-	60	-	1,086	1,083	1,145	59	5.4%
55240. Insurance and Bonding Services	-	6,289	12,267	28,508	21,474	28,090	(418)	-1.5%
55260. Utilities	-	13,051	7,505	63,000	10,000	63,000	-	0.0%
55300. Maintenance Services-Buildings & Offic	-	378,340	287,707	588,150	561,603	589,905	1,755	0.3%
55310. Examinations	-	80	-	320	320	320	-	0.0%
Contractual Services	-	399,227	309,802	734,614	646,695	737,510	2,896	0.4%
56040. Motor Fuel & Lubricants	-	384	275	700	700	700	-	0.0%
56050. Computer Hardware & Software	-	-	143	11,804	13,504	11,804	-	0.0%
56060. Small Tools and Equipment	-	141	819	900	900	1,000	100	11.1%
56070. Automotive Supplies	-	399	4,866	2,550	2,000	2,000	(550)	-21.6%
56120. Clothing	-	1,442	1,229	1,970	1,970	2,170	200	10.2%
56320. Operating Supplies	-	17	-	200	-	15,000	14,800	7400.0%
56950. Stationery and Printing	-	-	100	100	75	100	-	0.0%
Materials & Supplies	-	2,383	7,432	18,224	19,149	32,774	14,550	79.8%
Total - Facility Services	$ -	$ 656,358	$ 480,444	$ 1,125,098	$ 1,006,745	$ 1,203,305	$ 78,207	7.0%

ACCOUNT INFORMATION

For definitions of budgetary account activities, see "Account Descriptions" presented later in this document. Major changes in budget amounts are briefly explained below.

- Full-time wages have increased due to a staff transfer from another division.
- Utilities have been increased to match anticipated costs.
- A maintenance and repair budget for the downtown depot has been added now that the building and commuter shelters are under City ownership.

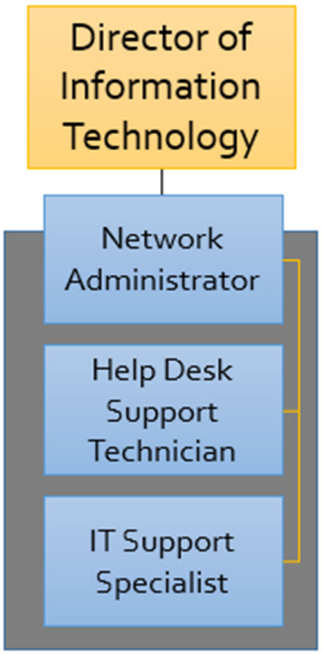
INFORMATION TECHNOLOGY DEPARTMENT

STATEMENT OF ACTIVITIES

The Information Technology Division is responsible for the operation and maintenance of the City's Local and Wide Area Networks and the equipment essential for their operations. This includes over 180 desktop computers, over sixty (60) laptops, twenty-four (24) servers, a multitude of both desktop and networked printers, various switches and routers to provide service throughout the building and to Fire Stations #3 & #4, Wastewater Treatment Plant #2, and Three Oaks Recreation Area, and other miscellaneous network equipment. In addition, Information Technology is also responsible for the City's phone system and phone service, all mobile devices and service, and copiers.

Information Technology is also responsible for the implementation and maintenance of a number of software packages contained on the various servers and desktop computers which automate tasks for the various departments. Among these software packages are a number of specialty applications for the Police and Fire Departments, Microsoft Office applications, Springbrook Software, GIS Server Software and desktop applications, and many other small applications.

ORGANIZATIONAL CHART



PERSONNEL SUMMARY

Position	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget
Information Technology Director	1.00	1.00	1.00	1.00	1.00	1.00
Network Administrator	0.00	0.00	0.00	0.00	1.00	1.00
Help Desk Support Technician	0.00	0.00	0.00	0.00	0.00	1.00
IT Support Specialist	0.00	0.00	0.00	0.00	0.00	1.00
Total FTE	1.00	1.00	1.00	1.00	2.00	4.00

The Information Technology Department has budgeted for the addition of a Help Desk Supervisor and an IT Support Specialist position in FY2026. In FY 2025, the IT Department added a Network Administrator position. Previously, the IT Department utilitized a third party to provide contracted IT support employees. The total number of positions supporting IT has not changed between City employees and contracted employees.

ACCOMPLISHMENTS

- Build project management strategy for integrated surveillance and building access control system by December 31, 2025.

  On track. The management strategy is in progress and the access control system upgrade is on track to start in 2026.

- Complete copier replacement by March 31, 2025.

  Completed. Copier replacements have been purchased and a new service contract has been implemented.

- Upgrade City's email system and Microsoft Office product by December 31, 2025.

  On track. The City is on track to complete the upgrade before end of the year.

- Strengthen IT governance by assessing current technology policies and developing new policies.

  Ongoing objective. Will continue to evaluate and create policies where needed.

- Upgrade City's aging network infrastructure by December 31, 2025.

  On track. The City has established an ongoing replacement cycle to replace network infrastructure that has reached the end of useful life.

- Continue to Implement year 1 and 2 objectives of the IT Strategic Plan.

  On track. Most year 1 objectives have been implemented. Will continue to adhere to the strategic plan objectives over the upcoming years.

- Continue to maintain the City's network infrastructure with little or no downtime during normal City Hall operating hours.

  Ongoing objective.

- Work with Finance and HR on implementing timekeeping software by December 31, 2025.

  On track. Staff has evaluated potential timekeeping solutions and will continue to pursue this item in 2026.

- Perform a thorough evaluation of staffing requirements and costs associated with contracted staff by December 31, 2025.

  On track. The City has approved one IT position to move to in-house. The remaining positions are on track to move in-house in 2026.

- Continue to expand the use of the City's document management system, FileBound, by leveraging a City-wide power users group.

  Ongoing. Staff holds regular meetings to continuously improve the use of Filebound for document management.

OBJECTIVES

- Build project management strategy for integrated surveillance and building access control system by December 31, 2026.
- Strengthen IT governance by assessing current technology policies and developing new policies.
- Upgrade City's aging network infrastructure by December 31, 2026.
- Continue to Implement year 1 and 2 objectives of the IT Strategic Plan.
- Continue to maintain the City's network infrastructure with little or no downtime during normal City Hall operating hours.
- Work with Finance and HR on implementing timekeeping software by December 31, 2026.
- Continue to expand the use of the City's document management system, FileBound, by leveraging a City-wide power users group.

ANNUAL BUDGET

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
54110. Wages-Full Time Employees	$ 216,225	$ 168,158	$ 116,139	$ 195,017	$ 164,445	$ 423,975	$ 228,958	117.4%
54200. Group Insurance	17,900	25,200	16,938	26,029	26,029	120,174	94,145	361.7%
Personnel Services	234,125	193,358	133,077	221,046	190,474	544,149	323,103	146.2%
55010. Professional Services	280,368	386,032	406,791	606,530	606,530	248,500	(358,030)	-59.0%
55160. Postage & Freight	-	1	-	-	-	-	-	N/A
55200. Training	3,726	5,531	6,686	14,800	10,043	14,860	60	0.4%
55220. Dues and Subscriptions	250	350	175	400	350	400	-	0.0%
55240. Insurance and Bonding Services	6,116	6,115	3,546	8,717	6,262	8,633	(84)	-1.0%
55260. Utilities	181,056	201,188	151,464	217,800	187,800	194,782	(23,018)	-10.6%
55300. Building & Office Maintenance	14,054	13,392	7,951	29,700	30,257	31,500	1,800	6.1%
Contractual Services	485,570	612,608	576,613	877,947	841,242	498,675	(379,272)	-43.2%
56000. Office Supplies	2,440	6,049	2,285	9,800	9,800	10,200	400	4.1%
56050. Computer Hardware & Software	213,565	473,953	350,543	668,130	654,326	729,878	61,748	9.2%
56060. Small Tools and Equipment	294	223	-	600	600	600	-	0.0%
Materials & Supplies	216,299	480,224	352,828	678,530	664,726	740,678	62,148	9.2%
Total - Information Technology	$ 935,993	$ 1,286,190	$ 1,062,518	$ 1,777,523	$ 1,696,442	$ 1,783,502	$ 5,979	0.3%

ACCOUNT INFORMATION

For definitions of budgetary account activities, see "Account Descriptions" presented later in this document. Major changes in budget amounts are briefly explained below.

- The Full-Time Wages account increased, and the Professional Services account decreased, due to the transition of contracted staff to salaried staff.
- The Utilities account has decreased due to the reduction in POTS lines.
- Computer Hardware and Software has increased due to the implementation of Office 365 for Cloud based licenses.

ADMINISTRATION DEPARTMENT
THREE OAKS RECREATION AREA

STATEMENT OF ACTIVITIES

The construction of the Three Oaks Recreation Area began in Fiscal Year 2009/2010. The operations of this area as a recreational destination began in early fall of 2010. Included in this budget are funds to provide a full season of operations for this recreation area, including training to lifeguards, attendants and the site supervisor. Included in this budget are all operational costs, as well as costs for storage and winterizing of all equipment.

Beginning in fiscal year 2017/2018, operating activities of the Three Oaks Recreation Area began being reported as a separate department in the City's General Fund. In years prior to fiscal 2017/2018, the Three Oaks Recreation Area was presented in the Other Funds section of the budget document.

ACCOMPLISHMENTS

- Enhance Training
    - Ensure that responsible staff is trained and responsibly manages the park during all operating hours.

      Completed. The Three Oaks Recreation Area was fully staffed to complete a successful year of operations at the park.
    - Certify all employees for CPR and AED training to ensure safety of patrons and staff at the park.

      Completed. All lifeguards, attendants, and managers completed CPR certification.
- Customer Service
    - Continue high customer satisfaction scores. Provide quality service and a positive experience for guests. Monitor volumes of guests to expedite wait times during peak hours.

      Completed. Satisfaction scores matched or exceeded previous year scores.
- Implementation of the following Capital items:
    - Begin construction of the lake loop trail.

On track. The City received the Recreational Trails Program grant award for $200,000 for the lake loop trail project. Design engineering for the lake loop trail will be completed in September and the project will be bid in fall 2024. The project is on schedule for substantial completion in 2025.

- Complete the upper parking lot pedestrian path enhancement.

  On track. The City is on track to complete the upper parking lot pedestrian path upgrade in the fall of 2025.

- Revenues shall pay for all part-time salaries. Fiscally responsible management of the park by establishing appropriate staffing levels based on weather and customer volumes.

  Ongoing. Park revenues will once again exceed the amount of staff expenses.

- Begin discussions with the Quarry Cable Park to execute the first lease agreement extension.

  Completed. The City completed discussions with the Quarry Cable Park and executed the lease extension agreement.

OBJECTIVES

- Enhance Training
  - Ensure that responsible staff is trained and responsibly manages the park during all operating hours.
  - Certify all employees for CPR and AED training to ensure safety of patrons and staff at the park.
- Customer Service
  - Continue high customer satisfaction scores. Provide quality service and a positive experience for guests. Monitor volumes of guests to expedite wait times during peak hours.
- Implementation of the following Capital items:
  - Replace watercraft that has reached the end of its useful life.
  - Complete the replacement of the Splash Pad concrete surface.

- Revenues shall pay for all part-time salaries. Fiscally responsible management of the park by establishing appropriate staffing levels based on weather and customer volumes.
- Begin discussions with the Quarry Cable Park to execute the first lease agreement extension.
- Upgrade the Point of Sale system to utilize the BS&A software.

ANNUAL BUDGET

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
54115. Wages-Part Time Employees	$ 337,970	$ 400,951	$ 408,376	$ 442,000	$ 450,000	$ 455,260	$ 13,260	3.0%
54301. Employer's Social Security	25,906	30,360	31,708	33,813	33,813	34,828	1,015	3.0%
54302. Employer's IMRF	6,830	3,395	2,305	5,470	4,297	5,418	(52)	-1.0%
Personnel Services	370,706	434,706	442,390	481,283	488,110	495,506	14,223	3.0%
55010. Professional Services	88,380	81,632	53,809	89,457	86,367	88,697	(760)	-0.8%
55140. Publishing Services	483	412	-	1,150	434	1,150	-	0.0%
55200. Training	1,408	3,565	4,387	6,450	5,148	6,950	500	7.8%
55240. Insurance and Bonding Services	6,551	21,272	5,225	6,785	5,300	6,685	(100)	-1.5%
55260. Utilities	19,666	30,008	17,890	24,800	27,700	28,800	4,000	16.1%
55300. Building & Grounds Maint	130,930	128,152	104,629	134,540	118,328	139,050	4,510	3.4%
55310. Examinations	12,833	22,670	6,373	15,500	19,617	17,500	2,000	12.9%
55420. Plant Maintenance	-	3,680	-	-	-	-	-	N/A
Contractual Services	260,250	291,392	192,311	278,682	262,894	288,832	10,150	3.6%
56000. Office Supplies	515	1,498	512	1,000	1,000	1,000	-	0.0%
56020. Cleaning Supplies	4,358	4,621	4,072	4,500	4,500	4,500	-	0.0%
56040. Motor Fuel & Lubricant	2,928	2,987	2,487	3,000	3,000	3,000	-	0.0%
56050. Computer Hardware & Software	14,052	13,616	5,730	16,980	24,260	17,800	820	4.8%
56060. Small Tools and Equipment	42,246	39,660	24,001	43,650	31,425	45,650	2,000	4.6%
56070. Automotive Supplies	4,579	3,462	6,693	4,000	4,500	4,500	500	12.5%
56120. Clothing	5,203	8,503	3,464	7,700	7,039	7,700	-	0.0%
56320. Operating Supplies	6,069	12,011	9,439	13,350	12,362	17,550	4,200	31.5%
56420. Plant Maintenance Supplies	-	-	-	-	-	-	-	N/A
Materials & Supplies	79,950	86,357	56,398	94,180	88,086	101,700	7,520	8.0%
58900. Miscellaneous	-	-	-	-	390	-		N/A
58950. Bad Debt Expense	-	88,791	-	-	-	-		N/A
80105. Flooding Event	201,553	-	-	-	-	-	-	N/A
Other Expenses	201,553	88,791	-	-	390	-	-	N/A
Total - Three Oaks Recreation Area	$ 912,460	$ 901,246	691,098	$ 854,145	$ 839,480	$ 886,038	$ 31,893	3.7%

ACCOUNT INFORMATION

For definitions of budgetary account activities, see "Account Descriptions" presented later in this document. Major changes in budget amounts are briefly explained below.

- Part-Time Wages have increased due to the recent State of Illinois minimum wage increases.
- The Professional Services account has decreased due to the reduction in banking fees charged to the City.
- The cost for Utilities has increased due to higher electricity rates implemented in summer 2025.
- Building and Grounds Maintenance has increased due to added natural areas maintenance services and increased maintenance for the lake loop trail.
- An increase to the Operating Supplies account includes the addition of a trail story walk with book displays along the west trail.

POLICE AND FIREFIGHTERS' PENSION OBLIGATION

STATEMENT OF ACTIVITIES

Sworn personnel from the Police and Fire Departments are covered by the Police Pension Plan and the Firefighters' Pension Plan, respectively, which are defined benefit pension plans set by Illinois Statute. Covered employees contribute a state mandated amount from their base salaries; the City is required to contribute the remaining amounts necessary to finance the costs of benefits earned by the sworn personnel as actuarially determined. For this contribution, the City levies an annual tax and transfers the required funding to both pension funds.

ANNUAL BUDGET

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
54305. ER Contribution Police Pension	$3,481,668	$3,482,254	$3,612,536	$3,992,645	$3,992,645	$4,012,787	$20,142	0.50%
54306. ER Contribution Fire Pension	2,285,797	2,286,134	2,285,640	2,316,993	2,316,993	2,618,873	301,880	13.03%
Personnel Services	5,767,466	5,768,388	5,898,176	6,309,638	6,309,638	6,631,660	322,022	5.10%
Total - Pension Obligation	$5,767,466	$5,768,388	$5,898,176	$6,309,638	$6,309,638	$6,631,660	$322,022	5.10%

DEBT SERVICE OBLIGATIONS

STATEMENT OF ACTIVITIES

The Debt Service Division provides a budgetary set of account categories for the expenditure of funds to pay general obligations when they come due. Included below are proportionate amounts to provide for the City's flooding mitigation program (General Obligation Bonds, Series 2012). The flooding mitigation program is funded using Home Rule Sales Tax.

ANNUAL BUDGET

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024 Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
55015. Paying Agent Fees	$ -	$ -	$ -	$ 200	$ 200	$ 200	$ -	0.00%
Contractual Services	-	-	-	200	200	200	-	0.00%
58100. Debt Service - Principal	41,156	41,996	43,676	44,516	44,516	45,356	840	1.89%
58110. Debt Service - Interest	11,550	10,727	9,887	9,014	9,014	8,124	(890)	-9.87%
Debt Service	52,706	52,723	53,563	53,530	53,530	53,480	(50)	-0.09%
Total - Debt Service	$ 52,706	$ 52,723	$ 53,563	$ 53,730	$ 53,730	$ 53,680	$ (50)	-0.09%

CITY OF CRYSTAL LAKE

ANNUAL BUDGET

FISCAL YEAR 2026

WATER & SEWER FUNDS

WATER AND SEWER FUNDS

OVERVIEW

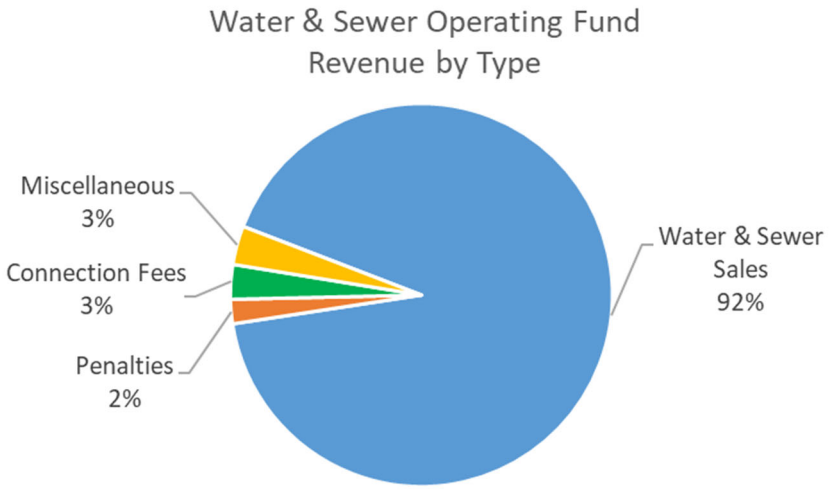
Water and sewer activities are accounted for in proprietary funds of the City. In order to best track these activities, the City maintains four (4) separate funds relating to water and sewer. Budget information is provided separately for each of the funds in the pages that follow and in the Capital Replacement (Water and Sewer Capital Replacement Fund) section of this document. Water and sewer funds are as follows:

- Operating Fund
  - Public Works Administration
  - Public Works Water and Underground Division
  - Public Works Wastewater Treatment Division
- Debt Service Fund
- Water and Sewer 2019 G. O. Project Fund
- Water and Sewer Capital and Equipment Replacement Fund

WATER AND SEWER OPERATING FUND

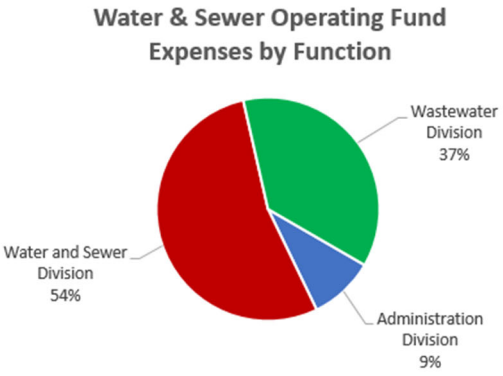
ANNUAL BUDGET SUMMARY

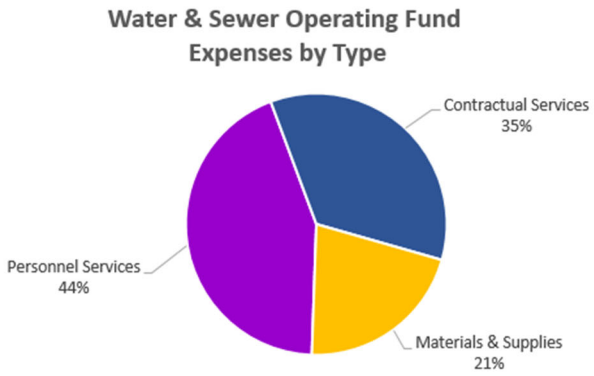
Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Projection	$ Change	% Change
REVENUES								
41900. Grant Proceeds - Other	$ 2,500	$ -	$ -	$ -	$ -	$ -	$ -	N/A
Total Intergovernmental Revenue	2,500	-	-	-	-	-	-	0.0%
45700. Rental Income-City Property	361,621	303,920	118,349	355,214	352,244	368,902	13,688	3.9%
Total	361,621	303,920	118,349	355,214	352,244	368,902	13,688	3.9%
46010. Water Sales	6,816,801	7,308,999	5,190,786	7,471,767	7,646,518	7,920,746	448,979	6.0%
46015. Water Penalties	317,774	290,660	201,484	300,000	275,000	300,000	-	0.0%
46020. Sewer Sales	6,516,941	6,991,688	4,929,536	7,156,949	7,341,997	7,608,237	451,288	6.3%
46300. Water Meter Sales	66,795	119,168	64,326	70,000	70,000	70,000	-	0.0%
46305. Meter Rental Fees	15,944	20,147	14,690	5,000	10,000	5,000	-	0.0%
46480. Water Turn On Fee	13,300	14,448	7,950	10,000	10,000	10,000	-	0.0%
46485. Red Tag Fees	35,700	40,225	27,731	35,000	35,000	35,000	-	0.0%
46490. Meter Compliance Fee	-	-	-	-	15,000	5,000	5,000	N/A
46510. Connection Fees - Water	522,427	713,090	379,480	200,000	370,000	200,000	-	0.0%
46520. Connection Fees - Sewer	729,915	973,463	505,011	300,000	485,000	300,000	-	0.0%
Total User Fees	15,035,597	16,471,888	11,320,993	15,548,716	16,258,515	16,453,983	905,267	5.8%
47010. Interest Income	119,446	151,563	181,650	60,000	250,000	60,000	-	0.0%
47020. Interest Income Leases	10,036	86,149	55,163	-	-	-		
47990. Unrealized Gain/Loss Invest	(89,271)	87,968	153,907	-	-	-	-	0.0%
Total Interest Income	40,210	325,680	390,720	60,000	250,000	60,000	-	0.0%
48820. Capital Facility Fees	79,614	144,234	78,327	30,000	50,000	30,000	-	0.0%
48950. Reimbursements	2,752	29,692	15,871	5,000	180,000	5,000	-	0.0%
48990. Miscellaneous Income	51,688	34,682	34,150	20,000	70,000	20,000	-	0.0%
49525. Storm Sewer Connect	600	-	600	-	-	-	-	0.0%
Total Miscellaneous	134,654	208,609	128,948	55,000	300,000	55,000	-	0.0%
Total Revenues	15,574,582	17,310,096	11,959,009	16,018,930	17,160,759	16,937,885	918,955	5.7%



ANNUAL BUDGET SUMMARY (CONTINUED)

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Projection	$ Change	% Change
EXPENSES								
Public Works Administration	993,578	908,768	567,277	979,572	950,979	1,059,265	79,693	8.1%
Water & Underground Operations	3,990,092	4,450,352	3,071,240	5,821,575	5,102,020	5,989,313	167,738	2.9%
Wastewater Treatment	3,311,556	3,453,554	2,260,051	3,905,279	3,692,732	4,122,435	217,156	5.6%
Total Expenditures	8,295,226	8,812,674	5,898,567	10,706,426	9,745,731	11,171,013	464,587	4.3%
Revenues Over (Under) Expenses before Other Financing Sources (Uses)	7,279,356	8,497,423	6,060,442	5,312,504	7,415,028	5,766,872		
OTHER FINANCING SOURCES (USES)								
Gain on Sale of Assets	-	(7,196)	-	-	-	-		
Transfer Out								
Water & Sewer Debt Service Fund	(3,995,238)	(3,695,542)	(3,713,229)	(3,578,891)	(3,578,891)	(3,837,736)		
Water & Sewer Capital Replace. Fund	-	(3,000,000)	(3,000,000)	(4,000,000)	(4,000,000)	(4,000,000)		
Total Other Financing Sources (Uses)	(3,995,238)	(6,702,738)	(6,713,229)	(7,578,891)	(7,578,891)	(7,837,736)		
Change in Payables/Receivables	(432,025)	(262,987)	(290,318)	-	-	-		
Net Change in Cash	2,852,094	1,531,697	(943,105)	(2,266,387)	(163,863)	(2,070,864)		
Beginning Cash Balance	8,891,776	11,743,870	13,275,567	9,119,187	12,332,462	12,168,599		
Ending Cash Balance	$ 11,743,870	$ 13,275,567	$ 12,332,462	$ 6,852,800	$ 12,168,599	$ 10,097,735		





	Personnel Services	Contractual Services	Materials & Supplies	Grand Total
Administration Division	$720,821	$316,850	$21,594	$1,059,265
Water and Sewer Division	2,358,554	2,200,667	1,430,092	5,989,313
Wastewater Division	1,808,586	1,403,992	909,857	4,122,435
	$4,887,961	$3,921,509	$2,361,543	$11,171,013

PUBLIC WORKS ADMINISTRATION DIVISION

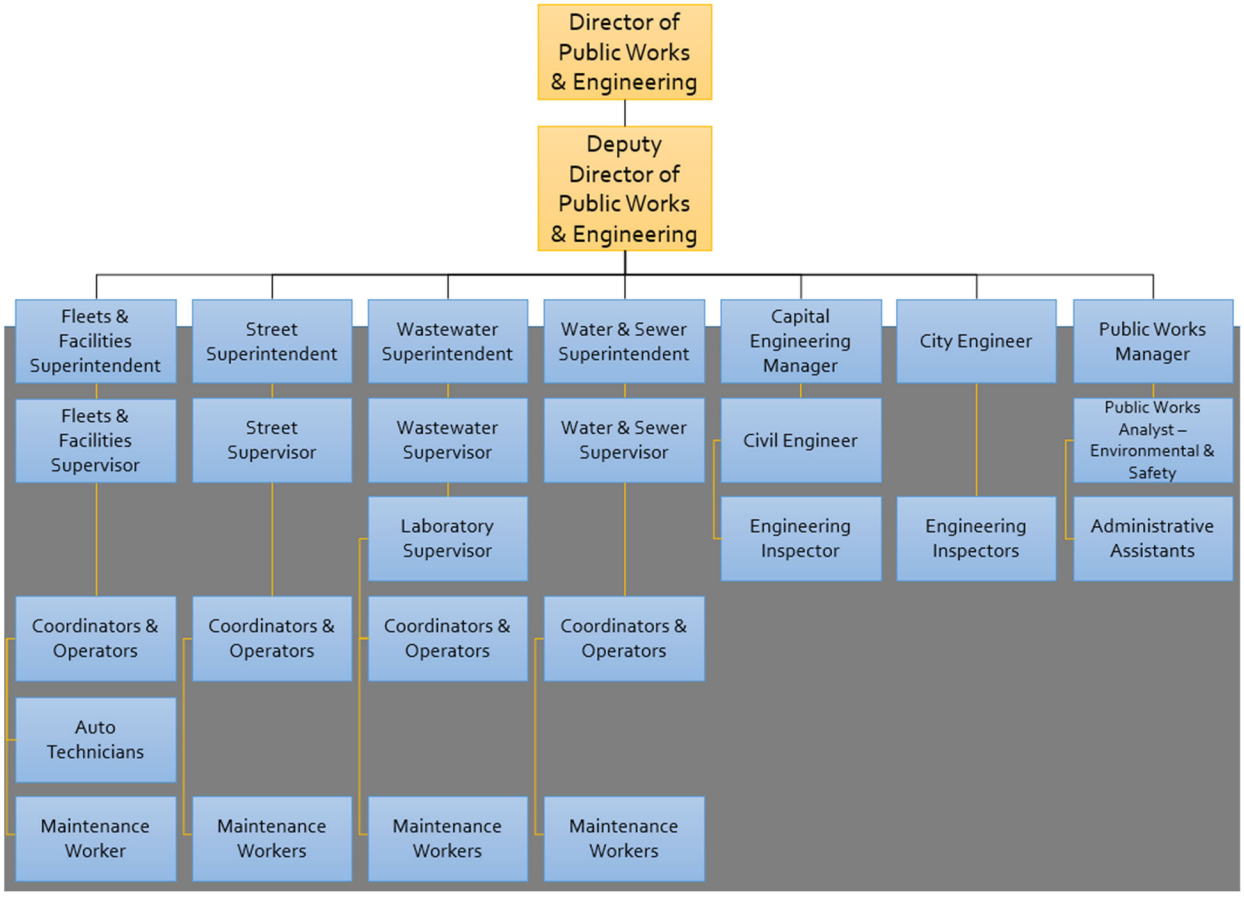
STATEMENT OF ACTIVITIES

The Public Works Administration Division provides overall management of public works including providing clean, potable drinking water, treating wastewater, implementing storm water improvement projects and oversight over maintaining the street system. These are all critical service of the City.

Water and sewer specific related activities are a collaboration of two departments: Public Works and Finance. Public Works staff bear the brunt of responsibility and oversight for maintaining and improving the infrastructure and managing daily tasks. Finance administers billing for services and debt management.

ORGANIZATIONAL CHART

While a collaboration of two departments, staffing assignments to the division include members of both the Public Works Department and the Finance Department.



PERSONNEL SUMMARY

Position	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget
Director of Public Works & Engineering	1.00	1.00	1.00	1.00	1.00	1.00
Deputy Director of Public Works & Engineering	1.00	0.00	0.00	0.00	0.00	0.00
Public Works Manager	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	1.50	1.50	1.50	1.50	1.50	1.50
Utility Billing Coordinator	0.00	1.00	1.00	1.00	1.00	1.00
Financial Services Rep	1.25	0.00	0.00	0.00	0.00	0.00
Total FTE	5.75	4.50	4.50	4.50	4.50	4.50

The above chart shows staff assigned to the Public Works Administration Division in FY2025. No new positions are anticipated for the division. In FY2023/24, the position of Deputy Director of Public Works was re-allocated to the Public Works Engineering budget.

ACCOMPLISHMENTS

- Ensure engineering for new, budgeted, major capital projects in the Wastewater, Engineering, Water and Sewer, Fleet and Facilities, and Streets Divisions are started within the Fiscal Year.

  On track. Engineering was initiated on the majority of projects with the exception of those delayed by outside agencies, property acquisition, changes in funding or cost concerns.

- Initiate construction for the Re-Establishment of Crystal Creek (two-year project) and complete construction of the Three Oaks Water Level Control Project.

  Behind. Significant outside grant funding delayed construction from starting in 2025 to starting in 2026. Utilizing grant funding and not local funds was deemed more important than meeting original construction schedule.

- Provide management and administrative oversight for the property-owner initiated lead service line replacement program and water meter replacement program.

  On track. The property owner initiated lead service line program has been very successful and requests exceed FY 2025 funding. The water meter project is in progress and should be completed in the first half of 2026.

- Complete implementation of asset management software for all divisions.

  On track. All divisions, except facilities are currently utilizing the software for work orders and tracking assets. Facilities will implement the system in late 2025.

- Review, and update if necessary, ten (10) safety polices or Job Safety Analyses (JSA's).

On track. The Public Works Safety and Policy Committees meet regularly to review and update policies and JSA's.

- Review opportunities to out-source activities to meet demand or to provide more cost effective services.

  On track. This year as contracts come up for renewal or bidding, Public Works reviews and confirms cost effectiveness. This year outsourcing of tree work, routine landscaping/ mowing, pavement patching, and sweeping was reviewed.

The Public Works Administration Division achieved the following additional accomplishments during fiscal year 2025:

- Further Improved contract tracking, processing, and review of insurance requirements (endorsements for COI).
- Assisted Community Development and City Manager's Office on non-public works capital projects (Depot Park, Three Oaks Loop Trail, 121 W. Woodstock Street) and special assignments.
- Improvements to GIS for all Departments.

OBJECTIVES

- Ensure engineering for new, budgeted, capital projects in the Wastewater, Engineering, Water and Sewer, Fleet and Facilities, and Streets Divisions are started within the Fiscal Year.
- Initiate construction for the Re-Establishment of Crystal Creek (two-year project).
- Expand the property owner initiated lead service line replacement program and complete engineering in 2026 for first year (2027) of City-initiated lead service line program.
- Start implementation of management level analyses tools of asset management software.
- Review, and update if necessary, ten (10) safety polices or Job Safety Analyses.
- Review opportunities to out-source activities to meet demand or to provide more cost effective services.

ANNUAL BUDGET

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
54110. Wages-Full Time Employees	$ 512,817	$ 444,243	$ 308,856	$ 509,292	$ 467,985	$ 537,474	$ 28,182	5.5%
54115. Wages-Part Time Employees	70	-	-	-	-	-	-	N/A
54150. Wages-Overtime	-	-	563	200	600	600	400	0.0%
54200. Group Insurance	102,429	72,638	48,568	74,545	74,545	85,718	11,173	15.0%
54301. Employer's FICA	34,847	30,270	28,014	38,917	35,819	41,117	2,200	5.7%
54302. Employer's IMRF	54,386	40,492	20,602	55,654	49,256	55,912	258	0.5%
Personnel Services	704,549	587,643	406,603	678,608	628,205	720,821	42,213	6.2%
55010. Professional Services	115,769	140,447	38,234	45,993	69,424	78,961	32,968	71.7%
55030. Legal Services	-	-	-	-	-	50,000	50,000	N/A
55040. Annual Audit Services	12,030	12,391	12,763	14,444	14,444	14,878	434	3.0%
55140. Publishing Services	2,715	50	50	1,000	-	250	(750)	-75.0%
55160. Postage & Freight	87,780	87,276	61,262	102,960	95,520	104,600	1,640	1.6%
55200. Training	2,978	2,409	1,565	5,325	8,675	4,885	(440)	-8.3%
55220. Dues and Subscriptions	1,388	2,195	1,313	2,957	2,176	2,176	(781)	-26.4%
55240. Insurance and Bonding Services	34,053	59,795	35,305	42,541	60,173	61,000	18,459	43.4%
55310. Examinations	-	35	-	3,300	-	-	(3,300)	0.0%
55340. Maintenance Services-Office Equip.	-	-	-	100	-	100	-	0.0%
Contractual Services	256,712	304,600	150,492	218,620	250,412	316,850	98,230	44.9%
56000. Office Supplies	957	861	439	1,000	1,000	1,000	-	0.0%
56040. Motor Fuel & Lubricant	-	-	80					
56050. Computer Hardware & Software	4,952	497	525	63,319	55,319	2,569	(60,750)	-95.9%
56060. Small Tools and Equipment	9,117	-	-	350	119	350	-	0.0%
56070. Automotive Supplies	2,515	-	-	-	-	-	-	N/A
56950. Stationery and Printing	14,751	15,168	9,139	17,475	14,181	17,475	-	0.0%
58900. Miscellaneous	25	-	-	200	115	200	-	0.0%
Materials & Supplies	32,317	16,526	10,182	82,344	70,734	21,594	(60,750)	-73.8%
58950. Bad Debt Expense	-	-	-	-	1,628	-	-	N/A
Total - Public Works Administration	$ 993,578	$ 908,768	$ 567,277	$ 979,572	$ 950,979	$ 1,059,265	$ 79,693	8.1%

ACCOUNT INFORMATION

For definitions of budgetary account activities, see "Account Descriptions" presented later in this document. Major changes in budget amounts are briefly explained below.

- Group health insurance has increased due to higher than anticipated premium costs.
- The Illinois Municipal Retirement Fund (IMRF), is a defined benefit retirement plan that provides retirement, survivor, disability and death benefits to municipal government employees in Illinois. It is governed by Article 7 of the Illinois Pension Code. Employer contributions to the pension plan are calculated by the IMRF and fluctuate based on demographic changes and investment rate of return. The City's contribution rate for 2026 is 10.52% of covered payroll.
- The amount budgeted for Professional Services has increased based on actual expenses incurred.

WATER AND UNDERGROUND DIVISION

STATEMENT OF ACTIVITIES

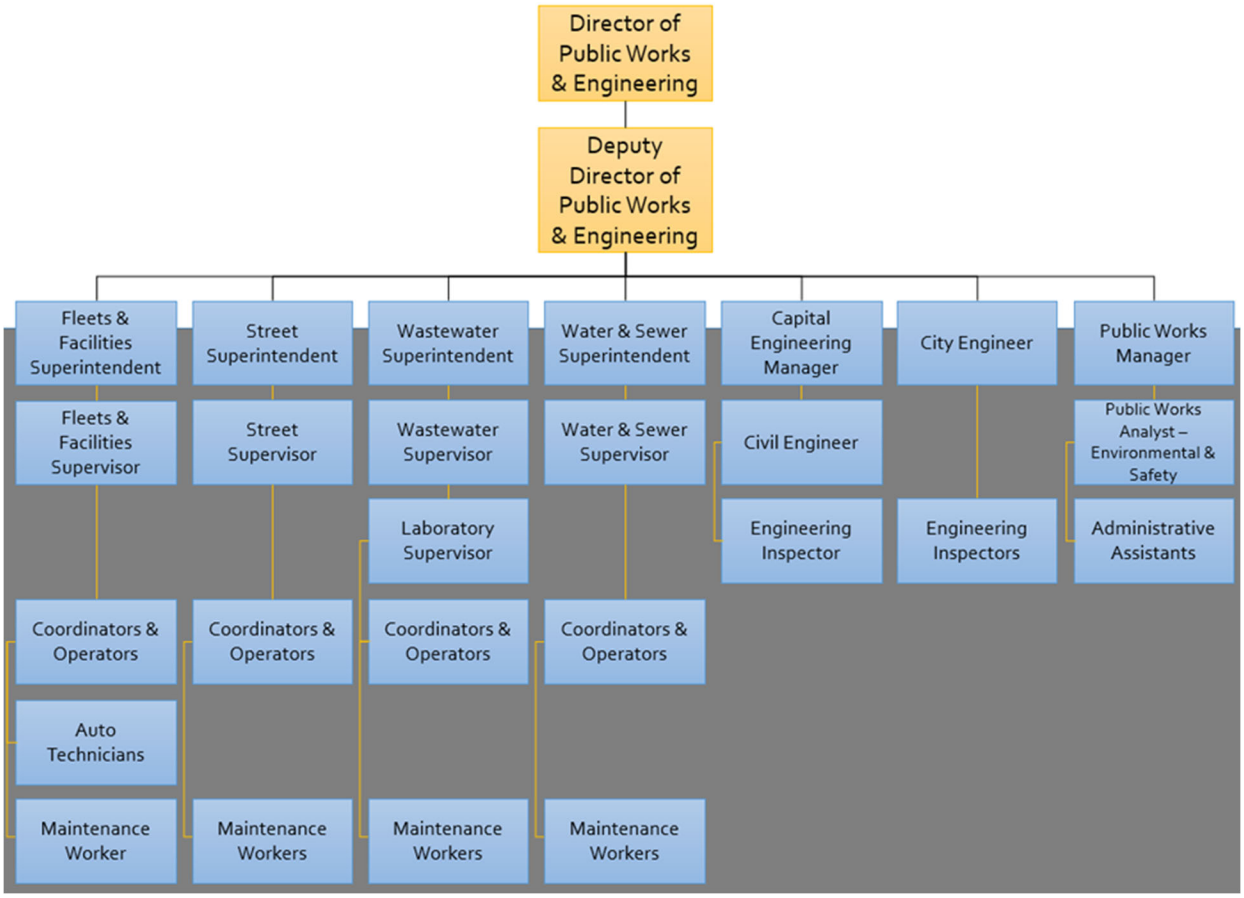
The Water and Sewer Division performs five primary functions:

1. Provide a safe and adequate supply of quality potable (drinking) water meeting all regulatory and environmental requirements.
2. Operation, maintenance and repair of five water treatment facilities, 11 wells and 8 storage reservoirs.
3. Distribute and meter potable water to the residents and businesses in the City of Crystal Lake through a system of over 230 miles of water mains, 2,949 valves and 3,122 fire hydrants.
4. Manage and maintain approximately 175 miles of sanitary sewer mains and manholes.
5. Manage and maintain the City's storm water collection system of inlets, catch basins, manholes and sewers.

Daily activities include:

- Operation of the water plants and water system utilizing and maintaining our SCADA system to optimize operations and provide for rapid response.
- Monthly reading of 13,792 water meters via drive by reading system, connect and seal of every new meter, complete final meter reads for every property closing, repair and maintenance of meters as needed, and shut off of water for non-payment.
- Responding to residents and businesses with sewer, water quality & water pressure concerns.
- Assuring EPA compliance by performing all bacteriological, fluoride, chlorine, phosphate, and other water samples required by the EPA as well as compiling, creating and submitting required EPA reports.
- Review of plans for sewer and water system additions and improvements, walkthroughs on every new addition to the sewer and water system to assure proper installation and operation of new facilities.
- JULIE locates – responsible to field locate all City water and sewer utilities.
- Assist with fire flow testing for contractors, and chlorination and pressure testing of water mains.
- Complete regular maintenance and repair work at the water treatment facilities, and to all of the City's sewer collection systems and water distribution systems.
- During winter months Water and Sewer Division works with the Street Division to remove snow on main routes, cul-de-sac's, and public sidewalks.

ORGANIZATIONAL CHART



PERSONNEL SUMMARY

Position	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget
Superintendent	1.00	1.00	1.00	1.00	1.00	1.00
Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Program Coordinator	1.00	1.00	1.00	1.00	1.00	1.00
PWS Facility Operator	5.00	5.00	5.00	5.00	5.00	5.00
PWS Distribution Operator	1.00	1.00	1.00	1.00	1.00	0.00
Maintenance Worker	7.00	7.00	7.00	7.00	7.00	8.00
Total FTE	16.00	16.00	16.00	16.00	16.00	16.00

The above chart shows staff assigned to the Water & Underground Division in FY2026. No new positions are anticipated for the division.

ACCOMPLISHMENTS

- Complete construction of last phase of new Deep Well 19 project (Well house and generator) and place new Deep Well 19 on-line.

  On track. Well and transmission main connection to water treatment plant 2 should be operational by early November.

- Manage annual programs for sanitary sewer lining, grouting program, manhole lining, and water storage tank painting.

  On track. All accomplished except for water tank painting which will take place next year.

- Provide four (4) training opportunities for staff utilizing experienced employees and outside resources.

  On track. Multiple training opportunities have been provided for water certification CEU's, attendance of some personnel at IPSI and other in house training opportunities. Added training component to morning meetings.

- Continue to refine lead service line (LSL) inventory and required plan for 2027 deadline.

  On track. Inventory continues to be refined. Additional testing requirements started in 2025 and the City is meeting those requirements.

The Public Works Water & Underground Division achieved the following additional accomplishments during fiscal year 2025:

- Responding to ever changing testing and regulatory issues
- Responding to ever changing lead service line reporting requirements

OBJECTIVES

- Complete engineering in 2026 for first year of city-funded lead service replacements (start construction in 2027).
- Manage annual programs for sanitary sewer lining, grouting program, manhole lining, and water storage tank painting.
- Provide training opportunities to meet CEU requirements for IEPA water certifications and for other staff utilizing experienced employees and outside resources.
- Expand property-owner initiated lead service line program to more buildings.

ANNUAL BUDGET

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
54110. Wages-Full Time Employees	$ 1,335,278	$ 1,450,956	$ 1,018,152	$ 1,556,694	$ 1,512,141	$ 1,577,927	$ 21,233	1.4%
54115. Wages-Part Time Employees	14,040	21,427	19,701	28,800	28,116	35,775	6,975	24.2%
54150. Wages-Overtime	105,588	80,703	55,746	120,000	110,000	120,000	-	0.0%
54200. Group Insurance	324,182	341,630	198,441	305,157	305,157	309,839	4,682	1.5%
54301. Employer's Social Security	108,106	114,666	79,576	130,470	125,847	132,628	2,158	1.7%
54302. Employer's IMRF	151,065	141,310	97,293	183,430	170,102	182,385	(1,045)	-0.6%
Personnel Services	2,038,259	2,150,691	1,468,910	2,324,551	2,251,363	2,358,554	34,003	1.5%
55010. Professional Services	136,307	53,824	61,784	368,340	196,727	308,400	(59,940)	-16.3%
55140. Publishing Services	457	557	203	600	600	600	-	0.0%
55160. Postage & Freight	5,080	6,366	4,944	7,040	7,000	7,000	(40)	-0.6%
55200. Training	7,242	10,562	5,268	15,480	13,433	17,799	2,319	15.0%
55220. Dues and Subscriptions	9,561	11,194	740	12,556	12,834	13,275	719	5.7%
55240. Insurance and Bonding Services	74,010	89,758	43,389	92,308	93,000	90,953	(1,355)	-1.5%
55260. Utilities	347,116	672,436	469,098	741,800	761,800	844,800	103,000	13.9%
55310. Examinations	2,340	2,033	2,035	2,690	2,690	2,690	-	0.0%
55320. Maintenance Services-Operating Equ	11,698	8,187	12,247	13,030	13,030	13,030	-	0.0%
55350. Rent - Clothing	1,767	1,947	1,385	2,000	2,000	2,000	-	0.0%
55360. Radio Equipment Services	821	3,760	-	4,550	4,550	4,000	(550)	-12.1%
55390. Sidewalk Maintenance & Repair	12,404	11,348	3,664	12,000	-	-	(12,000)	-100.0%
55400. Storm Sewer Services	2,100	14,976	27,137	48,500	51,000	60,500	12,000	24.7%
55420. Plant Maintenance Services	196,276	295,981	95,264	656,596	270,378	647,620	(8,976)	-1.4%
55440. Lines and Systems Maintenance	31,124	18,185	63,465	185,500	120,000	185,500	-	0.0%
55630. State Filing Fee	-	1,000	1,000	1,000	1,000	1,000	-	0.0%
55680. Rent - Buildings and Equipment	613	331	-	1,000	1,000	1,500	500	50.0%
Contractual Services	838,916	1,202,445	791,621	2,164,990	1,551,042	2,200,667	35,677	1.6%
56000. Office Supplies	2,495	1,656	344	2,350	2,350	2,350	-	0.0%
56030. Landscape Materials	1,003	1,261	1,255	1,350	1,350	1,350	-	0.0%
56040. Motor Fuel & Lubricants	51,066	42,644	23,124	60,000	61,000	61,500	1,500	2.5%
56050. Computer Hardware & Software	24,142	22,877	11,682	73,909	70,799	140,110	66,201	89.6%
56060. Small Tools and Equipment	42,120	42,937	11,872	43,690	43,690	38,690	(5,000)	-11.4%
56070. Automotive Supplies	52,732	31,784	31,481	67,750	67,750	67,750	-	0.0%
56080. Public Works Materials	26,016	56,424	36,082	65,500	60,000	65,500	-	0.0%
56120. Clothing	11,729	11,785	10,405	14,250	14,250	14,650	400	2.8%
56140. Water Meter Parts	85,013	111,578	87,741	115,000	108,000	100,000	(15,000)	-13.0%
56150. Fire Hydrants	17,949	32,993	34,507	35,000	30,000	35,000	-	0.0%
56160. Salt	481,629	428,903	323,573	515,000	500,000	550,000	35,000	6.8%
56170. Chemicals And Sealants	181,683	156,094	83,350	166,345	170,720	181,260	14,915	9.0%
56180. Laboratory Supplies	8,855	11,074	11,421	16,340	16,340	15,582	(758)	-4.6%
56220. Water Tap Materials	23,231	23,139	17,956	23,500	23,500	23,500	-	0.0%
56320. Operating Supplies	5,571	8,277	3,058	9,400	9,400	9,700	300	3.2%
56420. Plant Maintenance Supplies	90,556	112,509	122,858	118,300	116,116	118,800	500	0.4%
56950. Stationery and Printing	418	1,082	-	4,350	4,350	4,350	-	0.0%
Materials & Supplies	1,106,206	1,097,016	810,708	1,332,034	1,299,615	1,430,092	98,058	7.4%
58100. Debt Service Principal GASB	6,711	-	-	-	-	-	-	N/A
58900. Miscellaneous	-	200	-	-	-	-	-	N/A
Total - Water & Sewer Operations	$ 3,990,092	$ 4,450,352	$ 3,071,240	$ 5,821,575	$ 5,102,020	$ 5,989,313	$ 167,738	2.9%

ACCOUNT INFORMATION

For definitions of budgetary account activities, see "Account Descriptions" presented later in this document. Major changes in budget amounts are briefly explained below.

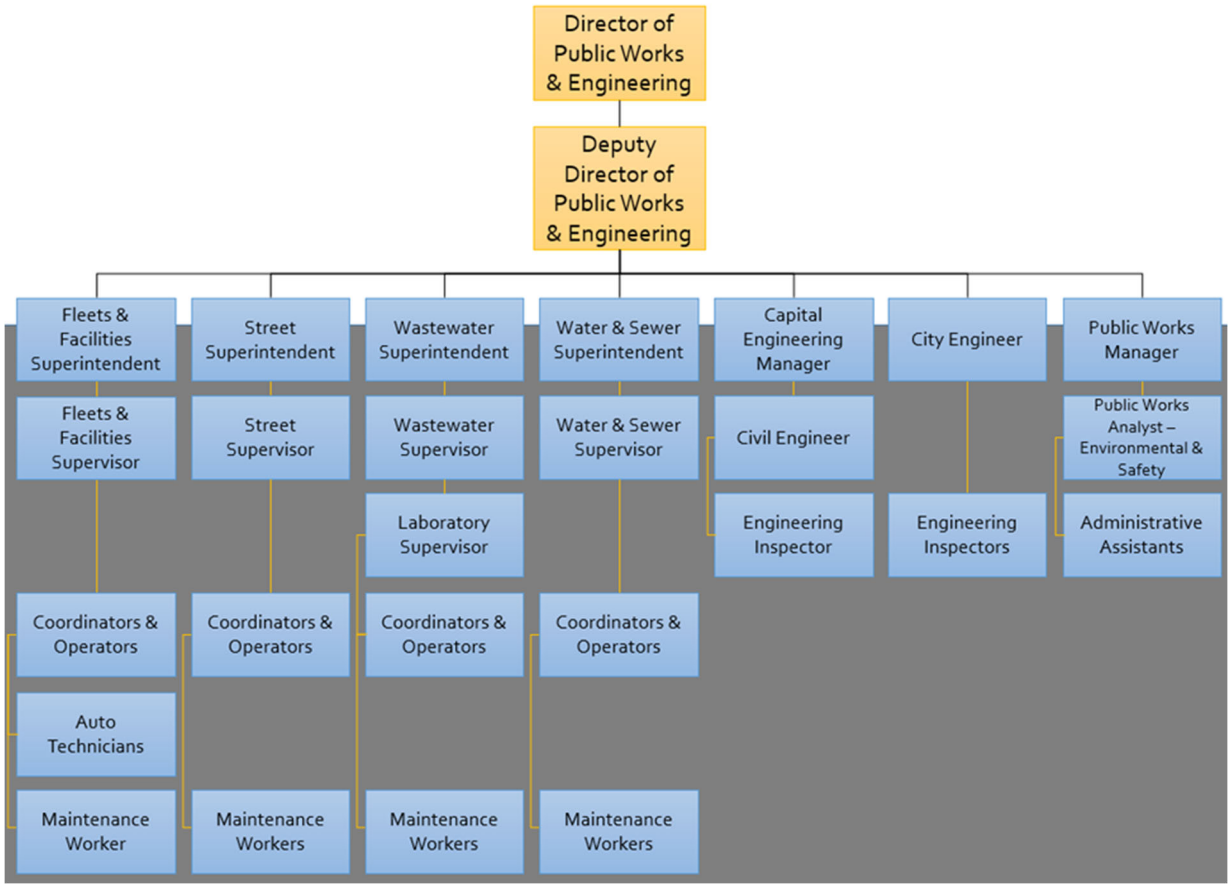
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- Utilities best reflects anticipated increases in electricity as a result of electrical supplier increases (ComEd).
- Cost increases for water treatment chemicals based on anticipated market prices.
- The above increases are being partially offset by reductions in other budget line items.

WASTEWATER TREATMENT DIVISION

STATEMENT OF ACTIVITIES

The Wastewater Treatment Division is responsible for the operation and maintenance of two wastewater treatment facilities, twenty eight sanitary lift stations and three storm water stations. During the fiscal year 2018/2019, the facilities processed an average of 4.871 million gallons per day (MGD) or 1760.139 billion gallons throughout the year, producing an effluent that met the facilities' NPDES permit requirements. Other activities include laboratory analysis of samples required for NPDES reporting, plant process control, industrial monitoring and potable water analysis. In addition, the Division is also responsible for the enforcement of the City of Crystal Lake Sewer Use Ordinance and the United States Environmental Protection Agency approved Pretreatment Program. This includes monitoring industrial facilities, inspecting restaurant grease traps and investigation of illicit discharge reports.

ORGANIZATIONAL CHART



PERSONNEL SUMMARY

Position	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget
Superintendent	1.00	1.00	1.00	1.00	1.00	1.00
Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Laboratory Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Program Coordinator	2.00	2.00	2.00	2.00	2.00	2.00
WW Facility Operator	1.00	1.00	1.00	1.00	1.00	1.00
Maintenance Worker	7.00	7.00	7.00	7.00	7.00	7.00
Total FTE	13.00	13.00	13.00	13.00	13.00	13.00

The above chart shows staff assigned to the Water & Sewer Division in FY 2026. No new positions are anticipated for the division.

ACCOMPLISHMENTS

- Initiate/ complete engineering for Lift Station 12 UST removal; Lift Stations 21, 23 and 25 control panel and generator replacement; Lift Station 6 engineering. Initiate engineering for new Dole Ave. Lift Station (old Park District station.) Initiate preliminary engineering (IEPA project plan) for phosphorous reduction project and clarifier rehabilitations at Plant 2 and Plant 3.

  On track. Lift 12 engineering completed. Lift 6 engineering and property owner coordination initiated. Dole (Park District) IGA for lift station to be completed in 2025. Project Plan to be submitted IEPA this year for phosphorous and clarifier project. Consultant is under contract for lift stations 21, 23, and 25 generator and control panel replacement.

- Initiate/ complete construction on Lift Station 12 UST removal; Lift Station 14 rehabilitation. Award construction contracts for Lift Stations 21, 23 and 25 control panel and generator replacements; Plant 2 women's locker room renovation/addition.

  On track. Lift 12 UST removal complete (IEPA UST close out in progress). Lift Station 14 completed Plant 2 women's locker room renovation/addition postponed due to costs (providing locker in current women's toilet room. Construction for Lift station generators for 21, 23, and 25 to be bid next year.

- Provide at least three (3) training opportunities for staff utilizing experienced employees and outside resources.

On track. Wastewater Division provided numerous in-house and outside training opportunities through IPSI, FVOA and others.

- Continual review and assessment of maintenance activities to minimize sanitary sewer overflows and basement backups.

  On track. Wastewater Division continues to implement and track a robust preventative maintenance activities at both plants and lift stations. There were no basement backups attributable to lift station operations or inadequate sanitary sewer maintenance (W&S Division).

The Wastewater Division achieved the following additional accomplishments during fiscal year 2025:

- Completed replacement of several lift station electrical control panels utilizing in-house staff.
- Leadership Transition (new Wastewater Superintendent and Supervisor).

OBJECTIVES

- Acquire property/easement for relocation of Lift Station 6 (Keith) and bid project for construction.
- Obtain IEPA Project Plan approval for the phosphorous reduction and clarifier rehabilitation project. Substantially complete final engineering for the project for a planned 2027 bidding (construction 2028-2029) to meet 2030 regulatory mandate.
- Provide at least three (3) training opportunities for staff utilizing experienced employees and outside resources.
- Continual review and assessment of maintenance activities to minimize sanitary sewer overflows and basement backups.

ANNUAL BUDGET

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
54110. Wages-Full Time Employees	$ 1,040,170	$ 1,032,398	$ 731,126	$ 1,199,634	$ 1,042,765	$ 1,211,155	$ 11,521	1.0%
54115. Wages - Part Time Employees	-	-	-	-	-	21,600	21,600	N/A
54150. Wages-Overtime	74,776	30,590	37,268	63,000	46,652	48,488	(14,512)	-23.0%
54200. Group Insurance	306,138	299,796	200,061	264,656	264,656	294,540	29,884	11.3%
54301. Employer's Social Security	81,634	77,485	69,748	96,592	82,732	98,016	1,424	1.5%
54302. Employer's IMRF	118,812	96,658	55,930	138,132	113,769	134,787	(3,345)	-2.4%
Personnel Services	1,621,529	1,536,927	1,094,133	1,762,014	1,550,574	1,808,586	46,572	2.6%
55010. Professional Services	120,932	114,991	125,260	147,750	140,015	140,638	(7,112)	-4.8%
55080. Pest Control Services	1,974	3,152	1,226	3,500	3,500	3,500	-	0.0%
55140. Publishing Services	243	374	324	450	450	450	-	0.0%
55160. Postage & Freight	1,005	634	268	1,000	1,000	1,000	-	0.0%
55200. Training	13,325	13,842	7,123	15,205	22,819	25,744	10,539	69.3%
55220. Dues and Subscriptions	18,732	22,717	12,569	22,617	23,559	23,559	942	4.2%
55240. Insurance and Bonding Services	41,760	39,493	23,680	55,511	42,165	54,696	(815)	-1.5%
55260. Utilities	281,797	400,122	251,942	331,900	483,900	483,900	152,000	45.8%
55310. Examinations	1,643	1,100	1,418	2,315	2,315	2,315	-	0.0%
55360. Radio Equipment Services	-	-	-	700	700	700	-	0.0%
55420. Plant Maintenance Services	447,542	555,511	252,027	685,300	581,057	605,740	(79,560)	-11.6%
55630. State Filing Fee	47,500	47,500	47,500	48,500	51,000	48,500	-	0.0%
55680. Rent - Buildings and Equipment	7,321	7,719	5,395	11,000	12,450	13,250	2,250	20.5%
Contractual Services	983,774	1,207,154	728,733	1,325,748	1,364,930	1,403,992	78,244	5.9%
56000. Office Supplies	4,863	6,462	1,089	6,500	6,500	6,500	-	0.0%
56030. Landscape Materials	963	506	652	2,500	2,500	2,500	-	0.0%
56040. Motor Fuel & Lubricant	31,262	23,032	14,387	34,850	23,850	23,850	(11,000)	-31.6%
56050. Computer Hardware & Software	6,587	13,170	6,613	64,377	57,829	43,877	(20,500)	-31.8%
56060. Small Tools and Equipment	30,936	5,271	4,551	15,600	15,600	34,400	18,800	120.5%
56070. Automotive Supplies	9,290	8,289	6,854	15,640	25,640	25,640	10,000	63.9%
56120. Clothing	16,543	13,830	11,356	14,050	14,050	14,050	-	0.0%
56170. Chemicals And Sealants	302,605	391,607	229,670	411,000	376,000	424,000	13,000	3.2%
56180. Laboratory Supplies	27,210	22,049	18,598	19,500	19,500	21,540	2,040	10.5%
56420. Plant Maintenance Supplies	273,309	225,258	143,416	233,500	235,759	313,500	80,000	34.3%
Materials & Supplies	703,568	709,473	437,185	817,517	777,228	909,857	92,340	11.3%
58100. Debt service	2,685	-	-	-	-	-	-	N/A
Total - Wastewater Treatment	$ 3,311,556	$ 3,453,554	$ 2,260,051	$ 3,905,279	$ 3,692,732	$ 4,122,435	$ 217,156	5.6%

ACCOUNT INFORMATION

For definitions of budgetary account activities, see "Account Descriptions" presented later in this document. Major changes in budget amounts are briefly explained below.

- The Illinois Municipal Retirement Fund (IMRF), is a defined benefit retirement plan that provides retirement, survivor, disability and death benefits to municipal government employees in Illinois. It is governed by Article 7 of the Illinois Pension Code. Employer contributions to the pension plan are calculated by the IMRF and fluctuate based on demographic changes and investment rate of return. The City's contribution rate for 2026 is 10.52% of covered payroll.
- Plant Maintenance Supplies has increased to account for the various "in-house" projects being undertaken by staff at both wastewater plants. This is being offset by reductions in other budget line items.

WATER AND SEWER DEBT SERVICE FUND

STATEMENT OF ACTIVITIES

The Water & Sewer Debt Service Fund provides a budgetary set of account categories for the expenditure of funds to pay obligations when they come due.

ANNUAL BUDGET

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
REVENUES								
47010. Interest Income	$ 38,820	$ 229,802	$ 215,070	$ -	$ 125,000	$ -	$ -	N/A
Total Interest Income	38,820	229,802	215,070	-	125,000	-	-	N/A
48990. Misc. Income	42,888	-	-	-	-	-	-	N/A
Total Misc. Income	42,888	-	-	-	-	-	-	N/A
Total Revenues	81,707	229,802	215,070	-	125,000	-	-	N/A
EXPENDITURES								
City Administration	1,297	-	-	2,200	2,200	2,200	-	0.00%
Debt Service								
55010. Professional Services	252,429	9,278	3,487	257,200	254,750	7,200	(250,000)	-97.20%
58100. Principal	9,736,986	2,941,686	2,845,249	2,528,164	2,528,164	2,642,160	113,996	4.51%
58110. Interest Expense	975,255	877,144	867,676	791,327	775,084	1,186,176	394,849	49.90%
Total Expenditures	10,965,966	3,828,108	3,716,412	3,578,891	3,560,198	3,837,736	258,845	7.23%
Revenues Over (Under) Expenses before Other Financing Sources (Uses)	(10,884,259)	(3,598,306)	(3,501,343)	(3,578,891)	(3,435,198)	(3,837,736)		
OTHER FINANCING SOURCES (USES)								
Bond Proceeds	14,530,000	-	-	10,000,000	-	-		
Bond Premium (Discount)	137,895	-	-	-	-	-		
Transfer In								
Water & Sewer Fund	3,995,238	3,695,542	3,713,229	3,578,891	3,578,891	3,837,736		
Transfer Out								
Water & Sewer Capital Fund	(671,929)	(1,916,962)	(1,010,405)	(12,424,435)	(81,383)	(3,100,000)		
Total Other Financing Sources (Uses)	17,991,204	1,778,580	2,702,825	1,154,456	3,497,508	737,736		
Change in Payables/Receivables	(49,763)	16,653	8,957	-	-	-		
Net Change in Cash	7,057,182	(1,803,073)	(789,561)	(2,424,435)	62,310	(3,100,000)		
Beginning Cash Balance	124,134	7,181,317	5,378,244	2,651,109	4,588,683	4,650,993		
Ending Cash Balance	$ 7,181,317	$ 5,378,244	$ 4,588,683	$ 226,674	$ 4,650,993	$ 1,550,993		

WATER AND SEWER
2019 GO PROJECT FUND

STATEMENT OF ACTIVITIES

The Water & Sewer 2019 GO Project Fund provides a budgetary set of account categories for the expenditure of funds to pay for the replacement of water and sewer infrastructure (mains, lift stations, treatment plants, etc.). Revenues are primarily available from the issuance of general obligation bonds.

ANNUAL BUDGET

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
REVENUES								
47010. Interest Income	$ 55,888	$ 135,645	$ 67,673	$ 5,000	$ 5,500	$ -	$ (5,000)	0.00%
47990. Unrealized Gain/Loss on Invest	12,202	(11,971)	-	-	-	-	$ -	0.00%
Total Interest Income	68,090	123,674	67,673	5,000	5,500	-	$ (5,000)	0.00%
Total Revenues	68,090	123,674	67,673	5,000	5,500	-	$ (5,000)	0.00%
EXPENDITURES								
City Administration	2,558	2,472	997	3,000	300	-	$ (3,000)	0.00%
Total Expenditures	2,558	2,472	997	3,000	300	-	$ (3,000)	0.00%
Revenues Over (Under) Expenditures before Other Financing Sources (Uses)	65,532	121,202	66,676	2,000	5,200	-		
OTHER FINANCING SOURCES (USES)								
Transfer Out								
Water & Sewer Capital Fund	(58,020)	(726,782)	(1,768,241)	(581,011)	(221,452)			
Total Other Financing Sources (Uses)	(58,020)	(726,782)	(1,768,241)	(581,011)	(221,452)	-		
Change in Payables/Receivables	1,647	-	-	-	-	-		
Net Change in Cash	9,159	(605,580)	(1,701,565)	(579,011)	(216,252)	-		
Beginning Cash Balance	2,514,237	2,523,396	1,917,817	610,325	216,252	-		
Ending Cash Balance	$ 2,523,396	$ 1,917,817	$ 216,252	$ 31,314	$ -	$ -		

WATER AND SEWER
2025 GO PROJECT FUND

STATEMENT OF ACTIVITIES

The Water & Sewer 2025 GO Project Fund provides a budgetary set of account categories for the expenditure of funds to pay for the replacement of water meters and associated infrastructure. Revenues are primarily available from the issuance of general obligation bonds.

ANNUAL BUDGET

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
REVENUES								
47010. Interest Income	$ -	$ -	$ -	$ -	$ 180,000	$ 25,000	$ 25,000	N/A
Total Interest Income	-	-	-	-	180,000	25,000	$ 25,000	N/A
Total Revenues	-	-	-	-	180,000	25,000	$ 25,000	N/A
EXPENDITURES								
City Administration	-	-	-	-	320,000	6,000	$ 6,000	N/A
Total Expenditures	-	-	-	-	320,000	6,000	$ 6,000	N/A
Revenues Over (Under) Expenditures before Other Financing Sources (Uses)	-	-	-	-	(140,000)	19,000		
OTHER FINANCING SOURCES (USES)								
2025 Bond Proceeds	-	-	-	-	9,910,000	-		
Transfer Out								
Water & Sewer Capital Fund	-	-	-	-	(6,000,000)	(3,789,000)		
Total Other Financing Sources (Uses)	-	-	-	-	3,910,000	(3,789,000)		
Change in Payables/Receivables	-	-	-	-	-	-		
Net Change in Cash	-	-	-	-	3,770,000	(3,770,000)		
Beginning Cash Balance	-	-	-	-	-	3,770,000		
Ending Cash Balance	$ -	$ -	$ -	$ -	$ 3,770,000	$ -		

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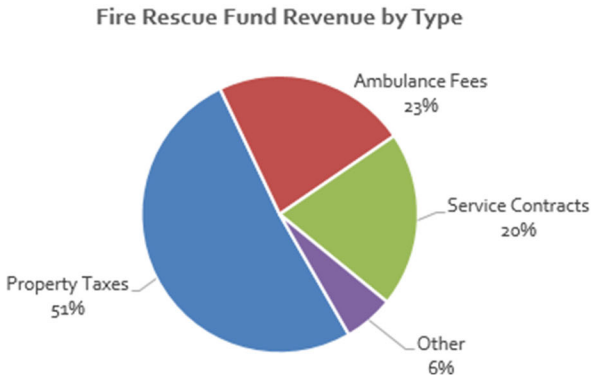
ANNUAL BUDGET

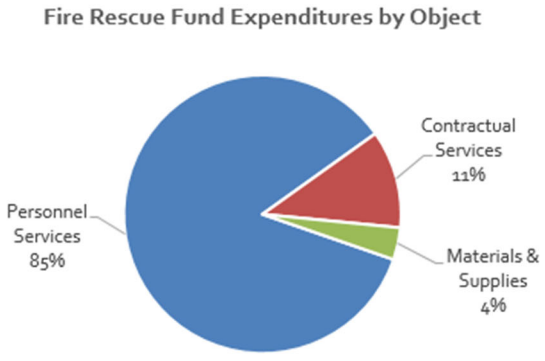
FISCAL YEAR 2026

FIRE RESCUE FUND

ANNUAL BUDGET SUMMARY

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
REVENUES								
40050. Property Tax - Fire/Rescue	$ 6,938,933	$ 7,338,820	$ 7,563,877	$ 7,642,097	7,642,097	7,724,645	$ 82,548	1.1%
41700. Grant Proceeds - State of IL	-	-	-	-	6,537	-	-	N/A
41850. Grant Proceeds - Other Govt	21,888	27,858	-	-	33,047	-		N/A
45050. Alarm System Monitoring Fees	431,860	442,840	336,870	425,000	425,000	429,250	4,250	1.0%
45500. Ambulance Services	1,802,035	1,403,477	2,842,461	2,500,000	3,300,000	3,400,000	900,000	36.0%
45505. Ambulance GEMT	513,510	486,041	582,276	400,000	400,000	300,000	(100,000)	-25.0%
45510. Fire Recovery Fees	6,910	15,641	69,508	50,000	55,000	50,000	-	0.0%
45550. Intergovernmental Services	2,513,354	2,647,739	2,430,077	2,887,680	2,906,658	3,073,257	185,577	6.4%
47010. Interest Income	65,687	131,989	139,317	40,000	100,000	40,000	-	0.0%
47990. Unrealized Gain/Loss	(349,307)	(74,006)	289,931	-	-	-	-	N/A
48820. Capital Facility Fees	165,999	283,799	151,608	50,000	90,000	50,000	-	0.0%
48825. Impact Fees	240	1,580	2,815	-	515	-	-	N/A
48950. Reimbursements	12,861	8,216	13,832	5,000	10,000	5,000	-	0.0%
48990. Miscellaneous Income	560,969	14,360	1,649	-	8,500	-	-	N/A
Total Revenues	12,684,938	12,728,353	14,424,221	13,999,777	14,977,354	15,072,152	1,072,375	7.7%
EXPENDITURES								
Fire Rescue	11,563,698	11,684,190	8,157,596	12,959,940	12,432,580	14,112,555	1,152,615	8.9%
Total Expenditures	11,563,698	11,684,190	8,157,596	12,959,940	12,432,580	14,112,555	1,152,615	8.9%
Revenues Over (Under) Expenditures before Other Financing Sources (Uses)	1,121,240	1,044,164	6,266,625	1,039,837	2,544,774	959,597		
OTHER FINANCING SOURCES (USES)								
Transfer In								
General Fund HR	-	-	-	-	-	-		
Transfer Out								
Capital Replacement Fund	-	-	(909,088)	(97,000)	(88,733)	(1,512,101)		
Vehicle Replacement Fund	-	-	(231,159)	(874,608)	(212,517)	(6,386,918)		
Total Other Financing Sources (Uses)	-	-	(1,140,247)	(971,608)	(301,250)	(7,899,019)		
Net Change in Fund Balance	1,121,240	1,044,164	5,126,378	68,229	2,243,524	(6,939,422)		
Beginning Fund Balance	6,516,407	7,637,647	8,681,811	11,447,841	13,808,189	16,051,713		
Ending Balance	7,637,647	8,681,811	13,808,189	11,516,070	16,051,713	9,112,291		
Restricted or Assigned Fund Balance	(1,032,586)	(1,273,429)	-	(1,453,429)	(90,000)	(140,000)		
Available Fund Balance	$ 6,605,061	$ 7,408,382	$ 13,808,189	$ 10,062,641	$ 15,961,713	$ 8,972,291		

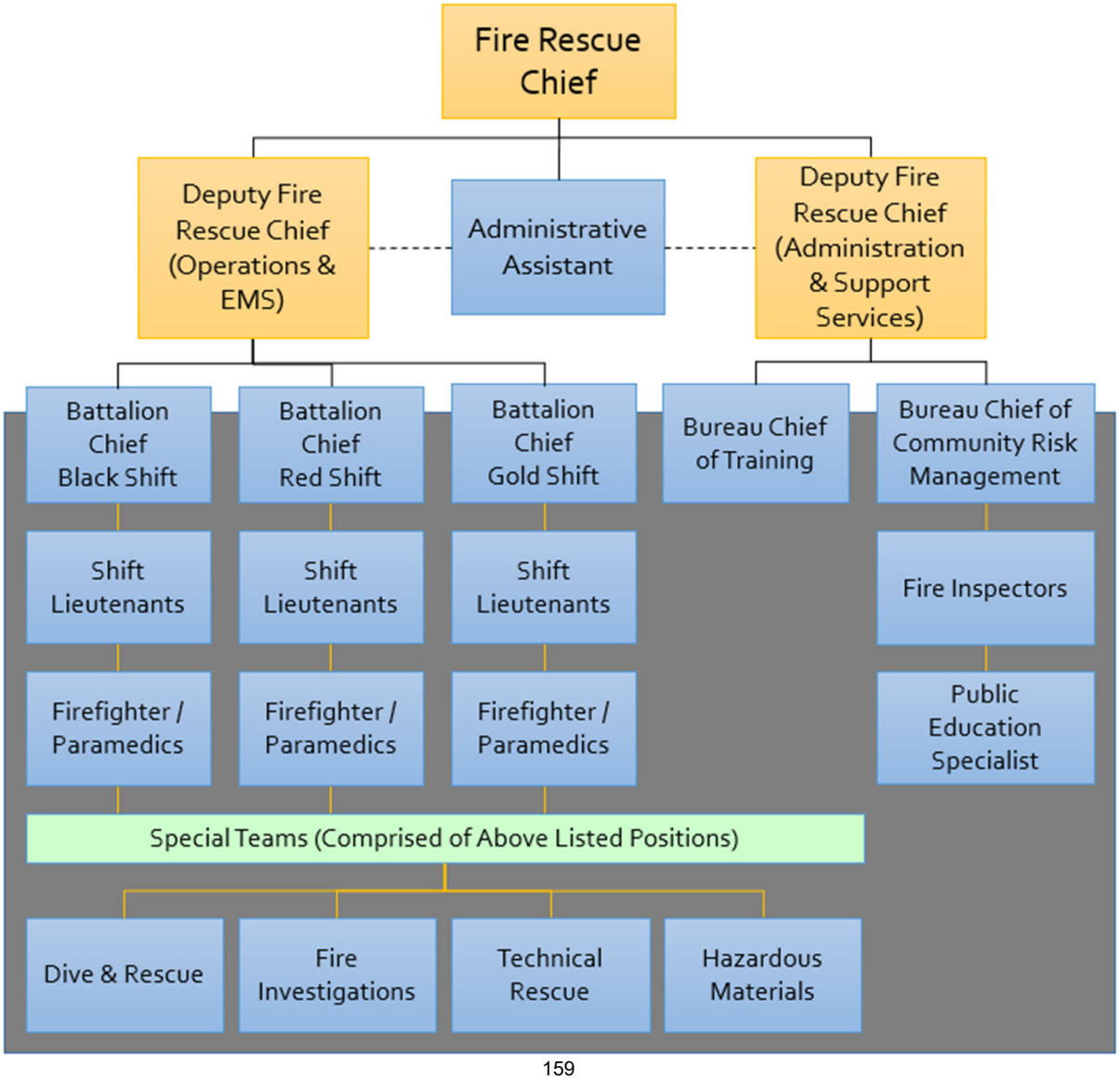




STATEMENT OF ACTIVITIES

The Crystal Lake Fire Rescue Department operates out of three stations covering an area of approximately 51 square miles, and provides emergency services for the City of Crystal Lake, the Crystal Lake Rural Fire Protection District and the Village of Lakewood. These services include, but are not limited to fire suppression, emergency medical care, airport firefighting operations, hazardous material incidents, confined space rescue, trench rescue, high/low angle rescue, water rescue, dive rescue, fire investigations, juvenile fire-setter evaluations and education, CPR training, and other public education activities. The Department also reviews plans and conducts fire inspections for occupancies within its service areas. Capital acquisition and replacement associated with Fire Rescue activities are accounted for in the Capital & Equipment Replacement Fund of the City.

ORGANIZATIONAL CHART



PERSONNEL SUMMARY

Position	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	
Chief of Fire Rescue	1.00	1.00	1.00	1.00	1.00	1.00	
Deputy Chief	1.00	1.00	1.00	2.00	2.00	2.00	
Bureau Chief	2.00	2.00	2.00	2.00	2.00	2.00	
Battalion Chief	3.00	3.00	3.00	3.00	3.00	3.00	
Fire Lieutenant	9.00	9.00	9.00	12.00	12.00	12.00	
Firefighter/Paramedic	48.00	48.00	60.00	57.00	57.00	57.00	*
Fire Inspector	1.50	2.00	2.00	2.00	2.00	2.00	
Public Education Specialist	0.00	0.00	0.00	0.00	0.00	1.00	
Administrative Assistant	2.00	2.00	2.00	2.00	2.00	1.00	
Total FTE	67.50	68.00	80.00	81.00	81.00	81.00	

* In FY2024B, an additional twelve (12) firefighter/paramedics were authorized. However, as of FY2026, only 9 of the new positions have been budgeted to be filled. A second Deputy Chief has also been added for FY2025 and three (3) Firefighter/Paramedic positions will become Fire Lieutenants. An Administrative Assistant has also been promoted to Public Education Specialist.

ACCOMPLISHMENTS

- Continue to seek approval from City Council to implement recommendations from the Operations and Utilization study beginning in FY 2024B.

  On track. City Council has approved the hiring of 12 additional staff over 4 years. Department would like to move forward to the Fire Station build phase.

- Ensure National Incident Management System (NIMS) compliance of City employees based upon their current job requirements.

  On track. Those employees that were promoted and new employees are obtaining the necessary NIMS certificates.

- Replace apparatus under the schedule of the capital improvement plan.

  In process. Current ambulance orders will be delivered first quarter of 2026. The Dive Rescue vehicle has been replaced with a used vehicle. 2 new Pierce engines have been ordered for 2028 delivery.

- Prepare for the transition from NFIRS to NERIS

  On track. Project to be installed in 4th quarter of 2025.

- Obtain ambulance cot power load system for sixth ambulance in coordination with ambulance purchase and seek grant support for purchase through IRMA.

On track. Purchase of the power load system was to be done in coordination with a new ambulance purchase, which was held due to supply chain issues and increased pricing above previous market value of the ambulance.

- Begin station 2 planning project and complete a station needs study for our existing stations

  In progress. Station 2 planning project has been put into the 2025 budget with PW as well as a remodel for Station's 3 and 4.

- Begin accreditation process in second half of 2025.

  In progress. Completing 5 year plan and standards of cover in early 2025 prior to beginning accreditation. Entered as a Registered Agency in January of 2025

- Purchase department drone and implement drone training/procedures.

  In progress. Drone had been ordered for delivery in the 4th quarter, but did not arrive due to supply chain issues. Will re-order in 2026.

The Fire Rescue Department achieved the following additional accomplishments during fiscal year 2025:

- Implementing new Lexipol Policy and Procedure project.
- Seven new recruits were hired in 2024-2025.
- Hired 2 new Deputy Chief positions.
- Began process of accreditation.

OBJECTIVES

- Update existing Fire Prevention Bureau model to the model of Community Risk Management and complete a Community Risk Assessment to complete the recommendations from the Operations and Utilization study.
- Replace apparatus under the schedule of the capital improvement plan.
- Starting the process of accreditation with the anticipated accredited agency date of Spring 2028
- Continue the implementation of Blue Card certification for all Fire Rescue members to enhance our incident management system.
- Install and migrate our current policy and procedures into the Lexipol Policy System.
- Continue to recruit and hire new members to fill our current vacant positions to elevate staffing and overtime issues.

- Migrate all fire department operations and data to new First Due fire rescue software program.
- Create a 5 year strategic plan to incorporate the outcomes of the Operations and Utilization Study and move towards the CPSE accreditation model.
- Begin the process of planning and designing Fire Station 2 and potential upgrades to existing fire station facilities.

ANNUAL BUDGET

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
54110. Wages-Full Time Employees	$ 7,157,060	$ 7,160,484	$ 5,079,161	$ 8,648,650	$ 8,084,969	$ 9,409,284	$ 760,634	8.8%
54115. Wages-Part Time Employees	32,238	9,979	-	-	-	-	-	N/A
54150. Wages-Overtime	1,193,214	1,290,528	784,227	625,000	799,442	600,000	(25,000)	-4.0%
54200. Group Insurance	1,533,297	1,565,099	1,129,225	1,721,256	1,721,256	1,969,434	248,178	14.4%
Personnel Services	9,915,808	10,026,090	6,992,613	10,994,906	10,605,667	11,978,718	983,812	8.9%
55010. Professional Services	544,269	515,170	373,899	533,750	512,380	564,460	30,710	5.8%
55040. Annual Audit Services	4,679	4,819	4,964	5,618	5,618	5,787	169	3.0%
55140. Publishing Services	100	759	128	1,000	1,000	1,000	-	0.0%
55160. Postage & Freight	1,173	1,803	1,018	1,800	1,500	1,800	-	0.0%
55200. Training	34,047	40,031	33,574	90,850	61,400	101,150	10,300	11.3%
55220. Dues and Subscriptions	48,073	52,226	49,588	60,275	63,663	67,205	6,930	11.5%
55240. Insurance and Bonding Services	387,700	359,984	210,678	470,188	403,946	463,285	(6,903)	-1.5%
55260. Utilities	4,419	2,808	447	5,000	3,500	5,500	500	10.0%
55300. Maintenance Services-Buildings	33,147	53,663	32,772	60,550	54,550	63,800	3,250	5.4%
55310. Examinations	34,906	23,483	1,586	27,500	24,000	25,500	(2,000)	-7.3%
55320. Maintenance Services-Operating Equip.	47,505	55,516	45,190	72,908	87,126	85,450	12,542	17.2%
55340. Maintenance Services-Office Equip.	1,332	674	62	850	200	750	(100)	-11.8%
55360. Radio Equipment Services	197,528	176,760	117,762	224,250	206,485	222,100	(2,150)	-1.0%
Contractual Services	1,338,878	1,287,696	871,668	1,554,539	1,425,368	1,607,787	53,248	3.4%
56000. Office Supplies	7,868	6,989	9,422	8,000	7,000	8,000	-	0.0%
56020. Cleaning Supplies	3,815	3,141	2,252	6,125	4,175	5,400	(725)	-11.8%
56040. Motor Fuel & Lubricants	96,179	84,138	51,155	92,000	75,000	88,000	(4,000)	-4.3%
56050. Computer Hardware & Software	9,855	20,788	28	11,900	19,900	48,600	36,700	308.4%
56060. Small Tools and Equipment	61,907	71,735	47,247	74,940	71,440	75,800	860	1.1%
56070. Automotive Supplies	88,277	83,942	86,064	98,130	104,630	170,250	72,120	73.5%
56120. Clothing	41,031	99,427	96,168	119,400	119,400	130,000	10,600	8.9%
58900. Miscellaneous	80	244	977	-	-	-	-	N/A
Materials & Supplies	309,011	370,404	293,315	410,495	401,545	526,050	115,555	28.2%
Total - Fire Rescue	$ 11,563,698	$ 11,684,190	$ 8,157,596	$12,959,940	$12,432,580	$14,112,555	$1,152,615	8.9%

ACCOUNT INFORMATION

For a complete description of budgetary account activities, see "Account Descriptions" presented later in this document. Major changes in budget amounts are briefly explained below.

- Full-time wages include the addition of three new firefighters/ paramedics. The addition of personal will help bring staffing levels towards minimum industry standards. Increasing the number of firefighters will improved public safety, faster emergency response, and increased operational capacity.
- Professional Services and other contractual costs rise based on increased call volume, radio airtime use and enhanced service capabilities.
- The increase to Travel and Training is to expenses are caused by a combination of evolving job responsibilities, increased regulatory compliance, and the overall effects of inflation on equipment and facilities. Fire departments must constantly adapt to more complex emergencies, requiring continuous, specialized education that drives up costs.

- The budget for Operating Equipment and Maintenance has increased for the cost of inflation along with prioritizing regular preventative maintenance over reactive repairs.
- The Computer Hardware and Software increase is related to software changes that will enhance the department's functionality and better serve our needs for data keeping that is needed for accreditation.
- The budget for automotive supplies has increased based on higher costs for repairs based on the complexity of newer vehicles, supply chain demands, and higher fuel costs.
- An increase in Clothing represents an increase in gear and clothing costs and to outfit new staff. Technological advancements have led to the development of more protective, but more expensive, personal protective equipment (PPE); enhanced thermal protection, particulate-blocking hoods and improved moisture barriers.

CITY OF CRYSTAL LAKE

ANNUAL BUDGET

FISCAL YEAR 2026

OTHER FUNDS

MOTOR FUEL TAX FUND

STATEMENT OF ACTIVITIES

The Motor Fuel Tax (MFT) Fund accounts for funds apportioned to the City by the State of Illinois for its highway maintenance responsibilities. The State of Illinois collects a flat tax on every gallon of fuel purchased. The State distributes these funds to municipalities, road districts, and counties. The State allocates MFT funds to municipalities based on population. Municipalities can use the MFT funds for road maintenance and improvement projects within specific guidelines established by the State.

Capital acquisition and replacement projects are accounted for in the Capital Replacement Fund of the City. Capital acquisition and replacement includes road improvement project funded through the Motor Fuel Tax receipts.

ANNUAL BUDGET SUMMARY

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
REVENUES								
41210. Motor Fuel Tax - IL	$ 1,650,147	$ 1,797,521	$ 1,236,094	$1,811,626	$ 1,827,778	$ 1,843,464	$ 31,838	1.8%
41700. Grant Proceeds - State of IL Rebuild Illinois Funds	447,521	-	-	-	-	-	-	N/A
47010. Interest Income	111,497	163,749	83,093	20,000	93,734	20,000	-	0.0%
47990. Unrealized Gain/Loss on Invest	(60,426)	75,026	166,964	-	-	-	-	N/A
48950. Reimbursements	72,629	17,515	102,900	-	31,131	-	-	N/A
Total Revenues	2,221,367	2,053,811	1,589,050	1,831,626	1,952,643	1,863,464	31,838	1.7%
EXPENDITURES								
Public Works	725,630	697,127	161,349	650,000	405,000	650,000	-	0.0%
Total Expenditures	725,630	697,127	161,349	650,000	405,000	650,000	-	0.0%
Revenues Over (Under) Expenditures before Other Financing Sources (Uses)	1,495,737	1,356,684	1,427,701	1,181,626	1,547,643	1,213,464		
OTHER FINANCING SOURCES (USES)								
Transfer Out								
Capital Replacement Fund	(1,901,463)	(2,940,466)	(3,821,357)	(2,631,404)	(2,128,332)	(2,955,657)		
Total Other Financing Sources (Uses)	(1,901,463)	(2,940,466)	(3,821,357)	(2,631,404)	(2,128,332)	(2,955,657)		
Net Change in Fund Balance	(405,727)	(1,583,782)	(2,393,656)	(1,449,778)	(580,689)	(1,742,193)		
Beginning Fund Balance	8,523,063	8,117,336	6,533,554	3,594,564	4,139,898	3,559,209		
Ending Fund Balance	8,117,336	6,533,554	4,139,898	2,144,786	3,559,209	1,817,016		
Restricted or Assigned Fund Balance	(8,117,336)	(6,533,554)	(4,139,898)	(2,144,786)	(3,559,209)	(1,817,016)		
Available Fund Balance	$ -	$ -	$ -	$ -	$ -	$ -		

ANNUAL BUDGET

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
55010. Professional Services	$ 7,258	$ 7,357	-	$ 50,000	$ 5,000	$ 50,000	$ -	0.0%
55330. Traffic Signal Maintenance	230,826	91,668	76,276	-	-	-	-	N/A
55410. Street Lights Services	38,304	51,191	20,844	-	-	-	-	N/A
Contractual Services	276,388	150,215	97,120	50,000	5,000	50,000	-	0.0%
56160. Salt	449,242	546,912	64,229	600,000	400,000	600,000	-	0.0%
Materials & Supplies	449,242	546,912	64,229	600,000	400,000	600,000	-	0.0%
Total Engineering MFT	$ 725,630	$ 697,127	161,349	$ 650,000	$ 405,000	$ 650,000	$ -	0.0%

ACCOUNT INFORMATION

For definitions of budgetary account activities, see "Account Descriptions" presented later in this document.

- The Motor Fuel Tax Fund is used to fund the City's purchase of road salt.
- The fiscal year 2026 transfer to the Capital Replacement Fund provides funding for the following:
  - Annual resurfacing program
  - Route 176 at Railroad Tracks
  - Intersection improvements at Three Oaks Road, Lutter Drive and Sands Road
  - Oak Street Traffic signal replacement
  - Signal installation at Main St and Liberty
  - Oak Street pedestrian improvements
  - Pedestrian connections to the Prairie Trail project
  - Virginia Street Corridor Lumiaries Replacement

ROAD/VEHICLE LICENSE FUND

STATEMENT OF ACTIVITIES

The Road/Vehicle License Fund provides street system and related capital improvement funding for the City. Prior to fiscal year 2024B, this fund contained revenue generated and expenditures related to the annual vehicle sticker sales. However, as of June 1, 2024, the City discontinued its vehicle license program. Road tax levy funds rebated to the City by each of the four townships within the City's corporate limits are still accounted for in the Road/Vehicle License Fund.

Capital acquisition and replacement are accounted for in the Capital & Equipment Replacement Fund. Capital acquisition and replacement includes road resurfacing and improvement projects.

ANNUAL BUDGET SUMMARY

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
REVENUES								
40060. Property Tax - Streets	$ 453,010	$ 484,460	$ 495,412	$ 500,000	$ 508,207	$ 510,000	$ 10,000	2.0%
42010. Vehicle Licenses	148,388	154,605	38	-	-	-	-	N/A
47010. Interest Income	161	219	54	-	150	-	-	N/A
48950. Reimbursements	-	561	-	-	-	-	-	N/A
48990. Miscellaneous Income	6,279	5,366	-	-	-	-	-	N/A
Total Revenues	607,838	645,212	495,505	500,000	508,357	510,000	10,000	2.0%
EXPENDITURES								
Administration	46,466	40,821	-	-	-	-	-	N/A
Total Expenditures	46,466	40,821	-	-	-	-	-	N/A
Revenues Over (Under) Expenditures	561,372	604,391	495,505	500,000	508,357	510,000		
OTHER FINANCING SOURCES (USES)								
Transfer Out								
Capital Replacement Fund	(551,220)	(572,350)	(450,160)	(500,000)	(500,000)	(645,701)		
Total Other Financing Sources (Uses)	(551,220)	(572,350)	(450,160)	(500,000)	(500,000)	(645,701)		
Net Change in Fund Balance	10,152	32,041	45,345	-	8,357	(135,701)		
Beginning Fund Balance	59,806	69,958	101,999	-	147,344	155,701		
Ending Fund Balance	69,958	101,999	147,344	-	155,701	20,000		
Restricted or Assigned Fund Balance	(69,958)	(101,999)	(147,344)	-	(155,701)	(20,000)		
Available Fund Balance	$ -	$ -	$ -	$ -	$ -	$ -		

ANNUAL BUDGET

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
55010. Professional Services	$ 27,276	$ 26,635	$ -	$ -	$ -	$ -	$ -	N/A
55160. Postage & Freight	8,881	12,731	-	-	-	-	-	N/A
Contractual Services	36,156	39,366	-	-	-	-	-	N/A
56950. Stationery and Printing	10,310	1,455	-	-	-	-	-	N/A
Materials & Supplies	10,310	1,455	-	-	-	-	-	N/A
Total - Administration	$ 46,466	$ 40,821	$ -	$ -	$ -	$ -	$ -	N/A

ACCOUNT INFORMATION

For definitions of budgetary account activities, see "Account Descriptions" presented later in this document. Major changes in budget amounts are briefly explained below.

- Effective June 1, 2024, the City discontinued its vehicle license program.
- The fiscal year 2026 transfer to the Capital and Equipment Replacement Fund provides funding for the City's annual street resurfacing program, sidewalk, pavement markings, and pedestrian and traffic safety enhancements.

SCHOOL CROSSING GUARD FUND

STATEMENT OF ACTIVITIES

The Crossing Guard Fund provides the budgetary accounts necessary for the operation of the Crossing Guard Program. This program is administered by a third party firm, which provides integrated solutions to security under the guidance of the Crystal Lake Police Department. Costs are shared with Crystal Lake Elementary School District 47 through an intergovernmental agreement.

ANNUAL BUDGET SUMMARY

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
REVENUES								
40070. Property Tax - Crossing Guards	$ 54,946	$ 71,816	$ 75,530	$ 80,687	$ 80,687	$ 80,687	$ -	0.0%
47010. Interest Income	142	158	119	100	100	-	(100)	-100.0%
48950. Reimbursements	61,696	63,417	38,914	80,687	76,220	83,198	2,511	3.1%
Total Revenues	116,783	135,390	114,564	161,474	157,007	163,885	2,411	1.5%
EXPENDITURES								
Police Department	123,391	126,834	77,465	161,374	152,440	166,397	5,023	3.1%
Total Expenditures	123,391	126,834	77,465	161,374	152,440	166,397	5,023	3.1%
Net Change in Fund Balance	(6,608)	8,557	37,099	100	4,567	(2,512)		
Beginning Fund Balance	118,590	111,982	120,539	153,409	157,638	162,205		
Ending Fund Balance	111,982	120,539	157,638	153,509	162,205	159,693		
Restricted or Assigned Fund Balance	(111,982)	(120,539)	(157,638)	(153,509)	(162,205)	(159,693)		
Available Fund Balance	$ -	$ -	$ -	$ -	$ -	$ -		

ANNUAL BUDGET

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
55010. Professional Services	$ 123,391	$ 126,834	$ 77,465	$ 161,374	$ 152,440	$ 166,397	$ 5,023	3.1%
Contractual Services	123,391	126,834	77,465	161,374	152,440	166,397	5,023	3.1%
Total - Police Department	$ 123,391	$ 126,834	$ 77,465	$ 161,374	$ 152,440	$ 166,397	$ 5,023	3.1%

ACCOUNT INFORMATION

For definitions of budgetary account activities, see "Account Descriptions" presented later in this document. Major changes in budget amounts are briefly explained below.

- Professional service expenditures are adjusted to account for contractual service increases for crossing guard services for the upcoming year.

IMRF/FICA FUND

STATEMENT OF ACTIVITIES

The Illinois Municipal Retirement Fund (IMRF)/Federal Insurance Contributions Act (FICA) Fund is used to account for revenues derived from a separate tax levy and disbursement of these funds for contributions to Social Security and the Illinois Municipal Retirement Fund.

ANNUAL BUDGET SUMMARY

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
REVENUES								
40080. Property Tax- IMRF	$ 741,502	$ 764,370	$ 770,645	$ 815,469	$ 815,469	$ 844,159	$ 28,690	3.5%
40090. Property Tax - FICA	345,463	499,388	499,002	530,464	530,464	546,381	15,917	3.0%
47010. Interest Income	1,637	1,679	1,258	1,000	1,000	1,000	-	0.0%
48990. Miscellaneous	-	-	1,212	-	-	-	-	N/A
Total Revenues	1,088,601	1,265,437	1,272,116	1,346,933	1,346,933	1,391,540	44,607	3.3%
EXPENDITURES								
City Administration	1,436,179	1,345,982	911,360	1,771,317	1,573,921	1,877,893	106,576	6.0%
Total Expenditures	1,436,179	1,345,982	911,360	1,771,317	1,573,921	1,877,893	106,576	6.0%
Net Change in Fund Balance	(347,578)	(80,545)	360,756	(424,384)	(226,988)	(486,353)		
Beginning Fund Balance	1,492,602	1,145,024	1,064,479	1,345,193	1,425,235	1,198,247		
Ending Fund Balance	1,145,024	1,064,479	1,425,235	920,809	1,198,247	711,894		
Restricted or Assigned Fund Balance	(1,145,024)	(1,064,479)	(1,425,235)	(920,809)	(1,198,247)	(711,894)		
Available Fund Balance	$ -	$ -	$ -	$ -	$ -	$ -		

ANNUAL BUDGET

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
54301. Employer's FICA	$ 707,947	$ 735,095	$ 492,465	$ 895,834	$ 802,040	$ 965,887	$ 70,053	7.8%
54302. Employer's IMRF	728,232	610,887	418,895	875,483	771,881	912,006	36,523	4.2%
Personnel Services	1,436,179	1,345,982	911,360	1,771,317	1,573,921	1,877,893	106,576	6.0%
Total - City Administration	$ 1,436,179	$ 1,345,982	$ 911,360	$ 1,771,317	$ 1,573,921	$ 1,877,893	$ 106,576	6.0%

ACCOUNT INFORMATION

For definitions of budgetary account activities, see "Account Descriptions" presented later in this document. Major changes in budget amounts are briefly explained below.

- The Illinois Municipal Retirement Fund (IMRF), is a defined benefit retirement plan that provides retirement, survivor, disability and death benefits to municipal government employees in Illinois. It is governed by Article 7 of the Illinois Pension Code. Employer contributions to the pension plan are calculated by the IMRF and fluctuate based on demographic changes and investment rate of return. The City's contribution rate for 2026 is 10.52%.

GROUP INSURANCE FUND

STATEMENT OF ACTIVITIES

The Group Insurance Fund is used to account for the accumulation of assets reserved for meeting funding requirements set by the Intergovernmental Personnel Benefits Cooperative (IPBC) for group health insurance. Sources of revenue include employee contributions, internal charges to operating departments, and rebates for prescriptions and wellness programs.

Expenditures provide for the payment of premiums, administration of the City's flexible health spending and dependent care program, employee assistance program and for the City's annual wellness program that provides employees with influenza vaccinations. Restricted fund balance represents amounts in the Terminal Reserve at IPBC.

ANNUAL BUDGET SUMMARY

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
REVENUES								
4XXXX. Employee Contributions	$ 700,188	$ 660,853	$ 446,865	$ 727,447	$ 796,437	$ 859,776	$ 132,329	18.2%
4XXXX. Cobra, Retiree Contributions	353,307	451,156	309,646	570,981	497,020	536,731	(34,250)	-6.0%
47010. Interest Earnings	882	1,333	1,159	1,000	1,500	1,000	-	0.0%
48950. Reimbursements								
Wellness Program	19,510	15,720	15,000	25,150	18,495	26,700	1,550	6.2%
48990. Miscellaneous Income	(96,448)	65,679	174,097	-	-	-	-	N/A
4XXXX. Internal Service Charges								
General Fund	2,494,550	2,374,337	1,617,189	2,655,549	2,655,549	3,297,075	641,526	24.2%
Wellness / Admin Fees	-	-	-	2,657	2,657	1,928	(729)	-27.4%
Fire Rescue Fund	1,533,297	1,565,099	1,129,225	1,719,863	1,719,863	1,968,482	248,619	14.5%
Wellness / Admin Fees			-	1,393	1,393	952	(441)	-31.7%
Commuter Parking Fund	24,943	25,529	17,198	-	-	-	-	
Water & Sewer Fund	732,749	714,064	447,070	643,676	643,676	689,677	46,001	7.1%
Wellness / Admin Fees				682	682	420	(262)	-38.4%
Library	456,474	445,200	276,147	407,355	443,826	448,816	41,461	10.2%
Total Revenues	6,219,452	6,318,970	4,433,596	6,755,753	6,781,098	7,831,557	1,075,804	15.9%
EXPENDITURES								
City Administration	5,794,258	5,759,765	3,883,023	6,754,873	6,894,030	7,830,557	1,075,684	15.9%
Total Expenditures	5,794,258	5,759,765	3,883,023	6,754,873	6,894,030	7,830,557	1,075,684	15.9%
Net Change in Fund Balance	425,194	559,205	550,573	880	(112,932)	1,000		
Beginning Fund Balance	1,007,236	1,432,430	1,991,635	2,438,351	2,542,207	2,429,275		
Ending Fund Balance	1,432,430	1,991,635	2,542,207	2,439,231	2,429,275	2,430,275		
Restricted or Assigned Fund Balance	(350,893)	(407,803)	(577,476)	(450,000)				
Available Fund Balance	$ 1,081,537	$ 1,583,832	$ 1,964,731	$ 1,989,231	$ 2,429,275	$ 2,430,275		

ANNUAL BUDGET

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
54200. Group Insurance	$ 5,773,606	$ 5,743,431	$ 3,866,632	$ 6,724,873	$ 6,873,830	$ 7,800,557	$ 1,075,684	16.0%
Personnel Services	5,773,606	5,743,431	3,866,632	6,724,873	6,873,830	7,800,557	1,075,684	16.0%
55010. Professional Services	7,137	4,099	3,003	10,000	6,200	10,000	-	0.0%
55310. Examinations	13,515	12,235	13,388	20,000	14,000	20,000	-	0.0%
Contractual Services	20,652	16,334	16,391	30,000	20,200	30,000	-	0.0%
Total - City Administration	$ 5,794,258	$ 5,759,765	$ 3,883,023	$ 6,754,873	$ 6,894,030	$ 7,830,557	$ 1,075,684	15.9%

ACCOUNT INFORMATION

For definitions of budgetary account activities, see "Account Descriptions" presented later in this document. Major changes in budget amounts are briefly explained below.

- Increases in premiums for employee PPO health plans, HMO health plans and the dental plans have been budgeted.
- The percentage contributions per employee remained the same.

FOREIGN FIRE INSURANCE FUND

STATEMENT OF ACTIVITIES

The Foreign Fire Insurance Fund is no longer an active fund. Historically, this fund provided the budgetary accounts necessary to account for the proceeds of foreign fire insurance tax and for expenses authorized by the Board of Foreign Fire Insurance. The funds were spent at the direction of the Foreign Fire Insurance Board per State Statute. As of January 2023, Public Act 107-0740 made the Foreign Fire Insurance Board a separate entity from the City of Crystal Lake; all assets were transferred accordingly.

ANNUAL BUDGET SUMMARY

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
REVENUES								
41600. Foreign Fire Insurance Tax	$ -	$ -	$ -	$ -	$ -	$ -	$ -	N/A
47010. Interest Income	17	-	-	-	-	-	-	N/A
Total Revenues	17	-	-	-	-	-	-	N/A
EXPENDITURES								
Foreign Fire Insurance Board	35,129	-	-	-	-	-	-	N/A
Total Expenditures	35,129	-	-	-	-	-	-	N/A
Revenues Over (Under) Expenditures	(35,112)	-	-	-	-	-		
OTHER FINANCING SOURCES (USES)								
Transfer to Capital Reserve Fund	-	-	-	-	-	-		
Total Other Financing Sources (Uses)	-	-	-	-	-	-		
Net Change in Fund Balance	(35,112)	-	-	-	-	-		
Beginning Fund Balance	35,112	-	-	-	-	-		
Ending Fund Balance	-	-	-	-	-	-		
Restricted or Assigned Fund Balance	-	-	-	-	-	-		
Available Fund Balance	$ -	$ -	$ -	$ -	$ -	$ -		

ANNUAL BUDGET

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
55030. Legal Services	$ -	$ -	$ -	$ -	$ -	$ -	$ -	N/A
55240. Insurance and Bonding Services	-	-	-	-	-	-	-	N/A
55260. Utilities	-	-	-	-	-	-	-	N/A
Contractual Services	-	-	-	-	-	-	-	N/A
56050. Computer Hardware & Software	-	-	-	-	-	-	-	N/A
56060. Small Tools and Equipment	400	-	-	-	-	-	-	N/A
56060. Operating Supplies	-	-	-	-	-	-	-	N/A
58900. Miscellaneous	34,729	-	-	-	-	-	-	N/A
Materials & Supplies	35,129	-	-	-	-	-	-	N/A
Total - Foreign Fire Insurance Board	$ 35,129	$ -	$ -	$ -	$ -	$ -	$ -	N/A

ACCOUNT INFORMATION

No future activity will be recorded by the City relating to the Foreign Fire Insurance Board.

POLICE PENSION FUND

STATEMENT OF ACTIVITIES

The Police Pension Fund was created, as required by State Statute, to provide retirement and disability benefits for sworn City of Crystal Lake police officers and their dependents. At December 31, 2024, the plan fiduciary net position as a percentage of the total pension liability, was 62.46%. The tax levy passed in December 2025 is intended to fund the 2026 budget.

ANNUAL BUDGET SUMMARY

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
REVENUES								
40030. Employer Contribution	$ 3,481,415	$ 3,482,254	$ 3,612,536	$ 3,992,645	$ 3,992,645	$ 4,012,787	$ 20,142	0.5%
47010. Interest Income	770,731	4,811,877	4,384,663	1,000,000	6,330,000	1,000,000	-	0.0%
48790. Employee Contribution	1,088,129	1,125,031	483,837	802,567	781,191	888,349	760,000	94.7%
48990. Miscellaneous	100	-	-	-	-	-	-	N/A
Total Revenues	5,340,374	9,419,162	8,481,036	5,795,212	11,103,836	5,901,136	105,924	1.8%
EXPENDITURES								
Police Pension Board	4,100,678	4,790,559	3,098,946	4,763,210	4,952,210	5,030,746	267,536	5.6%
Total Expenditures	4,100,678	4,790,559	3,098,946	4,763,210	4,952,210	5,030,746	267,536	5.6%
Net Change in Fund Balance	1,239,697	4,628,603	5,382,090	1,032,002	6,151,626	870,390		
Beginning Fund Balance	48,047,669	49,287,365	53,915,969	55,175,590	59,298,059	65,449,685		
Ending Fund Balance	49,287,365	53,915,969	59,298,059	56,207,592	65,449,685	66,320,075		
Restricted or Assigned Fund Balance	(49,287,365)	(53,915,969)	(59,298,059)	(56,207,592)	(65,449,685)	(66,320,075)		
Available Fund Balance	$ -	$ -	$ -	$ -	$ -	$ -		

ANNUAL BUDGET

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
54195. Pension Payments	$ 3,968,584	$ 4,721,701	$ 3,044,050	$ 4,676,760	$ 4,867,720	$ 4,931,946	$ 255,186	5.5%
Personnel Services	3,968,584	4,721,701	3,044,050	4,676,760	4,867,720	4,931,946	255,186	5.5%
55010. Professional Services	72,839	53,964	44,563	63,450	71,923	75,800	12,350	19.5%
55030. Legal Services	7,106	6,301	3,270	10,000	3,500	10,000	-	0.0%
55200. Training	275	275	550	1,000	600	1,000	-	0.0%
55220. Dues and Subscriptions	795	795	825	1,000	825	1,000	-	0.0%
55240. Insurance and Bonding Services	6,725	7,523	5,689	11,000	7,642	11,000	-	0.0%
55630. State Filing Fee	8,000	-	-	-	-	-	-	N/A
55700. IFA Loan Repayment	36,329	-	-					
Contractual Services	132,069	68,858	54,897	86,450	84,490	98,800	12,350	14.3%
58900. Miscellaneous	24	-	-	-	-	-	-	N/A
Total - Police Pension Board	$ 4,100,678	$ 4,790,559	$ 3,098,946	$ 4,763,210	$ 4,952,210	$ 5,030,746	$ 267,536	5.6%

FIREFIGHTERS' PENSION FUND

STATEMENT OF ACTIVITIES

The Firefighters' Pension Fund was created, as required by State Statute, to provide retirement and disability benefits for City of Crystal Lake firefighters/paramedics and their dependents. At December 31, 2024, the plan fiduciary net position as a percentage of the total pension liability, was 78.70%. The tax levy passed in December 2025 is intended to fund the 2026 budget.

ANNUAL BUDGET SUMMARY

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
REVENUES								
40030. Employer Contribution	$ 2,285,797	$ 2,286,134	$ 2,285,640	$ 2,316,993	$ 2,316,993	$ 2,618,873	$ 301,880	13.0%
47010. Interest Income	507,519	5,444,671	5,118,946	1,100,000	3,750,000	1,100,000	-	0.0%
48970. Employee Contribution	620,325	646,058	431,851	777,352	710,212	824,149	46,797	6.0%
Total Revenues	3,413,641	8,376,863	7,836,437	4,194,345	6,777,205	4,543,022	348,677	8.3%
EXPENDITURES								
Firefighters' Pension Board	2,291,207	2,823,804	2,003,902	3,037,200	3,082,921	3,277,648	240,448	7.9%
Total Expenditures	2,291,207	2,823,804	2,003,902	3,037,200	3,082,921	3,277,648	240,448	7.9%
Net Change in Fund Balance	1,122,434	5,553,059	5,832,535	1,157,145	3,694,284	1,265,374		
Beginning Fund Balance	49,662,915	50,785,349	56,338,408	59,025,127	62,170,943	65,865,227		
Ending Fund Balance	50,785,349	56,338,408	62,170,943	60,182,272	65,865,227	67,130,601		
Restricted or Assigned Fund Balance	(50,785,349)	(56,338,408)	(62,170,943)	(60,182,272)	(65,865,227)	(67,130,601)		
Available Fund Balance	$ -	$ -	$ -	$ -	$ -	$ -		

ANNUAL BUDGET

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
54195. Pension Payments	$ 2,236,078	$ 2,760,245	$ 1,888,894	$ 2,914,050	$ 2,925,069	$ 3,123,148	$ 209,098	7.18%
Personnel Services	2,236,078	2,760,245	1,888,894	2,914,050	2,925,069	3,123,148	209,098	7.18%
55010. Professional Services	41,048	46,606	100,467	103,150	124,650	132,500	29,350	28.45%
55030. Legal Services	5,823	9,713	7,559	10,000	26,000	12,000	2,000	20.00%
55200. Training	1,392	650	250	2,000	545	2,000	-	0.00%
55220. Dues and Subscriptions	795	795	530	1,000	825	1,000	-	0.00%
55240. Insurance and Bonding Services	5,795	5,795	6,202	7,000	5,832	7,000	-	0.00%
58900. Miscellaneous	275			-	-	-	-	N/A
Contractual Services	55,129	63,559	115,008	123,150	157,852	154,500	31,350	25.46%
Total - Firefighters Pension Board	$ 2,291,207	$ 2,823,804	$ 2,003,902	$ 3,037,200	$ 3,082,921	$ 3,277,648	$ 240,448	7.92%

RESTRICTED POLICE FUND

STATEMENT OF ACTIVITIES

The Restricted Police Fund provides a set of budgetary accounts necessary to account for funds collected by the Police Department for specific infractions such as DUI, drug forfeitures and vehicle impoundments. Restricted accounts are governed by State or Federal Statutes. Funds are limited in their potential uses. Funds expended must be used by the Police Department for DUI and drug enforcement activities.

ANNUAL BUDGET SUMMARY

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
REVENUES								
41810. DUI Fines	$ 32,943	$ 31,683	$ 18,844	$ 30,000	$ 29,000	$ 30,000	$ -	0%
41820. Vehicle Fines	140	511	60	250	81	250	-	0%
41830. Electronic Citations	4,126	5,814	3,897	4,110	4,547	4,500	390	9%
41845. DEA (Federal Sharing)	13,482	36,393	8,874	15,000	28,310	25,000	10,000	67%
41850. Drug Fines	2,495	5,898	2,069	3,000	2,789	3,000	-	0%
41860. Forfeited Funds	21,956	31,103	6,265	15,000	48,105	15,000	-	0%
41865. National Opioid Settlement	75,622	26,157	107,713	-	54,015	-	-	N/A
43870. State Sharing Cannabis Tax	62,512	63,977	41,849	60,000	60,000	60,000	-	0%
Total Revenues	213,276	201,535	189,571	127,360	226,847	137,750	10,390	8%
EXPENDITURES								
51810. DUI Fines	-	48,048	120	70,000	30,000	70,000	-	0%
51820. Vehicle Fines	-	896	-	16,016	16,016	16,016	-	0%
51830. Electronic Citations	-	-	-	900	1,010	900	-	0%
51840. Donations-Police Activities	-	2,079	1,147	2,800	2,800	2,800	-	0%
51845. DEA (Federal Sharing)	1,938	21,068	18,501	44,950	4,950	46,950	2,000	4%
51850. Drug Fines	5,202	3,600	8,451	10,000	10,000	10,000	-	0%
51860. Forfeited Funds	1,665	7,984	2,651	74,800	77,884	17,800	(57,000)	-76%
51865. National Opioid Settlement	-	35,000	623	44,750	44,750	49,650	4,900	0%
51870. State Sharing Cannabis Tax	-	-	-	-	-	250,000	250,000	N/A
Total Expenditures	8,805	118,675	31,493	264,216	187,410	464,116	199,900	76%
Revenues Over (Under) Expenditures before Other Financing Sources (Uses)	204,471	82,860	158,078	(136,856)	39,437	(326,366)		
OTHER FINANCING SOURCES (USES)								
Transfer Out to Capital (DUI Fines)	-	-	(27,100)	-	-	-		
Total Other Financing Sources (Uses)	-	-	(27,100)	-	-	-		
Net Change in Fund Balance	204,471	82,860	130,977	(136,856)	39,437	(326,366)		
Beginning Fund Balance	498,249	702,720	785,580	833,236	916,557	955,994		
Restricted Fund Balance								
35710. DUI Fines	127,362	110,997	102,620	9,677	101,620	61,620		
35715. Drug Fines	24,170	26,469	20,087	15,869	12,876	5,876		
35720. Vehicle Fines	30,326	30,837	30,897	15,271	14,962	(804)		
35725. Forfeited Funds	88,435	111,554	115,168	61,754	85,389	82,589		
35730. Electronic Citations	32,493	37,411	41,308	42,461	44,845	48,445		
35775. Police Activities	7,449	5,369	4,222	969	1,422	(1,378)		
35785. DEA (Federal Sharing)	135,041	150,357	140,730	118,457	164,090	142,140		
35870. State Cannabis Tax	181,831	245,807	287,656	347,807	347,656	157,656		
35875. National Opioid Settlement	75,622	66,779	173,869	84,115	183,134	133,484		
Total Restricted Fund Balance	702,720	785,580	916,557	696,380	955,994	629,628		
Available Fund Balance	$ -	$ -	-	$ -	$ -	$ -		

COMMUTER PARKING LOT FUND

STATEMENT OF ACTIVITIES

The Commuter Parking Fund is a Special Revenue fund designated to maintain and operate the City's commuter parking areas.

ANNUAL BUDGET SUMMARY

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
REVENUES								
44300. Police Fines	$ 70,135	$ 96,947	$ 38,690	$ 70,000	$ 80,000	$ 70,000	$ -	0.0%
45300. Parking Fees	97,168	110,299	73,704	100,000	105,000	100,000	-	0.0%
47010. Interest Income	2	41	46	-	30	-	-	N/A
Total Revenues	167,305	207,287	112,440	170,000	185,030	170,000	-	0.0%
EXPENDITURES								
Streets	176,480	166,446	121,552	224,633	227,044	238,738	14,105	6.3%
Total Expenditures	176,480	166,446	121,552	224,633	227,044	238,738	14,105	6.3%
Revenues Over (Under) Expenditures	(9,175)	40,841	(9,112)	(54,633)	(42,014)	(68,738)		
OTHER FINANCING SOURCES (USES)								
Transfer In								
General Fund	24,981	-	-	20,000	-	50,000		
Total Other Financing Sources (Uses)	24,981	-	-	20,000	-	50,000		
Net Change in Fund Balance	15,806	40,841	(9,112)	(34,633)	(42,014)	(18,738)		
Beginning Fund Balance	16,124	31,929	72,771	57,924	63,659	21,645		
Ending Fund Balance	31,929	72,771	63,659	23,291	21,645	2,907		
Restricted or Assigned Fund Balance	(31,929)	(72,771)	(63,659)	(23,291)	(21,645)	(2,907)		
Available Fund Balance	$ -	$ -	$ -	$ -	$ -	$ -		

ANNUAL BUDGET

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
54110. Wages - Full Time Employees	$ 59,730	$ 62,112	$ 45,081	$ 67,036	$ 67,036	$ 68,423	$ 1,387	2.1%
54150. Overtime	24,960	24,960	16,640	24,960	24,960	25,800	840	3.4%
54200. Group Health Insurance	24,943	25,529	17,198	26,751	26,751	30,899	4,148	15.5%
54301. Employer's Social Security	6,478	6,661	4,722	5,129	5,129	7,210	2,081	40.6%
54302. Employer's IMRF	11,662	11,990	5,957	10,065	10,065	9,914	(151)	-1.5%
Personnel Services	127,773	131,252	89,598	133,941	133,941	142,246	8,305	6.2%
55010. Professional Services	24,214	22,267	16,938	60,632	63,648	64,632	4,000	6.6%
55160. Postage & Freight	256	80	364	850	1,078	1,150	300	35.3%
55260. Utilities	4,709	5,381	3,070	6,000	6,800	7,500	1,500	N/A
55320. Operating Equipment Maint.	8,400	300	11,582	20,560	19,560	20,560	-	0.0%
55680. Rent - Buildings & Equipment	10,450	4,121	-	-	-	-	-	N/A
Contractual Services	48,030	32,148	31,954	88,042	91,086	93,842	5,800	6.6%
56000. Office Supplies	678	3,046	-	2,650	2,017	2,650	-	0.0%
Material & Supplies	678	3,046	-	2,650	2,017	2,650	-	0.0%
Total - Streets	$ 176,480	$ 166,446	121,552	$ 224,633	$ 227,044	$ 238,738	$ 14,105	6.3%

ACCOUNT INFORMATION

For definitions of budgetary account activities, see "Account Descriptions" presented later in this document.

Budgeted in the Commuter Parking Fund for fiscal year 2026 are funds to provide for parking enforcement activities, lighting, snow and ice control, lawn care and general maintenance. Also reflected in the fiscal year 2026 budget are costs for prepaid parking passes and software support for the pay-by-phone mobile application.

THREE OAKS RECREATION AREA DEVELOPMENT FUND

STATEMENT OF ACTIVITIES

The Three Oaks Development Fund was established during Fiscal Year 2013/14 and was funded initially from developer donations in lieu of dedications of land for park and recreational purposes. Donations are restricted to the acquisition and development of park and recreation land that serve the needs of the residents of the development for which donations were made.

ANNUAL BUDGET SUMMARY

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
REVENUES								
47010. Interest Income	$ 1,221	$ 1,456	$ 1,349	$ 300	$ 1,200	$ 300	$ -	0.0%
48100. Capital Facility Fees	318,683	608,083	280,126	-	150,000	-	-	N/A
Total Revenues	319,904	609,539	281,476	300	151,200	300	-	0.0%
EXPENDITURES								
Three Oaks Recreation Area	-	-	-	-	-	-	-	N/A
Total Expenditures	-	-	-	-	-	-	-	N/A
Revenues Over (Under) Expenditures before Other Financing Sources (Uses)	319,904	609,539	281,476	300	151,200	300		
OTHER FINANCING SOURCES (USES)								
Transfer Out								
Water & Sewer Capital Fund	-	(98,720)	(1,004,800)	(2,260,000)	(1,400,000)	-		
Total Other Financing Sources (Uses	-	(98,720)	(1,004,800)	(2,260,000)	(1,400,000)	-		
Net Change in Fund Balance	319,904	510,819	(723,324)	(2,259,700)	(1,248,800)	300		
Beginning Fund Balance	1,165,418	1,485,323	1,996,142	2,271,492	1,272,817	24,017		
Ending Fund Balance	1,485,323	1,996,142	1,272,817	11,792	24,017	24,317		
Restricted or Assigned Fund Balance	(1,485,323)	(1,996,142)	(1,272,817)	(11,792)	(24,017)	(24,317)		
Available Fund Balance	$ -	$ -	$ -	$ -	$ -	$ -		

ACCOUNT INFORMATION

For definitions of budgetary account activities, see "Account Descriptions" presented later in this document.

- Budgeted in the Three Oaks Recreation Area Development Fund is a transfer of $2,260,000. The purpose of this transfer to the Water & Sewer Capital Fund is to assist in the funding of the Three Oaks Water Level Control Project.

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CITY OF CRYSTAL LAKE

ANNUAL BUDGET

FISCAL YEAR 2026

GOVERNMENTAL DEBT SERVICE FUNDS

CRYSTAL HEIGHTS SSA #43
DEBT SERVICE FUND

STATEMENT OF ACTIVITIES

Special Service Area (SSA) #43 was established in 2004 to fund water and sewer service extension for the Crystal Heights subdivision to replace a failing well and septic system. The City issued general obligation bonds, of which $1.5 million was allocated to fund the necessary improvements for this project and established SSA #43 to ensure the City was able to fully recoup the costs of the project. SSA #43 was closed in 2024 and is presented for historical data.

ANNUAL BUDGET SUMMARY

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
REVENUES								
40150. Property Tax	$ -	$ -	$ -	$ -	$ -	$ -	$ -	N/A
47010. Interest Income	87	-	-	-	-	-	-	N/A
48950. Reimbursements	(4,693)	-	-	-	-	-	-	N/A
48990. Miscellaneous Income	-	-	-	-	-	-	-	N/A
Total Revenues	(4,606)	-	-	-	-	-	-	N/A
EXPENDITURES								
City Administration	280,770	-	-	-	-	-	-	N/A
Total Expenditures	280,770	-	-	-	-	-	-	N/A
Revenues Over (Under) Expenditures	(285,376)	-	-	-	-	-		
OTHER FINANCING SOURCES (USES)								
Transfer Out	(106)	-	-	-	-	-		
Total Other Financing Sources (Uses)	(106)	-	-	-	-	-		
Net Change in Fund Balance	(285,482)	-	-	-	-	-		
Beginning Fund Balance	285,482	-	-	-	-	-		
Restricted or Assigned Fund Balance	-	-	-	-	-	-		
Available Fund Balance	$ -	$ -	$ -	$ -	$ -	$ -		

ANNUAL BUDGET

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 202B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
58900. Miscellaneous	$ 280,770	$ -	$ -	$ -	$ -	$ -	$ -	N/A
Contractual Services	280,770	-	-	-	-	-	-	N/A
58100. Debt Service - Principal	-	-	-	-	-	-	-	N/A
58110. Debt Service - Interest	-	-	-	-	-	-	-	N/A
Debt Service	-	-	-	-	-	-	-	N/A
Total - City Administration	$ 280,770	$ -	$ -	$ -	$ -	$ -	$ -	N/A

ACCOUNT INFORMATION

For a complete description of budgetary account activities, see "Account Descriptions" presented later in this document. Major changes in budget amounts are briefly explained below.

- Preliminary construction estimates exceeded the actual cost of improvements, and the funds received through the participation agreements and the SSA levy have been sufficient to generate a surplus. In accordance with state statute, the refund of the surplus was paid to the current property owners of record for the 43 parcels in the SSA, allocated based on each parcel's share of the overall equalized assessed value (EAV) of the included parcels.

THREE OAKS RECREATION AREA DEBT SERVICE FUND

STATEMENT OF ACTIVITIES

In 2009, the City issued a combination of Build-America and Recovery Zone bonds to finance the construction of the Three Oaks Recreation Area. In 2019, the City refunded portions of outstanding Build-America and Recovery Zone bonds through the issuance of General Obligation Bonds Series 2019A and General Obligation Bonds Series 2019B. Repayment of the portion of bonds attributable to the refunding is being funded from available property tax increment in the Vulcan Lakes Tax Increment Financing Fund and from Home Rule Sales Tax. The 2019A Bonds are amortized over a 20-year period and 2019B Bonds are amortized over 5 years. The final debt service payment is due on or before January 1, 2040.

ANNUAL BUDGET SUMMARY

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
EXPENDITURES								
City Administration	$ 1,052,993	$ 1,022,787	$ 1,002,417	$ 1,125,000	$ 1,124,505	$ 1,131,600	$ 6,600	0.6%
Total Expenditures	1,052,993	1,022,787	1,002,417	1,125,000	1,124,505	1,131,600	6,600	0.6%
Revenues Over (Under) Expenditures before	(1,052,993)	(1,022,787)	(1,002,417)	(1,125,000)	(1,124,505)	(1,131,600)		
OTHER FINANCING SOURCES (USES)								
Transfer In								
General Fund	983,774	935,096	876,203	1,000,870	974,298	977,495		
Vulcan Lakes TIF Fund	69,219	87,691	126,214	124,130	150,207	154,105		
Total Other Financing Sources (Uses)	1,052,993	1,022,787	1,002,417	1,125,000	1,124,505	1,131,600		
Net Change in Fund Balance	-	-	-	-	-	-		
Beginning Fund Balance	-	-	-	-	-	-		
Ending Fund Balance	-	-	-	-	-	-		
Restricted or Assigned Fund Balance	-	-	-	-	-	-		
Available Fund Balance	$ -	$ -	$ -	$ -	$ -	$ -		

ANNUAL BUDGET

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
55010. Professional Services	$ 503	$ 503	$ 240	$ 1,000	$ 505	$ 1,000	$ -	0.0%
Contractual Services	503	503	240	1,000	505	1,000	-	0.0%
58100. Debt Service - Principal	774,815	781,850	800,835	960,000	960,000	1,005,000	45,000	4.7%
58110. Debt Service - Interest	277,675	240,434	201,342	164,000	164,000	125,600	(38,400)	-23.4%
Debt Service	1,052,490	1,022,284	1,002,177	1,124,000	1,124,000	1,130,600	6,600	0.6%
Total - City Administration	$ 1,052,993	$ 1,022,787	$ 1,002,417	$ 1,125,000	$ 1,124,505	$ 1,131,600	$ 6,600	0.6%

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CITY OF CRYSTAL LAKE

ANNUAL BUDGET

FISCAL YEAR 2026

TIF FUNDS

MAIN STREET TIF FUND

STATEMENT OF ACTIVITIES

The Main Street Tax Increment Financing (TIF) District was created to spur development in the area that includes the intersection of Main Street and Crystal Lake Avenue.

ANNUAL BUDGET SUMMARY

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
REVENUES								
40175. Property Taxes - TIF	$ 38,418	$ 48,640	$ 65,511	$ 65,000	$ 226,576	$ 250,000	$ 185,000	284.6%
47010. Interest Income	41	90	71	-	40	-	-	N/A
Total Revenues	38,459	48,729	65,582	65,000	226,616	250,000	185,000	284.6%
EXPENDITURES								
Community Development	796	820	844	870	870	895	25	2.9%
Total Expenditures	796	820	844	870	870	895	25	2.9%
OTHER FINANCING SOURCES (USES)								
Transfer Out								
Capital Replacement Fund	-	-	(118,091)	-	-	(60,000)		
Total Other Financing Sources (Uses)	-	-	(118,091)	-	-	(60,000)		
Net Change in Fund Balance	37,663	47,909	(53,353)	64,130	225,746	189,105		
Beginning Fund Balance	-	37,663	85,572	2,935	32,220	257,966		
Ending Fund Balance	37,663	85,572	32,220	67,065	257,966	447,071		
Restricted or Assigned Fund Balance	(37,663)	(85,572)	(32,220)	(67,065)	(257,966)	(447,071)		
Available Fund Balance	$ -	$ -	$ -	$ -	$ -	$ -		

ANNUAL BUDGET

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
55010. Professional Services	$ 796	$ 820	$ 844	$ 870	$ 870	$ 895	$ 25	2.9%
Contractual Services	796	820	844	870	870	895	25	2.9%
Total - Community Development	$ 796	$ 820	$ 844	$ 870	$ 870	$ 895	$ 25	2.9%

ACCOUNT INFORMATION

For a complete description of budgetary account activities, see “Account Descriptions” presented later in this document. Major changes in budget amounts are briefly explained below.

- Funds budgeted for professional services in fiscal year 2026 are for audit services.

VIRGINIA STREET TIF FUND

STATEMENT OF ACTIVITIES

The Virginia Street Corridor Tax Increment Financing (TIF) District was intended to spur comprehensive revitalization of the Virginia Street Corridor and included streetscape improvements/beautification and redevelopment of key identified sites. Initial funding for the Virginia Street project was provided using Home Rule Sales Tax. In accordance with Resolution 2008R-88, future tax increment could be used to provide reimbursement of Home Rule Sales Tax to the General Fund. Transfers to the General Fund are reflected as an Other Financing Use.

ANNUAL BUDGET SUMMARY

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
REVENUES								
40175. Property Taxes - TIF	$ 132,255	$ 150,984	$ 203,398	$ 200,000	$ 241,484	$ 250,000	$ 50,000	25.0%
47010. Interest Income	10	35	49	-	40	-	-	0.0%
Total Revenues	132,265	151,020	203,447	200,000	241,524	250,000	50,000	25.0%
EXPENDITURES								
Community Development	796	820	844	844	870	895	51	6.0%
Total Expenditures	796	820	844	844	870	895	51	6.0%
Revenues Over (Under) Expenditures before	131,469	150,200	202,603	199,156	240,654	249,105		
OTHER FINANCING SOURCES (USES)								
Transfer Out								
General Fund	(131,469)	(150,200)	(202,603)	(151,156)	(240,654)	(249,105)		
Total Other Financing Sources (Uses)	(131,469)	(150,200)	(202,603)	(151,156)	(240,654)	(249,105)		
Net Change in Fund Balance	-	-	-	-	-	-		
Beginning Fund Balance	-	-	-	-	-	-		
Restricted or Assigned Fund Balance	-	-	-	-	-	-		
Available Fund Balance	$ -	$ -	$ -	$ -	$ -	$ -		

ANNUAL BUDGET

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
55010. Professional Services	$ 796	$ 820	$ 844	$ 870	$ 870	$ 895	$ 25	2.9%
Contractual Services	796	820	844	870	870	895	25	2.9%
Total - Community Development	$ 796	$ 820	$ 844	$ 870	$ 870	$ 895	$ 25	2.9%

ACCOUNT INFORMATION

For a complete description of budgetary account activities, see “Account Descriptions” presented later in this document. Major changes in budget amounts are briefly explained below.

- Funds budgeted for professional services in fiscal year 2026 are for audit services.

VULCAN LAKES TIF FUND

STATEMENT OF ACTIVITIES

The Vulcan Lakes Tax Increment Financing (TIF) District was created to spur comprehensive development in the area of US 14 and Main Street, to include residential, retail, and recreational facilities (Three Oaks Recreation Area). Initial funding for land acquisition and engineering services was provided using General Fund reserves. Advances made from the General Fund during fiscal year 2007/2008 were reclassified from a liability (Due to General Fund) to an Other Financing Source (Transfer In) in fiscal year 2014/2015. Available Property Tax Increment will be used to retire outstanding Build-America and Recovery Zone bonds that were issued for purposes of constructing the Three Oaks Recreation Area. Other Financing Uses reflected in the schedule below represent transfers to the Three Oaks Debt Service Fund to pay principal and interest on outstanding bonds.

ANNUAL BUDGET SUMMARY

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
REVENUES								
40175. Property Taxes - TIF	$ 70,000	$ 88,484	$ 127,006	$ 125,000	$ 151,077	$ 155,000	$ 30,000	24.00%
47010. Interest Income	15	27	51	-		-	-	N/A
Total Revenues	70,015	88,511	127,058	125,000	151,077	155,000	30,000	24.00%
EXPENDITURES								
Community Development	796	820	844	870	870	895	25	2.87%
Total Expenditures	796	820	844	870	870	895	25	2.87%
Revenues Over (Under) Expenditures before	69,219	87,691	126,214	124,130	150,207	154,105		
OTHER FINANCING SOURCES (USES)								
Transfer In								
General Fund	-	-	-	-	-	-		
Transfer Out								
Three Oaks Debt Service Fund	(69,219)	(87,691)	(126,214)	(124,130)	(150,207)	(154,105)		
Total Other Financing Sources (Uses)	(69,219)	(87,691)	(126,214)	(124,130)	(150,207)	(154,105)		
Net Change in Fund Balance	-	-	-	-	-	-		
Beginning Fund Balance	-	-	-	-	-	-		
Restricted or Assigned Fund Balance	-	-	-	-	-	-		
Available Fund Balance	$ -	$ -	$ -	$ -	$ -	$ -		

ANNUAL BUDGET

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
55010. Professional Services	$ 796	$ 820	$ 844	$ 870	$ 870	$ 895	$ 25	2.9%
Contractual Services	796	820	844	870	870	895	25	2.9%
Total - Community Development	$ 796	$ 820	$ 844	$ 870	$ 870	$ 895	$ 25	2.9%

ACCOUNT INFORMATION

For a complete description of budgetary account activities, see “Account Descriptions” presented later in this document. Major changes in budget amounts are briefly explained below.

- Funds budgeted for professional services in fiscal year 2026 are for audit services.

WATERS EDGE TIF FUND

STATEMENT OF ACTIVITIES

The Waters Edge Tax Increment Financing (TIF) District was created to spur development in the former Crystal Court shopping center.

ANNUAL BUDGET SUMMARY

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
REVENUES								
40175. Property Taxes - TIF	$ -	$ 32,095	$ 51,189	$ 75,000	$ 119,394	$ 350,000	$ 275,000	366.7%
47010. Interest Income	(1)	7	27	-	-	-	-	N/A
Total Revenues	(1)	32,102	51,216	75,000	119,394	350,000	275,000	N/A
EXPENDITURES								
Community Development	85,976	37,684	20,844	75,000	7,980	523,505	448,505	598.0%
Total Expenditures	85,976	37,684	20,844	75,000	7,980	523,505	448,505	598.0%
Revenues Over (Under) Expenditures before	(85,977)	(5,582)	30,372	-	111,414	(173,505)		
OTHER FINANCING SOURCES (USES)								
Transfer In	-	-	-	-	-	-		
Transfer Out	-	-	-	-	-	-		
Total Other Financing Sources (Uses)	-	-	-	-	-	-		
Net Change in Fund Balance	(85,977)	(5,582)	30,372	-	111,414	(173,505)		
Beginning Fund Balance	(95,214)	(181,191)	(186,773)	(157,452)	(156,400)	(44,986)		
Restricted or Assigned Fund Balance	-	-	-	-	-	-		
Available Fund Balance	$ (181,191)	$ (186,773)	$ (156,400)	$ (157,452)	$ (44,986)	$ (218,491)		

ANNUAL BUDGET

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
55010. Professional Services	$ 85,976	$ 37,684	$ 20,844	$ 5,870	$ 7,980	$ 10,895	$ 5,025	85.6%
Contractual Services	85,976	37,684	20,844	5,870	7,980	10,895	5,025	85.6%
58100. Debt Service - Principal	-	-	-	39,130	-	26,610	(12,520)	N/A
58200. Debt Service - Interest	-	-	-	-	-	360,000	360,000	N/A
Debt Service	-	-	-	39,130	-	386,610	347,480	N/A
xxxxx. School District TIF Impact	-	-	-	30,000	-	126,000	96,000	N/A
Total - Community Development	$ 85,976	$ 37,684	$ 20,844	$ 75,000	$ 7,980	$ 523,505	$ 448,505	598.0%

ACCOUNT INFORMATION

For a complete description of budgetary account activities, see “Account Descriptions” presented later in this document. Major changes in budget amounts are briefly explained below.

- Funds budgeted for professional services in fiscal year 2026 are for services related to the issuance of developer note payments and potential TIF impact distributions to the school district.

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CITY OF CRYSTAL LAKE

ANNUAL BUDGET

FISCAL YEAR 2026

CAPITAL REPLACEMENT FUNDS

CAPITAL REPLACEMENT FUND

STATEMENT OF ACTIVITIES

The Capital Replacement Fund was established during Fiscal Year 2010/11 and was funded initially from General Fund reserves. The Capital Replacement Fund will provide for future replacements of capital and technological equipment. Additional reservations of fund balance may be made from time-to-time as operating surpluses become available or as deemed appropriate as a result of changes to the capital improvement policy.

ANNUAL BUDGET SUMMARY

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget
REVENUES						
41700. Grant Proceeds - State of IL						-
IDOT Traffic Signal LED Replacement	-	-	-	15,000	-	15,000
IDOT Traffic Signal/Ped 176/Oak	-	-	-	300,000	-	304,000
41800. Grant Proceeds - Federal						
Pedestrian Prairie Trail (Fed STP)	-	-	-	936,616	936,616	-
Fire Safety Trailer (FEMA)	-	-	-	-	-	218,500
Main & Liberty (Fed STP)	-	-	-	1,500,000	-	-
Three Oaks Trail	-	-	21,800	-	178,200	-
41900. Grant Proceeds - Other						
Oak Street Pedestrian Path (ITEP Grant)	-	-	-	233,688	-	233,680
42060. Video Gaming License	65,760	81,800	69,100	75,000	79,000	79,000
43055. Grocery Tax	-	-	-	-	-	2,000,000
43060. Video Gaming Tax	207,545	238,314	186,805	256,384	306,903	312,538
43402. Utility Tax - Electricity	913,810	-	-	-	-	-
43407. Utility Tax - Natural Gas	768,517	-	-	-	-	-
43xxx. Storage Tax	-	-	-	150,000	-	-
48950. Reimbursements						
Brink Ave Paving Reimburse	-	-	-	-	27,796	-
ComEd Efficiency Program	-	61,848	-	-	-	-
Developer Contributions (Three Oaks/Sands/Lu	-	-	-	71,093	-	71,093
Developer Contributions (Central/Lutter/Rakow	-	-	136,873	-	-	-
McHenry County (Pedestrian P.Trail)	-	-	-	69,015	69,015	-
Mercy (Three Oaks/Sands/Lutter)	-	-	-	84,349	-	84,349
Metra (Downtown Station)	32,585	-	-	-	-	-
Nicor (Dole Avenue)	-	-	11,952	-	-	-
Township (Pedestrian Oak)	-	-	-	27,013	-	27,013
48990. Miscellaneous Income	-	38,026	-	-	-	-
Total Revenues	1,988,217	419,988	426,529	3,718,158	1,597,530	3,345,173

ANNUAL BUDGET SUMMARY (CONTINUED)

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget
EXPENDITURES						
City Administration	108,707	12,625	15,507	60,000	-	50,000
Community Development	-	116,040	425,688	5,244,420	4,585,535	2,687,095
Fire Rescue	2,018,555	954,737	909,088	97,000	88,733	1,730,601
Information Technology	543,511	396,696	508,548	578,000	130,000	818,000
Park Administration	355,518	540,778	271,681	1,505,550	3,396,550	49,550
Police	443,700	1,270,357	481,207	180,285	80,920	852,842
Facility Services	-	2,534,312	2,921,597	4,102,579	1,503,101	4,290,160
Fleet Services	835,040	29,223	33,572	-	-	65,000
Streets	1,286,261	934,391	19,838	205,000	181,710	115,000
Engineering	399,930	1,981,166	-	2,581,500	241,500	848,000
Roadway (MFT)	2,211,371	3,078,620	3,641,436	5,536,384	3,113,963	3,690,792
Roadway (Non-MFT)	1,698,370	2,029,915	2,214,231	2,022,000	2,022,000	2,232,500
Total Expenditures	9,900,963	13,878,861	11,442,392	22,112,718	15,344,012	17,429,540
Revenues Over (Under) Expenditures before Other Financing Sources (Uses)	(7,912,745)	(13,458,873)	(11,015,863)	(18,394,560)	(13,746,482)	(14,084,367)
OTHER SOURCES (USES)						
Lease Financing	157,234	491,513	87,494	-	-	-
SBITA/Supplier Financing	-	-	478,724			
Gain (Loss) on Sale of Assets	-	-	24,442	-	-	-
Transfer In						
General Fund	3,144,506	3,000,000	1,620,000	1,750,000	1,750,000	2,200,000
General Fund Residual	5,700,000	3,000,000	6,700,000	-	4,300,000	-
Fire Rescue Fund	-	-	909,088	97,000	88,733	1,512,101
Road/Vehicle License Fund	551,220	572,350	450,160	500,000	500,000	645,701
Motor Fuel Tax Fund	1,901,463	2,940,466	3,821,357	2,631,404	2,128,332	2,955,657
Main Street TIF Fund	-	-	118,091	-	-	60,000
Total Other Financing Sources (Uses)	11,454,423	10,004,329	14,209,355	4,978,404	8,767,065	7,373,459
Net Change in Fund Balance	3,541,678	(3,454,544)	3,193,492	(13,416,156)	(4,979,417)	(6,710,908)
Beginning Fund Balance	16,007,966	19,549,644	16,095,100	19,146,034	19,805,404	14,825,987
PPA	-	-	516,812	-	-	-
Ending Fund Balance	19,549,644	16,095,100	19,805,404	5,729,878	14,825,987	8,115,079
Restricted or Assigned Fund Balance	(1,186,034)	(1,186,034)	(134,266)	(28,935)	(16,557)	(28,935)
Available Fund Balance	$18,363,610	$14,909,065	$ 19,671,138	$ 5,700,943	$ 14,809,430	$8,086,144

ACCOUNT INFORMATION

For definitions of budgetary account activities, see "Account Descriptions" presented later in this document. Major changes in budget amounts are briefly explained below.

- The City uses its Capital Improvements Plan (CIP) as a long-term planning document to identify and prioritize the City's anticipated capital needs. Capital items included in the CIP have anticipated costs of at least $20,000 over the next twenty years and have a useful life of more than one year. Capital items that do not meet criteria for inclusion in the CIP are still budgeted for in the Capital Replacement Fund but are considered immaterial for the purposes of the CIP. For a detailed listing of budgeted items, please see the Capital Plan Highlights section on page 225.

VEHICLE REPLACEMENT FUND

STATEMENT OF ACTIVITIES

The Vehicle Replacement Fund was established in Fiscal Year 2023/24 and was funded initially from General Fund reserves. The Vehicle Replacement Fund will provide for future replacements of City vehicles.

ANNUAL BUDGET SUMMARY

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget
REVENUES						
Total Revenues	$ -	$ -	$ -	$ -	$ -	$ -
EXPENDITURES						
City Administration	-	-	-	-	-	-
Community Development	-	-	6,790	105,000	105,969	72,000
Engineering	-	-	-	129,528	127,414	56,669
Fire Rescue	-	-	231,159	874,608	212,517	6,386,918
Facilities	-	-	4,521	-	-	-
Fleet Services	-	-	-	50,695	42,295	51,972
Police	-	-	609,663	592,251	594,264	935,746
Streets	-	-	506,348	2,680,371	1,380,309	1,619,435
Total Expenditures	-	-	1,358,482	4,432,453	2,462,768	9,122,740
Revenues Over (Under) Expenditures before Other Financing Sources (Uses)	-	-	(1,358,482)	(4,432,453)	(2,462,768)	(9,122,740)
OTHER SOURCES (USES)						
Lease Financing	-	-	158,207	-	-	-
Gain on Asset	-	-	63,280	-	112,498	-
Transfer In						
General Fund	-	4,000,000	4,000,000	500,000	2,500,000	1,200,000
Restricted Police Fund	-	-	27,100	-	-	-
Fire Rescue Fund	-	-	231,159	874,608	212,517	6,386,918
Total Other Financing Sources (Uses)	-	4,000,000	4,479,747	1,374,608	2,825,015	7,586,918
Net Change in Fund Balance	-	4,000,000	3,121,265	(3,057,845)	362,247	(1,535,822)
Beginning Fund Balance	-	-	4,000,000	7,139,162	7,121,265	7,483,512
Ending Fund Balance	-	4,000,000	7,121,265	4,081,317	7,483,512	5,947,690
Restricted or Assigned Fund Balance	-	-	-	-	-	-
Available Fund Balance	$ -	$4,000,000	$7,121,265	$4,081,317	$ 7,483,512	$ 5,947,690

ACCOUNT INFORMATION

For definitions of budgetary account activities, see "Account Descriptions" presented later in this document. Major changes in budget amounts are briefly explained below.

- The City uses its Capital Improvements Plan (CIP) as a long-term planning document to identify and prioritize the City's anticipated capital needs. Capital items included in the CIP have anticipated costs of at least $20,000 over the next twenty years and have a useful life of more than one year. Capital items that do not meet criteria for inclusion in the CIP are still budgeted for in the Vehicle Replacement Fund but are considered immaterial for the purposes of the CIP. For a detailed listing of capital items, please see the Capital Plan Highlights section on page 225.

WATER AND SEWER CAPITAL REPLACEMENT FUND

STATEMENT OF ACTIVITIES

The Water & Sewer Capital & Equipment Replacement Fund provides a budgetary set of account categories for the expenditure of funds to pay for the replacement of water and sewer infrastructure (mains, lift stations, treatment plants, etc.).

ANNUAL BUDGET SUMMARY

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget
REVENUES						
41800. Grant Proceeds - Federal						
ARPA Funds	$ 46,219	$ 1,326,955	$ 3,108,262	$ 889,815	$ 889,815	$ -
CDBG - Pine/Oriole Land Acqusition	33,284	-		-	-	-
CDBG - Rain Garden	17,000	-		-	-	-
Crystal Creek	-	-		1,383,069	-	-
41900. Grant Proceeds - Other						
ComEd - Rain Garden	10,000	-		-	-	-
43402. Utility Tax - Electricity	646,301	1,551,238	1,048,834	1,607,988	1,607,346	1,580,978
43407. Utility Tax - Natural Gas	353,699	1,045,445	396,020	987,371	1,175,517	1,093,949
Total Intergovernmental Revenue	1,106,503	3,923,638	4,553,116	4,868,243	3,672,678	2,674,927
47010. Interest Income	99,841	257,096	124,342	70,000	45,000	40,000
Total Interest Income	99,841	257,096	124,342	70,000	45,000	40,000
48950. Reimbursements						
North Shore Adjustment	-	15,202	-		-	
Nicor (WM Replacement-North Main St)	(14,042)	-	-	-	-	-
48990. Miscellaneous Income	39,943	-	6,191	-	-	-
Reverse PY Retainage	434,662	-	-	-	-	-
Total Miscellaneous	460,563	15,202	6,191	-	-	-
Total Revenues	1,666,907	4,195,936	4,683,649	4,938,243	3,717,678	2,714,927
EXPENDITURES						
PW Admin	648,590	563,946	1,333,325	6,112,200	3,522,000	3,279,000
Water & Sewer Operations	5,755,207	4,650,720	6,052,479	19,208,493	10,805,091	10,891,095
Wastewater Treatment	1,043,083	1,392,795	2,136,356	1,794,929	1,566,437	3,094,956
Total Expenditures	7,446,880	6,607,461	9,522,160	27,115,622	15,893,528	17,265,051
Revenues Over (Under) Expenditures before Other Financing Sources (Uses)	(5,779,973)	(2,411,525)	(4,838,511)	(22,177,379)	(12,175,850)	(14,550,124)

ANNUAL BUDGET SUMMARY (CONTINUED)

Account	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget
OTHER FINANCING SOURCES (USES)						
Transfer In						
General Fund						
Three Oaks Water Level Adjustment	-	-	-	1,240,000	2,100,000	-
Lead Service Line Replacement	-	-	158,484	700,000	700,000	500,000
Three Oaks Development Fund	-	98,720	1,004,800	2,260,000	1,400,000	-
Water & Sewer Operation Fund	-	3,000,000	3,000,000	4,000,000	4,000,000	4,000,000
Water & Sewer 2019 GO Project Fund	58,020	726,782	1,768,241	-	-	-
LS #14 Rehabilitation	-	-	-	581,011	221,452	-
Water & Sewer Debt Fund - 2022 GO	671,929	1,916,962	1,010,405	-	-	
Reestablish Crystal Creek	-	-	-	1,100,000	-	3,100,000
WTP #2 New Deep Well #19 & Piping	-	-	-	2,214,250	81,383	-
Less: ARPA Funds	-	-	-	(889,815)	-	-
Water & Sewer 2025 GO						
Water Meter Replacement	-	-	-	10,000,000	6,000,000	3,789,000
New Debt						
WTP #2 Reconstruction	3,033,366	754,482	-	-	-	-
WWTP #2/#3 Phosphorus Removal	-	-	-	500,000	500,000	500,000
48995. Gain (Loss) on Sale of Assets	-	-	25,000	-	-	-
Lease Financing	127,021	13,515	61,122	-	-	-
Total Other Financing Sources (Uses)	3,890,336	6,510,461	7,028,052	21,705,446	15,002,835	11,889,000
Change in Payables/Receivables	2,010,931	(1,551,198)	(5,259,240)	-	-	-
Net Change in Cash	121,294	2,547,738	(3,069,699)	(471,933)	2,826,985	(2,661,124)
Beginning Cash Balance	5,794,166	5,915,459	8,463,196	5,393,498	5,393,498	8,220,483
Ending Cash Balance	$ 5,915,460	$ 8,463,198	$ 5,393,498	$ 4,921,565	8,220,483	5,559,359

ACCOUNT INFORMATION

For definitions of budgetary account activities, see "Account Descriptions" presented later in this document. Major changes in budget amounts are briefly explained below.

- The City uses its Capital Improvements Plan (CIP) as a long-term planning document to identify and prioritize the City's anticipated capital needs. Capital items included in the CIP have anticipated costs of at least $20,000 over the next twenty years and have a useful life of more than one year. Capital items that do not meet criteria for inclusion in the CIP are still budgeted for in the Water and Sewer Capital Replacement Fund but are considered immaterial for the purposes of the CIP. For a detailed listing of capital items, please see the Capital Improvements Plan Highlights section on page 225.

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CITY OF CRYSTAL LAKE

ANNUAL BUDGET

FISCAL YEAR 2026

LIBRARY FUNDS

STATEMENT OF ACTIVITIES

The Mission Statement for the Crystal Lake Public Library is "We help people, of all ages and backgrounds, learn, enjoy and better their lives." The Library has selected six strategic service directions to meet this mission. They are as follows:

- Connect to the Online World – Public Internet Access

  Residents will have high-speed access to the digital world with no unnecessary restriction or fees to ensure that everyone can take advantage of the ever-growing resources and services available through the Internet.

- Create Young Readers – Early Literacy

  Children from birth to age five will have programs and services designed to ensure that they will enter school ready to learn to read, write, and listen.

- Satisfy Curiosity – Lifelong Learning

  Residents will have the resources they need to explore topics of personal interest and continue to learn throughout their lives.

- Stimulate Imagination – Reading, Viewing, and Listening for Pleasure

  Residents will have materials and programs that excite their imaginations and provide pleasurable reading, viewing, and listening experiences.

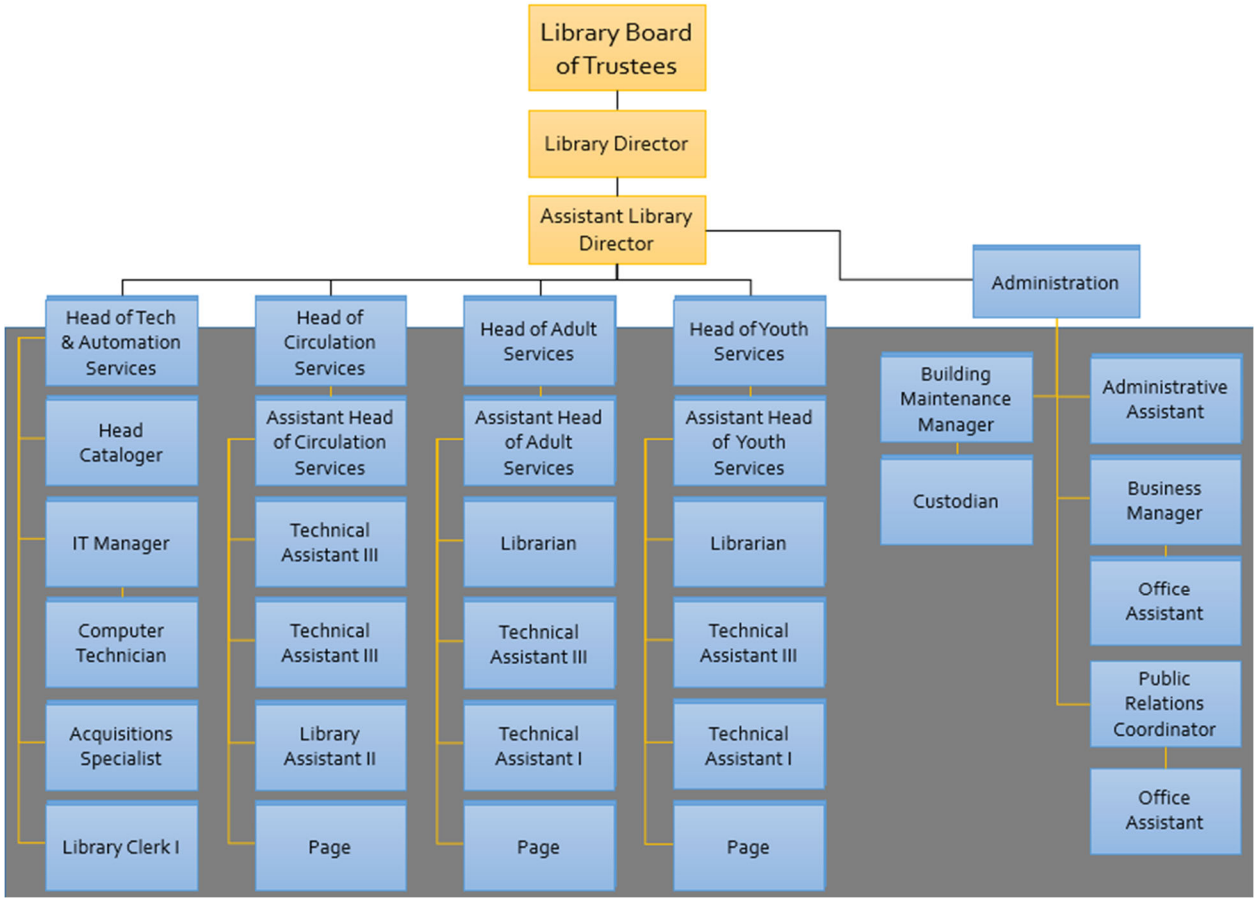
- Understand How to Find, Evaluate and Use Information – Information Fluency

  Residents will know when they need information to resolve an issue or answer questions and will have the skills to search for, locate, evaluate, and effectively use information to meet their needs.

- Visit a Comfortable Place – Physical and Virtual Spaces

  Residents will have safe and welcoming physical places to meet and interact with others or to sit quietly and read and will have open and accessible virtual spaces that support networking.

ORGANIZATIONAL CHART



ACCOMPLISHMENTS

Calendar Year 2025 Strategic Initiatives:

- Keep the community informed through the Beacon newsletter, eNews, social media, presentations, collaborations, and the website about Library services, drive-up service window, outdoor programming
    - CLPL's website updated weekly.
    - Beacon newsletter was produced and mailed out bi-monthly to the whole Crystal Lake community.
    - eNews sent monthly to all subscribers.
    - Social media (Facebook, Twitter, Instagram) posted to multiple times each week.

  - Partnered with Crystal Lake Park District for summer concert series in parks for children and families, featuring Crystal Lake Strikers, BenAnna Band, Istvan and His Imaginary Band, and Allie Hulen.
  - Continued partnerships with District 47 and District 155 schools and new library programs
  - Partnered with McHenry County Libraries to present the Library Lovers' Expedition, Library Card Sign Up at the McHenry Outdoor Theater, and author events for adults throughout the year.

- Implement Strategic Plan
  - Plan approved 2023, implementation began 2024, work continued 2025
    - Strategic Direction 1 – Start Here to Imagine Possibilities
      - Goals
        - Reimagine library spaces to make it easier to use the library, meet the needs of our community, and welcome everyone.
        - Plan for future library spaces and infrastructure
    - Strategic Direction 2 – Inspire Joy and Connection
      - Goals
        - Build strong community relationships
        - Communicate the value of the library
        - Expand our community's horizons and experiences
    - Strategic Direction 3 – Nurture a Vibrant Future
      - Goals
        - Foster a culture of collaboration and job satisfaction
        - Strive for a responsible and stable financial position
- Address on-going issues with aging building
  - Continue to review and prioritize Capital Repairs Assessment so that funds can be earmarked for capital repairs.
    - Library Board identified the highest priority items from the assessment and used Special Reserve funds to address them.

- Library Board working to develop long-term strategy to address capital needs.

- Continued partnerships with local organizations, including Crystal Lake Park District, to offer large-scale programs and events.
- Continued to serve as Early Voting location.

OBJECTIVES

Calendar Year 2026 Strategic Goals:

- Implement Strategic Plan
  - Strategic Direction 1 – Start Here to Imagine Possibilities
    - Goals
      - Reimagine library spaces to make it easier to use the library, meet the needs of our community, and welcome everyone.
      - Plan for future library spaces and infrastructure
  - Strategic Direction 2 – Inspire Joy and Connection
    - Goals
      - Build strong community relationships
      - Communicate the value of the library
      - Expand our community's horizons and experiences
  - Strategic Direction 3 – Nurture a Vibrant Future
    - Goals
      - Foster a culture of collaboration and job satisfaction
      - Strive for a responsible and stable financial position
- Address on-going issues with aging building
  - Continue to review and prioritize Capital Repairs Assessment so that funds can be earmarked for capital repairs.
  - Library Board develops long-term strategy to address capital needs.

LIBRARY ANNUAL BUDGET SUMMARY

	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
REVENUES								
Library Operations Fund	$ 4,465,432	$ 4,775,647	$ 4,862,826	$ 5,167,880	$ 4,922,225	$ 5,577,606	$ 409,726	7.9%
Construction & Repair Fund	220,024	284,036	162,754	143,445	159,905	351,965	208,520	145.4%
Ames Fund	875	4,830	16,950	-	323	-	-	N/A
Gift & Memorial Fund	5,679	10,126	10,390	40,800	15,800	41,500	700	1.7%
Working Cash Fund	1,471	2,748	1,501	-	-	-	-	N/A
Per Capita Fund	59,397	59,397	-	119,598	59,799	-	(119,598)	-100.0%
Special Reserve Fund	(5,038)	3,990	24,492	-	34,265	-	-	N/A
IMRF Fund	326,287	342,252	288,010	200,000	233,500	100,000	(100,000)	-50.0%
FICA Fund	170,005	168,635	229,998	234,000	237,500	100,000	(134,000)	-57.3%
Total Revenues	5,244,132	5,651,661	5,596,921	5,905,723	5,663,317	6,171,071	265,348	4.5%
EXPENDITURES								
Library Operations Fund	4,002,424	4,407,434	2,774,702	5,667,880	4,507,282	6,077,606	409,726	7.2%
Construction & Repair Fund	115,296	71,194	71,019	143,445	107,481	351,965	208,520	145.4%
Ames Fund	-	-	1,667	15,000	6,000	13,000	(2,000)	-13.3%
Gift & Memorial Fund	16,834	7,316	5,661	60,882	19,796	63,500	2,618	4.3%
Working Cash Fund	-	-	-	-	-	-	-	N/A
Per Capita Fund	59,396	-	-	119,598	-	-	(119,598)	-100.0%
Special Reserve Fund	302,273	6,133	88,753	250,000	64,500	350,000	100,000	40.0%
IMRF Fund	265,706	243,857	165,644	331,397	271,708	330,000	(1,397)	-0.4%
FICA Fund	189,657	200,147	134,345	234,000	200,000	242,000	8,000	3.4%
Total Expenditures	4,951,586	4,936,081	3,241,791	6,822,202	5,176,767	7,428,071	605,869	8.9%
Revenues Over (Under) Expenditures	292,546	715,580	2,355,130	(916,479)	486,550	(1,257,000)		
OTHER FINANCING SOURCES (USES)								
Transfer In	338,446	507,615	970,922	-	118,867	-		
Transfer Out	(338,446)	(507,615)	(970,922)	-	(118,867)	-		
Insurance Proceeds	-	175,089	-	-	-	-		
Total Other Financing Sources (Uses)	-	175,089	-	-	-	-		
Net Change in Fund Balance	292,546	890,669	2,355,130	(916,479)	486,550	(1,257,000)		
Beginning Fund Balance	3,709,320	4,001,866	4,892,535	6,740,916	7,247,665	7,734,215		
Prior Period Adjustment	-	-	-	-	-	-		
Ending Fund Balance	$ 4,001,866	$ 4,892,535	$ 7,247,665	$ 5,824,437	$ 7,734,215	$ 6,477,215		

LIBRARY OPERATING FUND BUDGET

	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
REVENUES								
Property Tax	$ 4,251,371	$ 4,443,876	$ 4,564,902	$ 4,811,790	$ 4,665,213	$ 5,197,918	$ 386,128	8.0%
Grants	-	1,815	62,299	25,000	1,000	144,598	119,598	478.4%
Library Fees	54,726	46,994	26,836	50,000	40,000	35,000	(15,000)	-30.0%
Copy Fees	6,487	8,481	5,321	9,000	9,512	9,000	-	0.0%
Meeting Room Fees	45	650	420	-	1,200	-	-	N/A
Flash Drive and Ear Bud Sales	80	81	12	90	58	90	-	0.0%
Passport Fees	43,677	48,297	26,186	50,000	77,265	60,000	10,000	20.0%
Library Fines	7,620	263	83	13,000	350	12,000	(1,000)	-7.7%
Replacement & Processing Fee	-	-	7,276	-	8,000	-	-	N/A
Investment Income	77,597	216,643	162,692	190,000	112,165	100,000	(90,000)	-47.4%
Used Book Sale	2,618	2,099	1,053	-	2,035	-	-	N/A
Miscellaneous	21,211	6,448	5,746	19,000	5,427	19,000	-	0.0%
Total Revenues	4,465,432	4,775,647	4,862,826	5,167,880	4,922,225	5,577,606	409,726	7.9%
EXPENDITURES								
Wages	2,549,463	2,692,275	1,802,184	3,059,298	2,780,060	3,235,908	176,610	5.8%
Group Insurance	456,414	445,200	276,147	540,000	442,448	595,000	55,000	10.2%
Total Personnel Services	3,005,877	3,137,475	2,078,331	3,599,298	3,222,508	3,830,908	231,610	6.4%
Legal/Professional Services	20,357	45,132	12,540	60,000	28,980	60,000	-	0.0%
Community Relations	4,807	3,851	1,793	10,000	5,003	10,000	-	0.0%
Publishing	3,228	2,822	1,490	9,350	1,096	7,500	(1,850)	-19.8%
Postage & Freight	22,966	27,385	16,794	35,000	47,066	50,000	15,000	42.9%
Continuing Education	8,109	9,753	-	20,000	12,224	20,000	-	0.0%
Dues & Subscriptions	5,622	4,800	3,772	10,000	5,210	10,000	-	0.0%
Insurance & Bonding	39,788	56,350	6,643	54,500	51,586	65,500	11,000	20.2%
Utilities	43,190	46,535	64,140	75,000	65,562	99,000	24,000	32.0%
Buildings & Offices Maintenance	177,774	296,917	100,101	255,000	200,000	270,000	15,000	5.9%
Operating Equipment Maintenance	116,400	123,640	75,583	160,000	151,000	165,000	5,000	3.1%
Rental - Buildings & Equipment	13,281	11,514	7,948	21,000	14,000	21,000	-	0.0%
Stationary & Printing	24,185	35,125	9,730	50,000	26,479	50,000	-	0.0%
Contingency	-	-	-	525,000	-	525,000	-	0.0%
Total Contractual Services	479,707	663,824	300,534	1,284,850	608,206	1,353,000	68,150	5.3%
Office & Library Supplies	16,832	24,233	11,386	33,000	32,018	33,000	-	0.0%
Cleaning & Building Supplies	11,556	19,466	11,819	19,000	15,000	20,000	1,000	5.3%
Landscape Materials	-	193	35	100	150	100	-	0.0%
Small Tools & Equipment	3,609	289	1,073	27,000	4,500	42,000	15,000	55.6%
Library Materials							-	
Books	167,145	154,600	100,071	195,000	175,000	195,000	-	0.0%
AV Materials	40,408	42,357	25,656	58,000	35,000	58,000	-	0.0%
Electronic Resources	208,666	231,127	170,761	280,000	280,000	280,000	-	0.0%
Periodicals	11,362	12,236	1,265	14,000	12,900	14,000	-	0.0%
Standing Orders	9,001	8,422	5,124	12,000	10,000	12,000	-	0.0%
Programs	13,085	18,543	8,848	50,000	32,000	50,000	-	0.0%
Per Capita Grant Expense	-	-	59,799	-	-	119,598	119,598	N/A
Total Materials & Supplies	481,664	511,466	395,837	688,100	596,568	823,698	135,598	19.7%
Buildings	-	43,266	-	25,632	40,000	-	(25,632)	-100.0%
Operating Equipment	35,176	51,403	-	70,000	40,000	70,000	-	0.0%
Total Capital Outlay	35,176	94,669	-	95,632	80,000	70,000	(25,632)	-26.8%
Total Expenditures	4,002,424	4,407,434	2,774,702	5,667,880	4,507,282	6,077,606	409,726	7.2%

LIBRARY OPERATING FUND BUDGET (CONTINUED)

	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
Revenues in Excess of Expenditures	463,008	368,213	2,088,124	(500,000)	414,943	(500,000)		
OTHER SOURCES (USES)								
Transfer In	-	-	-	-	118,867	-		
Insurance Proceeds	-	175,089	-	-	-	-		
Transfer Out								
Library Special Reserve Fund	(338,446)	(245,144)	(787,274)	-	-	-		
Total Other Sources (Uses)	(338,446)	(70,055)	(787,274)	-	118,867	-		
Change in Fund Balance	124,562	298,158	1,300,850	(500,000)	533,810	(500,000)		
Beginning Fund Balance	2,548,796	2,673,358	2,971,516	4,706,970	4,272,366	4,806,176		
Nonspendable Fund Balance	-	-	-	-	-	-		
Available Fund Balance	$ 2,673,358	$ 2,971,516	$ 4,272,366	$ 4,206,970	$ 4,806,176	$ 4,306,176		

LIBRARY CONSTRUCTION AND REPAIR FUND BUDGET

	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
REVENUES								
Rental Income	$ 140,109	$ 143,429	$ 89,595	$ 142,920	$ 139,880	$ 151,440	$ 8,520	6.0%
Investment Income	5,217	12,442	10,216	-	19,500	-	$ -	N/A
Capital Facility Fees	74,192	124,838	62,645	-	-	200,000	$ 200,000	N/A
Miscellaneous	506	3,327	298	525	525	525	$ -	0.0%
Total Revenues	220,024	284,036	162,754	143,445	159,905	351,965	208,520	145.4%
EXPENDITURES								
Property Taxes	42,170	37,437	53,000	52,550	49,281	53,300	750	1.4%
Professional Services	1,125	383	-	1,200	1,200	5,000	3,800	316.7%
Buildings & Offices Maintenance	72,001	33,374	18,019	45,075	57,000	47,150	2,075	4.6%
Contingency	-	-		44,620	-	246,515	201,895	452.5%
Total Contractual Services	115,296	71,194	71,019	143,445	107,481	351,965	208,520	145.4%
Total Expenditures	115,296	71,194	71,019	143,445	107,481	351,965	208,520	145.4%
Revenues in Excess of Expenditures	104,728	212,842	91,735	-	52,424	-		
OTHER SOURCES (USES)								
Transfer Out to Special Reserve	-	(262,471)	(127,907)	-	-	-		
Total Other Sources (Uses)	-	(262,471)	(127,907)	-	-	-		
Change in Fund Balance	104,728	(49,629)	(36,172)	-	52,424	-		
Beginning Balance	378,252	482,980	433,351	429,789	397,179	449,603		
Ending Balance	$ 482,980	$ 433,351	$ 397,179	$ 429,789	$ 449,603	$ 449,603		

LIBRARY AMES TRUST FUND BUDGET

	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
REVENUES								
Investment Income	$ 875	$ 4,830	$ 16,950	$ -	$ 323	$ -	$ -	N/A
Total Revenues	875	4,830	16,950	-	323	-	-	N/A
EXPENDITURES								
Library Materials								
Books	-	-	-	15,000	-	13,000	(2,000)	-13.3%
Operating Equipment	-	-	1,667	-	6,000	-	-	N/A
Total Materials & Supplies	-	-	1,667	15,000	6,000	13,000	(2,000)	-13.3%
Total Expenditures	-	-	1,667	15,000	6,000	13,000	(2,000)	-13.3%
Revenues in Excess of Expenditures	875	4,830	15,283	(15,000)	(5,677)	(13,000)		
OTHER SOURCES (USES)								
Total Other Sources (Uses)	-	-	-	-	-	-		
Change in Fund Balance	875	4,830	15,283	(15,000)	(5,677)	(13,000)		
Beginning Balance	389,242	390,117	394,947	389,947	410,230	404,553		
Ending Balance	$ 390,117	$ 394,947	$ 410,230	$ 374,947	$ 404,553	$ 391,553		

LIBRARY GIFT & MEMORIAL FUND BUDGET

	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
REVENUES								
Donations	$ 6,627	$ 9,870	$ 9,815	$ 40,800	$ 15,000	$ 41,500	$ 700.00	1.7%
Investment Income	(948)	256	575	-	800		-	N/A
Total Revenues	5,679	10,126	10,390	40,800	15,800	41,500	(4,200)	-9.3%
EXPENDITURES								
Community Relations	1,372	93	300	1,104	500	1,500	396	35.9%
Publishing	911	599	32	1,629	15,000	1,500	(129)	-7.9%
Total Contractual Services	2,283	692	332	2,733	15,500	3,000	(1,117)	-40.9%
Small Tools & Equipment	1,792	-	145	296	-	-	(296)	-100.0%
Library Materials								
Books	380	168	-	500	700	700	200	40.0%
Programming	7,329	5,015	1,609	15,460	2,800	15,000	(460)	-3.0%
Assisted Family Card	-	250	260	1,893	500	2,000	107	5.7%
Stationery & Printing	-	-	-	-		2,500	2,500	N/A
Total Materials & Supplies	9,501	5,433	2,014	18,149	4,000	20,200	(3,701)	-16.9%
Buildings	-	-	-	40,000	-	40,000	-	0.0%
Operating Equipment	5,050	1,191	3,315	-	296	300	300	N/A
Total Capital Outlay	5,050	1,191	3,315	40,000	296	40,300	300	0.8%
Total Expenditures	16,834	7,316	5,661	60,882	19,796	63,500	2,618	4.3%
Revenues in Excess of Expenditures	(11,155)	2,810	4,729	(20,082)	(3,996)	(22,000)		
OTHER SOURCES (USES)								
Total Other Sources (Uses)	-	-	-	-	-	-		
Change in Fund Balance	(11,155)	2,810	4,729	(20,082)	(3,996)	(22,000)		
Beginning Balance	24,196	13,041	15,851	23,161	20,580	16,584		
Ending Balance	$ 13,041	$ 15,851	$ 20,580	$ 3,079	$ 16,584	$ (5,416)		

LIBRARY WORKING CASH FUND BUDGET

	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
REVENUES								
Investment Income	$ 1,471	$ 2,748	$ 1,501	$ -	$ -	$ -	$ -	N/A
Miscellaneous Income	-	-	-	-	-	-	-	N/A
Total Revenues	1,471	2,748	1,501	-	-	-	-	N/A
EXPENDITURES								
Total Expenditures	-	-	-	-	-	-	-	N/A
Revenues in Excess of Expenditures	1,471	2,748	1,501	-	-	-		
OTHER SOURCES (USES)								
Transfer Out								
Library Special Reserve Fund	-	-	(55,741)	-	-	-		
Total Other Sources (Uses)	-	-	(55,741)	-	-	-		
Change in Fund Balance	1,471	2,748	(54,240)	-	-	-		
Beginning Balance	50,021	51,492	54,240	-	-	-		
Ending Balance	$ 51,492	$ 54,240	$ -	$ -	$ -	$ -		

LIBRARY PER CAPITA FUND BUDGET

	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
REVENUES								
Grants	$ 59,397	$ 59,397	$ -	$ 119,598	$ 59,799	$ -	$ (119,598)	-100.0%
Total Revenues	59,397	59,397	-	119,598	59,799	-	(119,598)	-100.7%
EXPENDITURES								
Legal/Professional Services	20,000	-		-	-	-	-	N/A
Continuing Education	3,826	-		24,000	-	-	(24,000)	-100.0%
Total Contractual Services	23,826	-	-	24,000	-	-	(24,000)	-100.0%
Stationery & Printing	8,000	-		16,000	-	-	(16,000)	-100.0%
Programs	10,301	-		-	-	-	-	N/A
Total Materials & Supplies	18,301	-	-	16,000	-	-	(16,000)	-100.0%
Operating Equipment	17,269	-		79,598	-	-	(79,598)	-100.0%
Total Capital Outlay	17,269	-	-	79,598	-	-	(79,598)	-100.0%
Total Expenditures	59,396	-	-	119,598	-	-	(119,598)	-100.0%
Revenues in Excess of Expenditures	1	59,397	-	-	59,799	-		
OTHER SOURCES (USES)								
Transfer Out	-	-	-	-	(118,867)	-		
Total Other Sources (Uses)	-	-	-	-	(118,867)	-		
Change in Fund Balance	1	59,397	-	-	(59,068)	-		
Beginning Balance	(330)	(329)	59,068	59,068	59,068	-		
Ending Balance	$ (329)	$ 59,068	$ 59,068	$ 59,068	$ -	$ -		

LIBRARY SPECIAL RESERVE FUND BUDGET

	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
REVENUES								
Investment Income	$ (5,038)	$ 3,990	$ 24,492	$ -	$ 34,265	$ -	$ -	N/A
Total Revenues	(5,038)	3,990	24,492	-	34,265	-	-	N/A
EXPENDITURES								
Building & Offices Maintenance	48,087	3,705	-	-	-	-	-	N/A
Legal/Professional Services	56,944	2,428	52,159	50,000	20,000	50,000	-	0.0%
Contingency	-	-	-	200,000	-	200,000	-	0.0%
Total Contractual Services	105,031	6,133	52,159	250,000	20,000	250,000	-	0.0%
Buildings	197,242	-	36,594	-	44,500	100,000	100,000	N/A
Total Capital Outlay	197,242	-	36,594	-	44,500	100,000	100,000	N/A
Total Expenditures	302,273	6,133	88,753	250,000	64,500	350,000	100,000	40.0%
Revenues in Excess of Expenditures	(307,311)	(2,143)	(64,261)	(250,000)	(30,235)	(350,000)		
OTHER SOURCES (USES)								
Transfer In								
Library Operating Fund	338,446	184,563	787,274	-	-	-		
Library Construction & Repair Fund	-	262,471	127,907	-	-	-		
Library Working Cash Fund	-	-	55,741	-	-	-		
Total Other Sources (Uses)	338,446	447,034	970,922	-	-	-		
Change in Fund Balance	31,135	444,891	906,661	(250,000)	(30,235)	(350,000)		
Beginning Balance	41,142	72,277	517,168	455,022	1,423,829	1,393,594		
Ending Balance	$ 72,277	$ 517,168	$ 1,423,829	$ 205,022	$ 1,393,594	$ 1,043,594		

LIBRARY IMRF PENSION FUND BUDGET

	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
REVENUES								
Property Tax	$ 319,797	$ 333,304	$ 275,440	$ 200,000	$ 200,000	$ 100,000	$ (100,000)	-50.0%
Investment Interest	6,490	8,948	12,570	-	33,500	-	-	N/A
Total Revenues	326,287	342,252	288,010	200,000	233,500	100,000	(100,000)	-50.0%
EXPENDITURES								
Contingency								
Library Portion IMRF	265,706	243,857	165,644	331,397	271,708	330,000	(1,397)	-0.4%
Library Personnel Services	265,706	243,857	165,644	331,397	271,708	330,000	(1,397)	-0.4%
Total Expenditures	265,706	243,857	165,644	331,397	271,708	330,000	(1,397)	-0.4%
Revenues in Excess of Expenditures	60,581	98,395	122,366	(131,397)	(38,208)	(230,000)		
OTHER SOURCES (USES)								
Transfer In	-	60,581	-	-	-	-		
Total Other Sources (Uses)	-	60,581	-	-	-	-		
Change in Fund Balance	60,581	158,976	122,366	(131,397)	(38,208)	(230,000)		
Beginning Balance, May 1	107,327	167,908	326,884	474,734	449,250	411,042		
Ending Balance, April 30	$ 167,908	$ 326,884	$ 449,250	$ 343,337	$ 411,042	$ 181,042		

LIBRARY FICA FUND

	Fiscal 2023 Actual	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	$ Change	% Change
REVENUES								
Property Tax	$ 164,374	$ 162,318	$ 223,725	$ 234,000	$ 234,000	$ 100,000	$ (134,000)	-57.3%
Investment Interest	5,631	6,317	6,273	-	3,500	-	-	N/A
Total Revenues	170,005	168,635	229,998	234,000	237,500	100,000	(134,000)	-57.3%
EXPENDITURES								
Library Portion FICA	189,657	200,147	134,345	234,000	200,000	242,000	8,000	3.4%
Library Personnel Services	189,657	200,147	134,345	234,000	200,000	242,000	8,000	3.4%
Total Expenditures	189,657	200,147	134,345	234,000	200,000	242,000	8,000	3.4%
Revenues in Excess of Expenditures	(19,652)	(31,512)	95,653	-	37,500	(142,000)		
OTHER SOURCES (USES)								
Total Other Sources (Uses)	-	-	-	-	-	-		
Change in Fund Balance	(19,652)	(31,512)	95,653	-	37,500	(142,000)		
Beginning Balance	170,674	151,022	119,510	202,225	215,163	252,663		
Ending Balance	$ 151,022	$ 119,510	$ 215,163	$ 202,225	$ 252,663	$ 110,663		

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CITY OF CRYSTAL LAKE

ANNUAL BUDGET

FISCAL YEAR 2026

CAPITAL PLAN HIGHLIGHTS

INTRODUCTION

The City of Crystal Lake's Capital Improvement Plan (CIP) is a long-range planning document designed to identify and prioritize the City's anticipated capital needs. Currently, the City of Crystal Lake owns and maintains $292 million in capital assets. Examples include roads, water mains, sanitary and storm sewers, buildings, equipment, vehicles and other infrastructure. All of these assets are essential to the delivery of the public services that the residents, businesses and guests of Crystal Lake rely upon. Through careful planning and expert forecasting, the City maintains its foundational mission of careful and responsible stewardship of the public's infrastructure investments.

Even with ongoing maintenance, these assets have varying service lives. Computers and other equipment often needs to be replaced every four to five years. Sanitary sewers and water mains are expected to last for up to 50 years. As these items approach the end of their useable life, long term replacements must be planned for, along with short-term maintenance. The use of forecasting can allow the long term needs to be balanced with immediate needs, and limited resources can be used effectively. Planning ahead for replacement and major maintenance needs allows the City to mitigate more costly emergency repairs.

The City of Crystal Lake has evaluated the capital needs of the community for the next twenty years to better anticipate costs and, when possible, set aside funding to provide relief on future operating budgets. Each asset is scheduled for replacement based on careful consideration of condition, regulatory or functional requirements, life expectancy and replacement cost.

FORMAT

The City's CIP includes several sections, providing various level of detail. These sections include:

Introduction: The Introduction section provides the reader with a high-level summary narrative style. The introduction lays a groundwork for understanding the CIP by detailing what has been included in the CIP and analyzing the CIP as a whole through commentary and graphical illustrations. A discussion of the annual financial planning process has also been provided.

Project Summaries: This section provides a snapshot of the included projects first by Department, then by year. A reader can quickly scan the list of projects and associated costs for a high level picture of the upcoming projects, as well as identify which projects the reader would like to learn more about.

Financial Impact Statements: This section lays out the impact of the capital plan on the overall finances of the City. It is important to note the projects contained in the CIP may move between years as resources and time constraints can play a factor, as well as from shifts in priorities. The financial impact is a snapshot of how the current plan would impact the finances of the City's capital funds. These statements provide details for the City's three main capital funds separately, as they have unique funding sources and expenditures.

Detailed Project Master Pages: A project master sheet is included for each project. These project masters provide key information such as the expected timeline, prioritization, and a narrative project description. A map and/or pictures have been included where appropriate.

Projects included in the CIP have anticipated costs of at least $20,000 over the next five years. These projects also have a useful life of more than one year. Looking ahead to the costs and funding sources for these more financially draining items provides assurance that the necessary projects can be completed with minimal impact on the City's overall financial stability. Items or projects with a shorter life span and/or cost are not included in the CIP, but are incorporated into the City's annual budgeting process.

The CIP includes projects for the next twenty years. Funding for projects has been considered for only the first five years of the CIP due to unknown price escalators and fluctuations in revenue source levels and available grants. It is also likely that some projects in the out years will change in scope, be advanced or delayed time wise, and new projects added. Identifying the projects in the latter fifteen years allows staff to monitor the coming needs, accrue funds to offset the costs and stagger upcoming projects accordingly. Projects that were in-progress at the beginning of the five year period contain details of the costs spent to date to get a more inclusive cost estimate of each project.

Categories of projects include: land improvements, building and building improvements, major equipment, technology, vehicles and infrastructure.

FINANCIAL SUMMARY

The City organizes all capital expenditures into three funds. These funds are the Capital Replacement Fund, the Vehicle Replacement Fund and the Water & Sewer Capital Replacement Fund. The Capital Replacement Fund is used for the tracking and allocation of resources for all capital projects relating to Administration, Community Development, Public Safety, Road Improvements, and Park Administration for Three Oaks Recreation Area, excluding vehicles. The vehicles relating to these areas are tracked in a separate fund, the Vehicle Replacement Fund. Projects relating to the City's water and sewer services, including drinking water, storm sewers, wastewater, and related vehicles are tracked in the Water & Sewer Capital Replacement Fund. Engineering projects are allocated to the appropriate fund, paired with the construction costs of the project.

Funding

Funding sources have been broken out into seven main categories.

Capital Funding: Specific revenues have been designated to fund capital needs of the City. These include the gas and electric utility taxes, grocery sales tax, and video gaming revenues. The utility taxes are deposited exclusively into the Water and Sewer Capital Replacement Fund. Video gaming revenues and the grocery sales tax are used deposited into for the Capital Replacement Fund. These revenues can be used for any necessary capital projects and have not been allocated to any specific project at this time.

General Funding: The City's operating budget has been designed to generate an operational surplus to support capital needs. Transfers from the City's General Fund provide critical funding for the City's CIP each year, supplementing where the capital funding falls short.

Water & Sewer Funding: Similar to the General Fund, the Water and Sewer Operation Fund budget produces an operational surplus to provide for capital funding. Funds are transferred annually to support capital projects as available after operational and debt service needs have been met, net of any capital revenue receipts.

Motor Fuel Tax Funding: The City receives an allocation of the State of Illinois' Motor Fuel Tax. This allocation provides critical funding for operational expenditures such as road salt and capital needs such as road reconstructions.

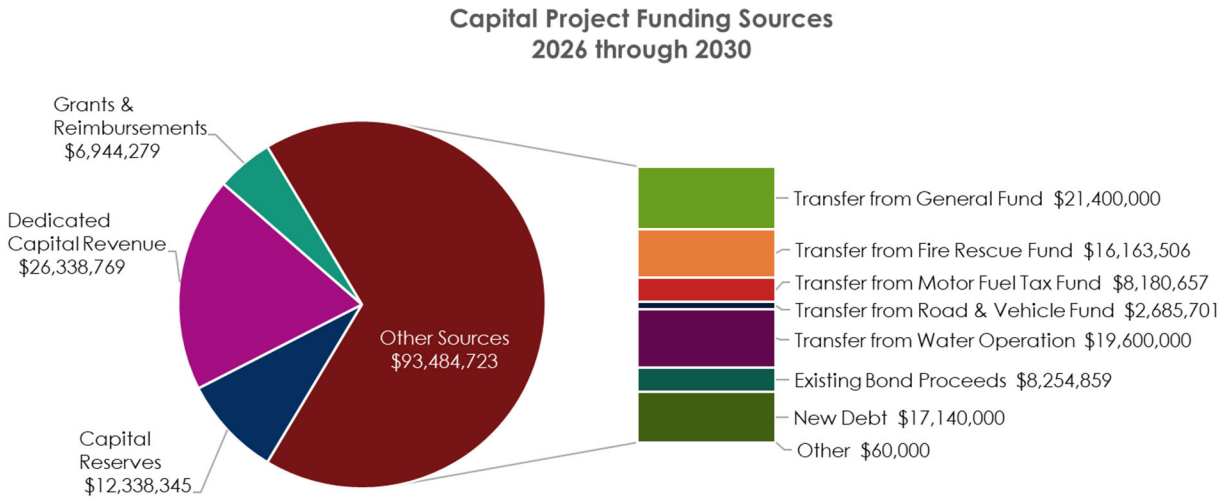
Grant Funds: The City applies for all identified relative grant opportunities, including Federal, State, and other agencies. These grant funds are necessary for successfully

completing the high volume of projects without financially constraining the funds of the City.

Bonds & Loans: Some projects require a more significant outlay of funds over a short period of time, such as large-scale improvements to the City's water and sewer system infrastructure. In these cases, the City has identified low-interest loans or general obligation bond issuances to provide the necessary funding upfront and spread the cost of the project over the useful life of the resulting asset.

Other Funding: This category is used for reimbursements and contributions from outside agencies for specific projects, excluding grant opportunities.

The CIP includes projects totaling $138.6 million over the next five years; the total increases to $434.8 million for the twenty year time period. Cost estimates have been carefully considered, including inflationary expectations over the short-term period. For the twenty year cost estimates, no inflationary increases have been applied beyond the five year mark to allow for consistency and comparability. Those projects will receive escalators as they shift from the long-term project listing into the short-term.



As can be seen above, dedicated capital revenue offsets about 19% of the anticipated capital needs of the next five years. Grant funds are expected to provide about 5%, but the City will continue to investigate additional grant opportunities as they become available. Having a diversity of revenue sources is essential to providing stability in financing.

Transfers from operating funds are a critical funding source for capital. These transfers make up $68 million of total funding, about 49%. Capital reserves, built up over the last several years, are slated to be intentionally drawn down by $12.3 million, which is about 9% of the funding. Having these reserves allows the City to complete the majority of projects without taking on debt,

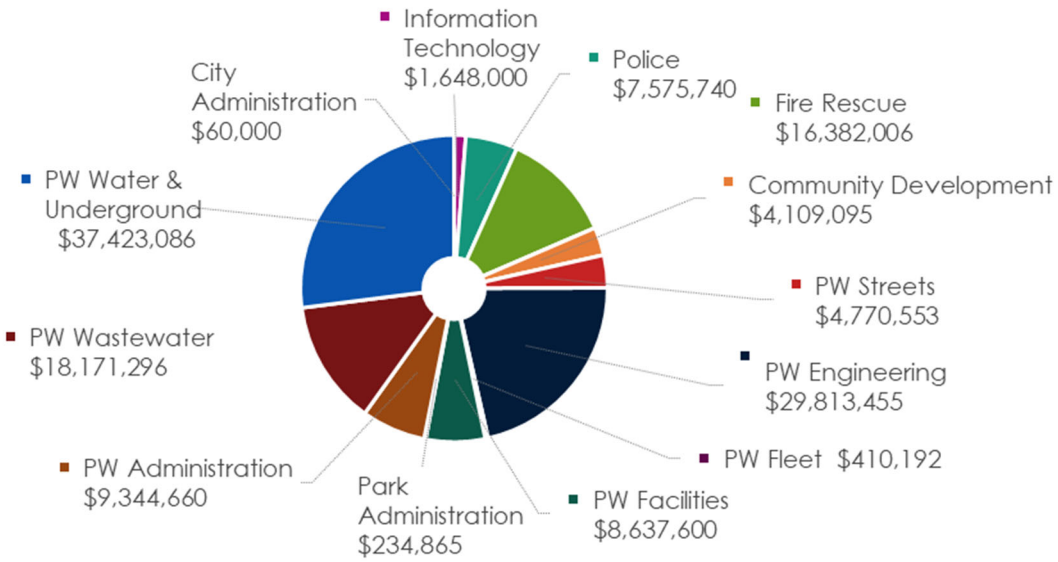
avoiding finance charges, and reserving debt capacity for future needs or emergencies. The City has included potential new debt for large, critical water and sewer capital needs of the next five years in the amount of $17.1 million.

Projects by Department

One way to organize the projects in the Capital Improvement Plan is by the department, and in the case of Public Works, the division responsible for the projects. This provides a perspective on the origin and nature of the projects.

First Five Years
While the City has collected twenty years of projects, the first five years are the focus for funding, time allocation and attention. Project costs over the next five years are anticipated as follows:

Total Capital Projects
Five Year Period
2026 – 2030



Within the Public Works Department, three divisions are included in the Water & Sewer Capital Replacement Fund. Water and Underground accounts for all the capital needs of providing drinking water, Wastewater is for the removal and treatment of wastewater and finally, Public Works Administration includes storm water management and related engineering costs. The projects for the Water & Sewer Capital Fund currently make up the majority of costs in the CIP at 47% with $65 million in projects. Lead service line replacements are the highest at $20.5 million, but this also takes into consideration funding needs for the replacements beyond the CIP. The next largest projects are two new deep wells, for a combined total of $18.6 million.

Additional requests are included for items such as water tower painting, treatment plan improvements, water meter replacement program and water main improvements.

In this period, the largest portion is expected to be the Water and Underground Division of Public Works with $37.4 million in projects (27%). Major projects in this area include lead service line replacements ($10 million), improvements to Water Treatment Plant #1 (5.3 million), water tower and tank painting ($4.3 million), completion of the water meter replacement project ($4 million remaining for 2026), and water main replacements ($3 million).

General (PW) Engineering projects have the next largest allocation with $29.8 million (21.50%) of the next five years. The highest ongoing project amount is the Engineering Annual Program with $2.8M to $3.2M each year, covering paving, sidewalk and curb concrete replacements, pedestrian improvements, and other items. Another large project included under Engineering is construction of a traffic signal at Main Street and Liberty Road for $1.9 million in the next five years; work has already begun in 2025 and is expected to be completed in 2028. Examples of other projects include roadway improvements, pedestrian and bicyclist improvements throughout the community.

Wastewater projects account for 13% with $18.2 million in projects through 2030. In recent years, the Wastewater Division has completed several large projects, allowing for a shift in funding priority to the Water & Underground Division. The largest request is for $12.7 million to remove phosphorus from wastewater, involving disk filters, primary and secondary clarifiers, tertiary filter makeup units and raw pump replacements. Other projects include generator and control panel replacements, pump station reconstruction and rehabilitations, force main lining and a variety of other projects.

The Fire Rescue Department identified $4.1 million in needs, which is 12% of the five year total. Fire vehicles represent the majority of the requests at $14.2 million. This is comprised of $2.6 million for ambulances, $6.1 million for pumpers, $2.6 million for a tactical squad vehicle and $2.0 million for a ladder truck. The remaining $0.9 million is for specialty and command vehicles. Non-vehicle requests total $2.1 million, with the largest request $1.2 million for replacement Starcom radios.

Engineering projects relating specifically to storm water in PW Administration account for 6.7% of the five year projects with $9.3 million. The largest project in this group is the re-establishment of Crystal Creek at $5.7 million; fortunately, the City anticipates receiving grant funds in excess of $2 million to help offset these costs. The next largest project in this group is spot storm sewer improvements for the Country Club Subdivision at $1.8 million. The City has also planned for various smaller drainage improvements through the community, Lake Avenue culvert, and a detention basin.

The Facilities division of Public Works requests represent 6.2% of the five year total at $8.6 million. Significant requests include the remodel of the Police Department, along with a relocation of Information Technology to an alternate area of the building ($2.2 million) and the remodeling of Fire Station #3 ($1.7 million). The Facilities division is responsible for building improvements for all of City Hall and a few other City facilities.

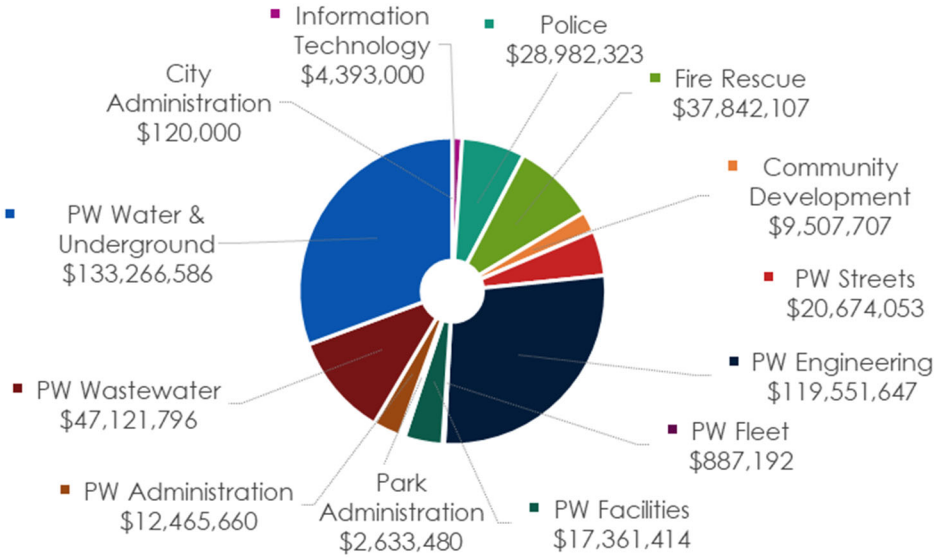
Police Department requests represent 5.5% of the five year total at $7.6 million. Body worn cameras, mandated by law, are the most costly item at $1.55 million, followed by Starcom radio replacements at $0.81 million. Other projects include interior camera replacements, taser replacements and several smaller items.

The remaining department submittals represent small segments of the five year plan at less than 5% each. PW Streets has $4.78 million in requests for the five years, with $4.1 being for vehicle replacements. Community Development projects total $4.0 million for five years, focusing on the completion of Depot Park ($2.18 million remaining), downtown streetscape replacements ($1.15 million), enhancements to North Main and public place improvements at the intersection of Gates and Main. Information Technology has several small projects, such as building security updates and computer/server replacements. City Administration and Park Administration (Three Oaks Recreation Area) have a few small projects proposed for the next five years.

Total Twenty Years

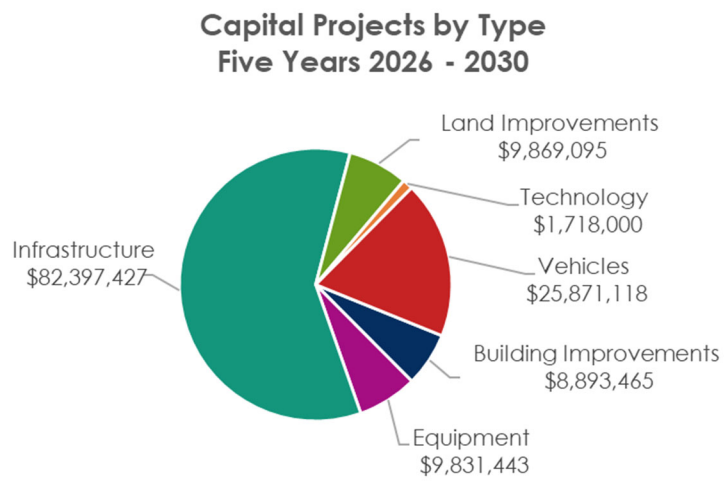
Looking at the projects included for the next twenty years, the distribution is similar to that of the five year projections. PW Water & Underground retains the highest percentage of the total (30.6%), followed by PW Engineering (27.5%) and PW Wastewater (10.8%). Fire Rescue (8.7%) and Police (6.7%) have the next largest distributions, primarily due to vehicle replacement needs. Details on all requested amounts over the 20 year period are available in the project detail sheets section of full Capital Improvement Plan.

Total Capital Projects
Twenty Year Period
2026 – 2045



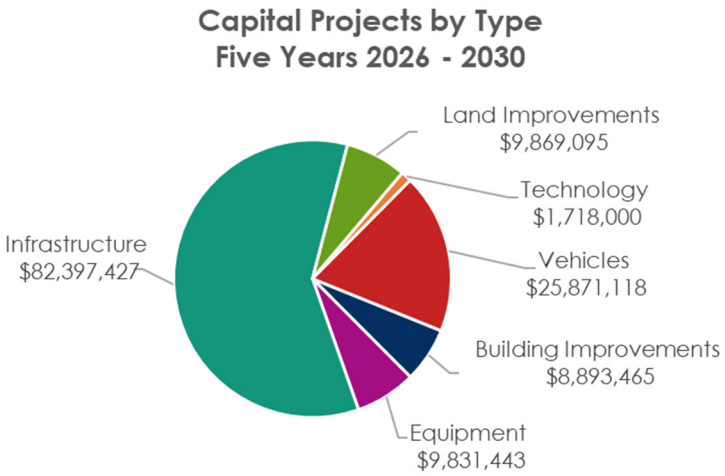
Projects by Type

Projects are grouped by type to illustrate the nature of projects being completed from an organizational standpoint. This allows the reader to visualize how the funding is being spent, regardless of which department is managing the project.



The infrastructure category holds the largest percentage of projects with 59% of the anticipated project costs included in the first five years. Within the infrastructure category, $52.5 million of the projects (64%) relate to the water and sewer system infrastructure. The next largest grouping is vehicles with 19%. Land improvements and equipment account for 7% each. Building improvements represent 6% and technology items are 1%.

Shifting to a twenty year perspective, infrastructure retains the highest percentage of costs with $255 million in projects (59%). Vehicles remain high as well, with almost $80 million in expenses (18%). Equipment represents 6% for the twenty-year period, followed by land improvements (4%), building improvements (3%) and technology (1%).



A new category for the twenty year projects is "long term improvements" which is reserved for projects that begin after the five year period and have not been grouped into a specific category. These projects will be refined as their start dates approach the five year period. This category has 10% of the twenty-year total at $43 million. Additional information on these projects, as well as all the others, are provided in the project detail section of the full Capital Improvement Plan.

A variety of vehicles are included in the CIP, ranging from large heavy duty trucks and fire engines to smaller administration car and squads. Starting in 2019, the City began leasing a significant portion of the fleet. At that time, the leasing option was attractive due to government discounts, availability of vehicles, facilitation in turning over vehicles and stabilizing annual payment levels. In the past few years, the pricing and availability of purchasing vehicles has changed drastically. The City has shifted away from leasing as the primary funding mechanism for vehicles and has been purchasing recent vehicles directly, saving on interest and

administrative costs. Going forward, the City will evaluate each upcoming vehicle acquisition to determine the best financing tool, outright purchase or lease, based on available resources, cost of financing and the ability to fulfill vehicle orders.

DEFERRED PROJECTS

During the capital planning process, all projects are reviewed for necessity, value added to the community, timing and cost projections. Due to limited available funding, or in some cases, lack of sufficient information, projects may be added to a deferred list. The following projects will be considered for funding consideration in future capital plans as additional details are obtained and/or funding becomes available.

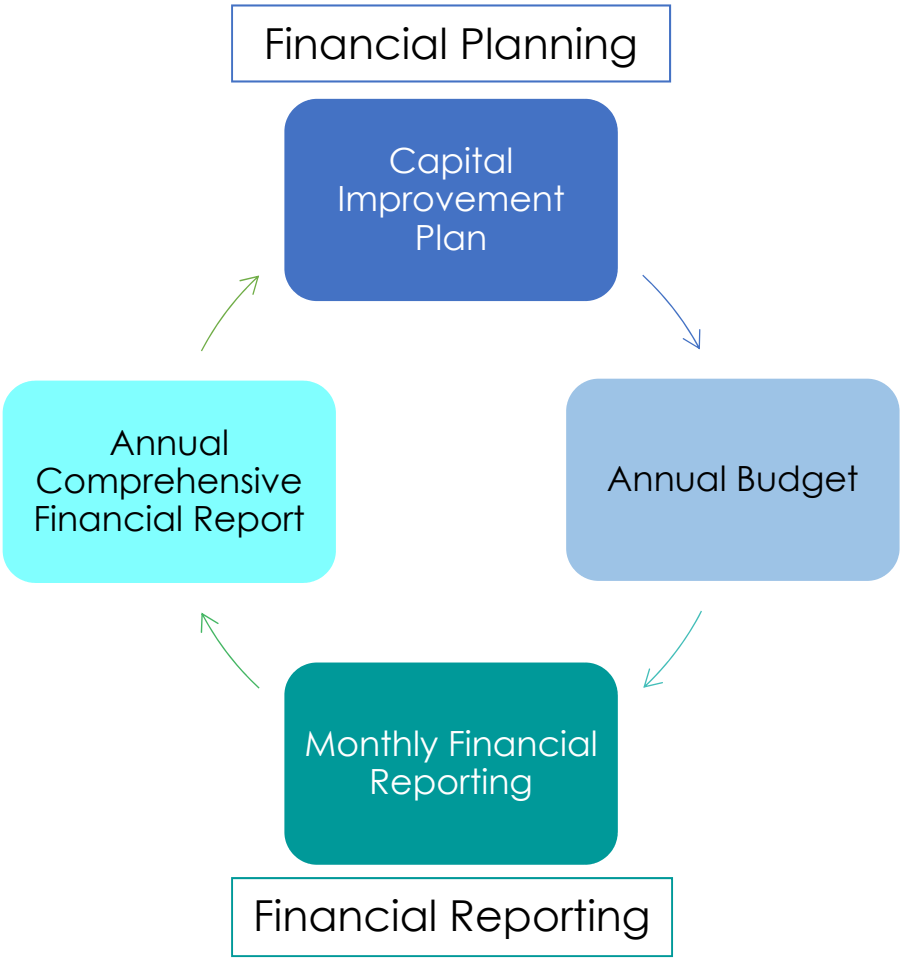
Project	Lead Department	Reason for Deferral
Public Place: Railroad Street	Community Development	Funding Source & Further Project Evaluation
Three Oaks Amphitheater	Park Administration	Funding Source & Further Project Evaluation
Three Oaks Parking Lot Expansion	Park Administration	Funding Source
Three Oaks Pavilion Addition	Park Administration	Funding Source & Further Project Evaluation
Three Oaks Trail Enhancements	Park Administration	Funding Source & Further Project Evaluation
Route 14 Beautification	Public Works Engineering	Funding Source
Vehicle Storage Solution	Public Works Facilities	Funding Source & Design Specifications
Fire Station 1 Office Reconfiguration	Public Works Facilities	Funding Source & Further Project Evaluation
Fire Station 2 Construction	Public Works Facilities	Funding Source & Further Project Evaluation
Municipal Roof Replacement	Public Works Facilities	Funding Source & Further Project Evaluation
Northwest Area Sanitary Forcemain	Public Works Water & Sewer	Funding Source & Further Project Evaluation*

**Northwest Area Sanitary Forcemain would be installed dependent on development plans and formation of a special service area for funding.*

PROCESS

The CIP is one component of the City's financial planning cycle. The financial planning cycle begins with the capital improvement planning aspect, the CIP, which is then incorporated into the annual budget. The City reviews the capital plan continually while making necessary adjustments to projects which require priority funding and attention. Examples of other adjustments are to the timing of projects, estimate costs, or removal of a project that is no longer relevant. Staff from all departments collaborate on prioritizing the projects for the betterment of the City, sharing resources or deferring projects as necessary.

The capital review is performed in concert with review of budgetary results, which determine available funding for projects. Financial reporting is done monthly and annually. Monthly reports are provided from all departments to review progress on operations and on capital projects, while also analyzing available resources. Each year, the City publishes the Annual Comprehensive Financial Report (ACFR), summarizing the financial performance of the fiscal year. The ACFR is a resulting product of the annual independent audit.



CLOSING REMARKS

According to the Government Finance Officers of America (GFOA), governments should *develop a viable overall multi-year financing plan covering the multi-year period of the capital plan to ensure that the proposed capital plan is achievable within expected available resources. Financing strategies should align with expected project requirements while sustaining the financial health of the government.*

The City anticipates annual updates to the CIP, moving forward with scheduled projects as funds and necessity allow. Projects will be added, revised, or removed as necessary. The report is presented in a graphic "at a glance" format to make the volume of information more easily understood. Long-range investment planning allows for better resource management, as funds can be set aside to fund higher cost items, such as a major water main replacement. An effective CIP allows staff to focus time and resources on what is needed in the short term without losing perspective of the bigger picture. City officials and staff can make informed decisions with knowledge of future demands.

CIP FINANCIAL IMPACT STATEMENTS

Long-range forecasting for capital expenditures is a critical component of responsible financial planning. Detailing projects in the coming year, as well as in the near future, allows for funding sources to be identified, staggering projects or reassigning specific revenue sources if necessary.

One step in this process is to analyze the impact the CIP as written will impact the finances of the City. Capital expenditures compete with City funding sources for operational and debt expenditure needs. While the CIP is a plan for the future and does not guarantee all the included projects will be funded as designed, the financial impact provides key information as to the ability of identified revenues to sustain the capital plan. The City records capital expenditures in three funds: the Capital Replacement Fund, Vehicle Replacement Fund and the Water & Sewer Capital Replacement Fund.

Capital Replacement Fund

The Capital Replacement Fund is used for all capital excluding governmental vehicles, water, sewer, storm water and wastewater projects. Types of projects in the Capital Replacement Fund include items such as capital needs for Police and Fire Rescue, Park Administration for Three Oaks Recreation Area, City facilities, and roadway improvements.

Capital Replacement Fund					
	Fiscal Year 2026	**Fiscal Year 2027**	**Fiscal Year 2028**	**Fiscal Year 2029**	**Fiscal Year 2030**
Estimate Beg. Fund Balance	$ 14,825,987	$ 8,115,079	$ 7,268,268	$ 7,749,233	$ 5,530,537
Add:					
Direct Revenues	2,391,538	2,437,789	2,484,965	2,533,084	2,582,165
Grants and Reimbursements	953,635	630,000	1,500,000	1,800,000	-
Transfers In / Other Revenue	7,373,459	4,242,000	4,385,000	3,931,000	3,410,000
Less:					
Non-CIP Expenditures	(39,550)	(11,000)	(11,500)	(12,000)	(12,500)
Available Resources for CIP	$ 25,505,069	$ 15,413,868	$ 15,626,733	$ 16,001,317	$ 11,510,202
CIP Expenditures					
Building Improvements	$ 4,290,160	$ 980,000	$ 231,000	$ 1,735,580	$ 1,401,725
Equipment	2,658,443	1,009,000	1,129,000	738,000	667,000
Infrastructure	6,821,292	4,981,600	6,197,500	7,660,200	4,279,900
Land Improvements	2,802,095	600,000	250,000	267,000	250,000
Technology	818,000	575,000	70,000	70,000	135,000
Total CIP	$ 17,389,990	$ 8,145,600	$ 7,877,500	$ 10,470,780	$ 6,733,625
Estimate End. Fund Balance	$ 8,115,079	$ 7,268,268	$ 7,749,233	$ 5,530,537	$ 4,776,577
Restrictions/Assignments	(28,935)	(8,157)	(7,889)	(10,483)	(6,746)
Estimate Available Ending Fund Balance	$8,086,144	$7,260,111	$7,741,344	$5,520,054	$4,769,831

As the chart above shows, the current financial plan has sufficient revenue sources to support the entirety of requests identified in the five year portion of the CIP without fully draining the reserves of the fund. Ideally, this fund should maintain a minimum of $3 -$5million in reserves.

Per the City's fund balance reserve policy, any operational surplus above the target range for General Fund is transferred to the City's capital funds as advance funding. This allows the City to pay for projects, big and small, without issuing debt. Using this methodology, the debt burden is minimized, saving debt capacity for emergencies, economic downturns or future large projects without burdening future generations. Recent examples of large projects paid fully with reserves are the full-length trail around Three Oaks Recreation Area and the in-progress Depot Park renovations. Each year, the City will prioritize the most important and impactful projects to align with available revenue sources.

Vehicle Replacement Fund

All non-water and sewer related vehicles are slated for replacement from the Vehicle Replacement Fund. A separate fund allows for better prioritization and preservation of funding for critical fleet purchases. The City currently maintains over $19 million in governmental vehicles and major equipment. Vehicle replacements are staggered based on condition of vehicles, availability of replacements and type of vehicle.

Vehicle Replacement Fund					
	Fiscal Year 2026	**Fiscal Year 2027**	**Fiscal Year 2028**	**Fiscal Year 2029**	**Fiscal Year 2030**
Estimate Beg. Fund Balance	$ 7,483,512	$ 5,947,690	$ 6,593,706	$ 6,509,011	$ 7,389,286
Add:					
Direct Revenues	-	-	-	-	-
Grants and Reimbursements	-	-	-	-	-
Transfers In / Other Revenue	7,586,918	2,659,804	6,405,694	3,112,300	2,883,689
Less:					
Non-CIP Expenditures	(187,417)	(85,130)	(13,879)	(6,076)	-
Available Resources for CIP	$ 14,883,013	$ 8,522,364	$ 12,985,522	$ 9,615,235	10,272,975
CIP Expenditures					
Vehicles	$ 8,935,323	$ 1,928,658	$ 6,476,511	$ 2,225,949	3,457,570
Total CIP	$ 8,935,323	$ 1,928,658	$ 6,476,511	$ 2,225,949	3,457,570
Estimate Available End. Fund Balance	$ 5,947,690	$ 6,593,706	$ 6,509,011	$ 7,389,286	6,815,405

Water & Sewer Capital Replacement Fund

The third capital fund of the City is the Water & Sewer Capital Replacement Fund. This fund includes all capital projects relating to water, sewer, wastewater and storm water services. Vehicles relating to these services are also recorded in this fund. Revenue sources are limited and are derived primarily from operational revenues, grants, bond issuances and low-interest loans. The category of "Transfers In" includes funding from Water & Sewer Operations, proceeds from prior bond issuances held in the Water & Sewer project funds and $500,000 per year from the General Fund to provide funding for a lead service line replacement grant for homeowners.

Water & Sewer Capital Replacement Fund					
	Fiscal Year 2026	**Fiscal Year 2027**	**Fiscal Year 2028**	**Fiscal Year 2029**	**Fiscal Year 2030**
Estimate Beg. Cash Balance	$ 8,220,483	$ 5,559,359	$ 7,533,539	$ 7,566,626	$ 8,364,066
Add:					
Direct Revenues	2,714,927	2,784,349	2,793,808	2,803,305	2,812,839
Grants and Reimbursements	-	2,060,644	-	-	-
Transfers In / Other Revenue	11,889,000	17,505,859	9,500,000	4,500,000	4,100,000
Less:					
Non-CIP Expenditures	(61,473)	(54,035)	(17,661)	(13,347)	-
Available Resources for CIP	$ 22,762,937	$ 27,856,175	$ 19,809,686	$ 14,856,584	$ 15,276,905
CIP Expenditures					
Building Improvements	-	145,000	-	60,000	50,000
Equipment	1,140,000	687,500	190,000	500,000	1,112,500
Infrastructure	11,922,275	16,753,600	11,743,060	5,523,000	6,515,000
Land Improvements	3,100,000	2,600,000	-	-	-
Technology	50,000	-	-	-	-
Vehicles	991,303	136,536	310,000	409,518	999,750
Total CIP	$ 17,203,578	$ 20,322,636	$ 12,243,060	$ 6,492,518	$ 8,677,250
Estimate End. Cash Balance	$ 5,559,359	$ 7,533,539	$ 7,566,626	$ 8,364,066	$ 6,599,655

	CAPITAL PROJECT COSTS							
	FY 2026 Capital Costs	FY 2027 Capital Costs	FY 2028 Capital Costs	FY 2029 Capital Costs	FY 2030 Capital Costs	**Five Year Cost**	Beyond FY 2030	**Twenty Year Cost**
City Administration								
Art Sculpture	50,000	-	-	-	-	**50,000**	-	**50,000**
Office Furniture	-	-	-	-	-	**-**	30,000	**30,000**
Workout Equipment	-	10,000	-	-	-	**10,000**	30,000	**40,000**
Total City Administration	50,000	10,000	-	-	-	**60,000**	60,000	**120,000**
Community Development								
Downtown Streetscape	150,000	250,000	250,000	250,000	250,000	**1,150,000**	50,000	**1,200,000**
North Main Enhancement	60,000	350,000	-	-	-	**410,000**	-	**410,000**
Public Place Depot Park	2,177,095	-	-	-	-	**2,177,095**	-	**2,177,095**
Public Place Plaza Gates & Main	300,000	-	-	-	-	**300,000**	-	**300,000**
Total Community Development	2,687,095	600,000	250,000	250,000	250,000	**4,037,095**	50,000	**4,087,095**
Fire Rescue								
Drone	25,000	-	-	-	-	**25,000**	25,000	**50,000**
Extrication Tools	165,000	-	-	-	-	**165,000**	380,000	**545,000**
Gear Extractor	-	-	-	-	-	**-**	40,500	**40,500**
Power Load Cots	85,000	85,000	-	-	-	**170,000**	-	**170,000**
Power Saws	25,000	-	-	-	-	**25,000**	25,000	**50,000**
Safety Trailer	230,000	-	-	-	-	**230,000**	-	**230,000**
Self Contained Breathing Apparatus	-	-	-	-	-	**-**	995,000	**995,000**
Stair Chairs	22,000	22,000	-	-	-	**44,000**	88,000	**132,000**
Starcom Radio Replacement	1,178,601	-	-	-	-	**1,178,601**	1,178,601	**2,357,202**
Turnout Gear	-	-	-	296,000	-	**296,000**	888,000	**1,184,000**
Total Fire Rescue	1,730,601	107,000	-	296,000	-	**2,133,601**	3,620,101	**5,753,702**

	CAPITAL PROJECT COSTS							
	FY 2026 Capital Costs	FY 2027 Capital Costs	FY 2028 Capital Costs	FY 2029 Capital Costs	FY 2030 Capital Costs	**Five Year Cost**	Beyond FY 2030	**Twenty Year Cost**
Information Technology								
Building Security Update	280,000	380,000	-	-	-	**660,000**	580,000	**1,240,000**
Building WIFI Replacement	-	-	-	-	-	**-**	140,000	**140,000**
Capital Software Implementation	100,000	-	-	-	-	**100,000**	-	**100,000**
Chambers AV Replacement	-	-	-	-	-	**-**	300,000	**300,000**
Copier Replacements	-	-	-	-	45,000	**45,000**	45,000	**90,000**
Network Replacements	200,000	-	-	-	-	**200,000**	400,000	**600,000**
PC Annual Replacement	70,000	70,000	70,000	70,000	70,000	**350,000**	1,050,000	**1,400,000**
Phone System Upgrade	20,000	125,000	-	-	-	**145,000**	100,000	**245,000**
License Programming	48,000	-	-	-	-	**48,000**	-	**48,000**
Website Upgrade	100,000	-	-	-	-	**100,000**	130,000	**230,000**
Total Information Technology	818,000	575,000	70,000	70,000	115,000	**1,648,000**	2,745,000	**4,393,000**

	CAPITAL PROJECT COSTS							
	FY 2026 Capital Costs	FY 2027 Capital Costs	FY 2028 Capital Costs	FY 2029 Capital Costs	FY 2030 Capital Costs	**Five Year Cost**	Beyond FY 2030	**Twenty Year Cost**
Park Administration								
Air Conditioning Units	-	-	-	-	-	**-**	30,000	**30,000**
Brick Tuckpointing	-	-	-	-	-	**-**	50,000	**50,000**
Cedar Staining	-	-	-	-	52,865	**52,865**	52,865	**105,730**
Dock Repairs	-	-	-	-	-	**-**	300,000	**300,000**
Entrance Gates	-	-	-	-	-	**-**	125,000	**125,000**
Island Bridge	-	-	-	-	-	**-**	150,000	**150,000**
Island Updates	-	-	-	-	-	**-**	28,750	**28,750**
Lake Loop Trail	-	-	-	-	-	**-**	250,000	**250,000**
Parking Lot Resurface	-	-	-	-	-	**-**	750,000	**750,000**
Playground Surface	-	-	-	-	-	**-**	180,000	**180,000**
Railing Repairs	-	-	-	50,000	-	**50,000**	-	**50,000**
Roof Replacements	-	-	-	-	-	**-**	75,000	**75,000**
Row Boat Replacements	10,000	10,000	50,000	10,000	10,000	**90,000**	150,000	**240,000**
Splash Pad Surface	15,000	-	-	17,000	-	**32,000**	85,000	**117,000**
Tractor	-	-	-	-	-	**-**	75,000	**75,000**
Unit Heaters	-	-	-	-	-	**-**	60,000	**60,000**
Utility Tractor	-	-	-	-	-	**-**	27,000	**27,000**
Water Heater Replacements	-	-	10,000	-	-	**10,000**	10,000	**20,000**
	25,000	10,000	60,000	77,000	62,865	**234,865**	2,398,615	**2,633,480**

	CAPITAL PROJECT COSTS							
	FY 2026 Capital Costs	FY 2027 Capital Costs	FY 2028 Capital Costs	FY 2029 Capital Costs	FY 2030 Capital Costs	**Five Year Cost**	Beyond FY 2030	**Twenty Year Cost**
Police								
3D Scanners	-	-	-	-	-	**-**	61,800	**61,800**
Automated External Defibrillators	-	-	-	-	-	**-**	78,200	**78,200**
Axon Equipment & Storage	60,607	-	-	-	-	**60,607**	-	**60,607**
Ballistic Shield Replacement	51,500	-	-	-	-	**51,500**	51,500	**103,000**
Camera Replacement	310,000	310,000	310,000	310,000	310,000	**1,550,000**	4,650,000	**6,200,000**
Chair Replacements	20,535	-	-	-	-	**20,535**	20,535	**41,070**
Drone Replacements	-	-	-	-	-	**-**	53,580	**53,580**
Interior Camera Replacement	-	-	340,000	-	-	**340,000**	1,020,000	**1,360,000**
Livescan System Replacement	-	-	-	25,000	-	**25,000**	25,000	**50,000**
Patrol Rifle Replacement	43,200	-	-	-	-	**43,200**	43,200	**86,400**
Radio Replacements	270,000	270,000	270,000	-	-	**810,000**	810,000	**1,620,000**
Street Barriers	-	60,000	-	-	-	**60,000**	120,000	**180,000**
Taser Replacement	97,000	97,000	97,000	97,000	97,000	**485,000**	1,455,000	**1,940,000**
	852,842	737,000	1,017,000	432,000	407,000	**3,445,842**	8,388,815	**11,834,657**
Public Works Engineering								
Annual Concrete Program	566,500	583,500	601,000	619,000	637,500	**3,007,500**	9,562,500	**12,570,000**
Annual Pavement Program	2,316,000	2,386,600	2,458,500	2,531,700	2,606,400	**12,299,200**	39,096,000	**51,395,200**
Brink Street Pedway	168,000	-	-	-	-	**168,000**	-	**168,000**
Crystal Lake Ave at Walkup Roundabout	-	-	300,000	2,050,000	-	**2,350,000**	-	**2,350,000**
Gateway Sign Replacements	10,000	10,000	10,000	-	-	**30,000**	20,000	**50,000**
IDOT Route 31 Improvements	225,000	-	-	-	-	**225,000**	-	**225,000**
Intersection Improvements	-	-	-	-	-	**-**	12,100,000	**12,100,000**
Main Street at Liberty Drive	47,000	-	1,875,000	-	-	**1,922,000**	-	**1,922,000**
Parking Lot Resurface Alexandra	-	175,000	-	-	-	**175,000**	-	**175,000**
Pavement Condition Assessment	150,000	-	-	-	-	**150,000**	150,000	**300,000**
Pedestrian Improve. on Oak Street	292,100	-	-	-	-	**292,100**	-	**292,100**
Pingree & Grandview	225,000	700,000	-	-	-	**925,000**	-	**925,000**
Prairie Trail Connections	55,000	-	-	-	-	**55,000**	-	**55,000**
Prairie Trail Crossing	60,000	-	-	-	-	**60,000**	-	**60,000**
Route 14 Street Light Upgrades	-	100,000	-	-	-	**100,000**	-	**100,000**

	CAPITAL PROJECT COSTS							
	FY 2026 Capital Costs	FY 2027 Capital Costs	FY 2028 Capital Costs	FY 2029 Capital Costs	FY 2030 Capital Costs	**Five Year Cost**	Beyond FY 2030	**Twenty Year Cost**
Public Works Engineering (Continued)								
Route 14 Underpass Rehabilitation	30,000	350,000	-	-	-	**380,000**	-	**380,000**
Route 176 @ Railroad Crossing	150,000	-	-	-	-	**150,000**	-	**150,000**
Route 176 & Terra Cotta Rd. Improve.	-	-	350,000	-	-	**350,000**	5,400,000	**5,750,000**
Route 31 at Three Oaks Intersection	-	500,000	-	-	-	**500,000**	5,000,000	**5,500,000**
Spot Pedestrian & Bicyclist Improve.	100,000	125,000	150,000	175,000	200,000	**750,000**	3,000,000	**3,750,000**
Three Oaks/Lutter/Sands	1,446,692					**1,446,692**	-	**1,446,692**
Traffic Signal Replacement	650,000	-	400,000	2,180,000	630,000	**3,860,000**	9,980,000	**13,840,000**
Virginia Street Corridor	30,000	-	-	-	150,000	**180,000**	1,500,000	**1,680,000**
Virginia Street Luminaries	250,000	-	-	-	-	**250,000**	-	**250,000**
Engineering Long-Term Projects	-	-	-	-	-	**-**	675,000	**675,000**
	6,771,292	4,930,100	6,144,500	7,555,700	4,223,900	**29,625,492**	86,483,500	**116,108,992**
Public Works Facilities								
Cold Storage Floor Installation	-	220,000	-	-	-	**220,000**	-	**220,000**
Fleet Garage Heater	389,160	-	-	-	-	**389,160**	-	**389,160**
Garage Floor Replacement	515,000	530,000	-	-	-	**1,045,000**	-	**1,045,000**
Garage Floor Scrubber	-	-	52,000	-	-	**52,000**	52,000	**104,000**
Garage Unit Heater Replace.	-	-	-	-	500,000	**500,000**	200,000	**700,000**
Lighting Replacement Fleet	-	25,000	-	-	-	**25,000**	-	**25,000**
Overhead Door Rehabilitation	20,000	20,000	20,000	20,000	20,000	**100,000**	160,000	**260,000**
Overhead Door Safety Improve.	28,000	-	-	-	-	**28,000**	-	**28,000**
Women's Locker Room Update	30,000	-	-	-	-	**30,000**	-	**30,000**
Public Works Long Term Facility Needs	-	-	-	-	-	**-**	1,385,000	**1,385,000**
Total PW Facilities & Fleet	982,160	795,000	72,000	20,000	520,000	**2,389,160**	1,797,000	**4,186,160**

	CAPITAL PROJECT COSTS							
	FY 2026 Capital Costs	FY 2027 Capital Costs	FY 2028 Capital Costs	FY 2029 Capital Costs	FY 2030 Capital Costs	**Five Year Cost**	Beyond FY 2030	**Twenty Year Cost**
PW Facilities: Fire								
Fire Facility Study	100,000	-	-	-	-	**100,000**	-	**100,000**
Stn 1: Apparatus Bay Heating	250,000	-	-	-	-	**250,000**	-	**250,000**
Stn 1: Bay Door Replacement	-	-	-	-	200,000	**200,000**	-	**200,000**
Stn 3: Bay Door Replacement	-	-	-	-	100,000	**100,000**	-	**100,000**
Stn 3: HVAC Replacement	450,000	-	-	-	-	**450,000**	-	**450,000**
Stn 3: Remodel	1,700,000	-	-	-	-	**1,700,000**	-	**1,700,000**
Stn 4: Bunkroom Walls	25,000	-	-	-	-	**25,000**	-	**25,000**
Stn 4: Conference Room Conversion	30,000	-	-	-	-	**30,000**	-	**30,000**
Stn 4: Exterior Lighting Upgrade	-	-	20,000	-	-	**20,000**	-	**20,000**
Stn 4: Interior Painting	-	-	25,000	-	-	**25,000**	25,000	**50,000**
Fire Long Term Facility Needs	-	-	-	-	-	**-**	2,270,000	**2,270,000**
Total Facilities: Fire	2,555,000	-	45,000	-	300,000	**2,900,000**	2,295,000	**5,195,000**
PW Facilities: Depot								
Downtown Depot Improvements	15,000	35,000	15,000	15,000	15,000	**95,000**	380,000	**475,000**
Facilities: Depot	15,000	35,000	15,000	15,000	15,000	**95,000**	380,000	**475,000**
PW Facilities: Municipal Center								
Council Chambers Renovation	-	150,000	-	-	-	**150,000**	-	**150,000**
Facility Master Plan Update	75,000	-	-	-	-	**75,000**	15,000	**90,000**
Fire Sprinkler Updates	50,000	-	-	-	-	**50,000**	-	**50,000**
Restroom Renovation	90,000	-	-	-	-	**90,000**	-	**90,000**
Skylight Removal	50,000	-	-	-	-	**50,000**	-	**50,000**
Municipal Center Long-Term Needs	-	-	-	-	-	**-**	2,860,000	**2,860,000**
Total Facitilies: Municipal Center	265,000	150,000	-	-	-	**415,000**	2,875,000	**3,290,000**

	CAPITAL PROJECT COSTS							
	FY 2026 Capital Costs	FY 2027 Capital Costs	FY 2028 Capital Costs	FY 2029 Capital Costs	FY 2030 Capital Costs	**Five Year Cost**	Beyond FY 2030	**Twenty Year Cost**
PW Facilities: Police								
Lunchroom Improvements	70,000	-	-	-	-	**70,000**	-	**70,000**
Paint and Flooring Replacement	-	-	151,000	89,000	-	**240,000**	-	**240,000**
Police & IT Renovation	115,000	-	-	1,611,580	513,860	**2,240,440**	-	**2,240,440**
Sally Port Door Replacement	35,000	-	-	-	-	**35,000**	-	**35,000**
Vehicle Storage Design	150,000	-	-	-	-	**150,000**	-	**150,000**
Women's Locker Room/Basement	103,000	-	-	-	-	**103,000**	-	**103,000**
Police Long-Term Facility Needs	-	-	-	-	-	**-**	240,000	**240,000**
Total Facilities: Police	473,000	-	151,000	1,700,580	513,860	**2,838,440**	240,000	**3,078,440**
Total PW Facilities	4,290,160	980,000	283,000	1,735,580	1,348,860	**8,637,600**	7,587,000	**16,224,600**
Public Works Fleet								
Bulk Oil Tanks & Pumps	35,000	-	-	-	-	**35,000**	-	**35,000**
Fuel Master Terminal Replace.	30,000	-	-	-	-	**30,000**	30,000	**60,000**
Mobile Column Lift Replacement	-	95,000	-	-	-	**95,000**	95,000	**190,000**
Total PW Fleets	65,000	95,000	-	-	-	**160,000**	125,000	**285,000**
Public Works Streets								
Heavy Equipment Trailer Replacement	-	50,000	-	-	-	**50,000**	-	**50,000**
Loader Snow Blower Replacement	-	-	-	-	250,000	**250,000**	-	**250,000**
McCormick Park Improvements	50,000	-	-	-	-	**50,000**	-	**50,000**
Small Scale In-House Projects	50,000	51,500	53,000	54,500	56,000	**265,000**	840,000	**1,105,000**
Snow Plow Route Optimization	-	-	-	-	20,000	**20,000**	-	**20,000**
Streets Long-Term Capital Needs	-	-	-	-	-	**-**	115,000	**115,000**
Total PW Streets	100,000	101,500	53,000	54,500	326,000	**635,000**	955,000	**1,590,000**
CAPITAL FUND	17,389,990	8,145,600	7,877,500	10,470,780	6,733,625	**50,617,495**	112,413,031	**163,030,526**

	CAPITAL PROJECT COSTS							
	FY 2026 Capital Costs	FY 2027 Capital Costs	FY 2028 Capital Costs	FY 2029 Capital Costs	FY 2030 Capital Costs	**Five Year Cost**	Beyond FY 2030	**Twenty Year Cost**
Public Works Engineering								
Stormwater Projects								
City Hall Detention Basin	-	-	-	150,000	-	**150,000**	1,500,000	**1,650,000**
Country Club Sub. Spot Storm	-	138,600	1,677,060	-	-	**1,815,660**	-	**1,815,660**
Crystal Creek Reestablishment	3,100,000	2,600,000	-	-	-	**5,700,000**	-	**5,700,000**
Drainage Improvements	179,000	100,000	100,000	100,000	100,000	**579,000**	1,500,000	**2,079,000**
Lake Avenue Culvert	-	-	-	100,000	1,000,000	**1,100,000**	-	**1,100,000**
Total Stormwater	3,279,000	2,838,600	1,777,060	350,000	1,100,000	**9,344,660**	3,000,000	**12,344,660**
Public Works Wastewater								
Pump Stations								
Control Panel Replacement	-	-	-	-	80,000	**80,000**	1,150,000	**1,230,000**
Force Main Lining	-	500,000	-	-	-	**500,000**	2,150,000	**2,650,000**
Generator Stn. #21	235,000	-	-	-	-	**235,000**	-	**235,000**
Generator Stn. #23	235,000	-	-	-	-	**235,000**	-	**235,000**
Generator Stn. #24	30,000	235,000	-	-	-	**265,000**	-	**265,000**
Generator Stn. #25	235,000	-	-	-	-	**235,000**	-	**235,000**
Generator Stn. #26	30,000	235,000	-	-	-	**265,000**	-	**265,000**
Portable Generator	-	100,000	-	-	-	**100,000**	475,000	**575,000**
Portable Pump Replacement	-	-	75,000	-	-	**75,000**	245,000	**320,000**
Reconstruction Stn. #6	1,269,275	-	-	-	-	**1,269,275**	-	**1,269,275**
Submersible Pump	-	100,000	-	80,000	150,000	**330,000**	650,000	**980,000**
Pump Station Long-Term	-	-	-	-	-	**-**	5,837,500	**5,837,500**
Total Pump Stns	2,034,275	1,170,000	75,000	80,000	230,000	**3,589,275**	10,507,500	**14,096,775**

	CAPITAL PROJECT COSTS							
	FY 2026 Capital Costs	FY 2027 Capital Costs	FY 2028 Capital Costs	FY 2029 Capital Costs	FY 2030 Capital Costs	**Five Year Cost**	Beyond FY 2030	**Twenty Year Cost**
PW Wastewater Continued								
Treatment Plant #2								
Centrifuge Units Rehabilitation	-	-	85,000	-	-	**85,000**	85,000	**170,000**
Digester 1 Grinder	-	-	-	-	50,000	**50,000**	-	**50,000**
Disk Filter Installation	500,000	4,360,000	-	-	-	**4,860,000**	-	**4,860,000**
Gravity Belt Thickener	375,000	-	-	-	-	**375,000**	-	**375,000**
Headworks MCC Replacement	-	-	-	-	175,000	**175,000**	-	**175,000**
Influent Grinder Replacement	-	-	-	-	40,000	**40,000**	-	**40,000**
Influent Wet Well Rehabilitation	-	-	-	50,000	-	**50,000**	-	**50,000**
Primary & Second. Clarifiers	-	2,330,000	-	-	-	**2,330,000**	-	**2,330,000**
Programmable Logic Controllers	-	-	-	-	70,000	**70,000**	367,500	**437,500**
Raw Pump Replacement	-	500,000	-	110,000	-	**610,000**	-	**610,000**
Roof Replace. Grit Building	-	-	-	-	50,000	**50,000**	-	**50,000**
Roof Replace. Inventory Storage	-	-	-	25,000	-	**25,000**	-	**25,000**
SCADA Server Replacement	-	-	-	-	50,000	**50,000**	150,000	**200,000**
Sludge Grinder Replacement	-	-	-	-	60,000	**60,000**	-	**60,000**
Stationary Generator	-	-	-	-	90,000	**90,000**	1,050,000	**1,140,000**
Tertiary Filter Makeup Air Unit	-	80,000	-	-	-	**80,000**	-	**80,000**
WWTP #2 Long Term Projects	-	-	-	-	-	**-**	10,565,000	**10,565,000**
Total Treatment Plant #2	875,000	7,270,000	85,000	185,000	585,000	**9,000,000**	12,217,500	**21,217,500**

	CAPITAL PROJECT COSTS							
	FY 2026 Capital Costs	FY 2027 Capital Costs	FY 2028 Capital Costs	FY 2029 Capital Costs	FY 2030 Capital Costs	**Five Year Cost**	Beyond FY 2030	**Twenty Year Cost**
PW Wastewater Continued								
Treatment Plant #3								
Disk Filter Installation	-	2,000,000	-	-	-	**2,000,000**	-	**2,000,000**
Final Clarifier Rehabilitation	-	2,750,000	-	-	-	**2,750,000**	-	**2,750,000**
Grit Washer Replacement	-	-	-	65,000	50,000	**115,000**	-	**115,000**
Headworks Bar Screen Rehab	-	-	-	80,000	-	**80,000**	-	**80,000**
Headworks Roof Replacement	-	-	-	35,000	-	**35,000**	-	**35,000**
Headworks Well Rehabilitation	-	-	50,000	-	-	**50,000**	-	**50,000**
Programmable Logic Controllers	-	17,500	-	-	17,500	**35,000**	69,500	**104,500**
SCADA Server Replacement	-	-	-	-	35,000	**35,000**	105,000	**140,000**
Tertiary Filter Makeup Air Unit	-	65,000	-	-	-	**65,000**	-	**65,000**
WWTP #3 Long Term Projects	-	-	-	-	-	**-**	4,135,000	**4,135,000**
Total Treatment Plant #3	-	4,832,500	50,000	180,000	102,500	**5,165,000**	4,309,500	**9,474,500**
Total Wastewater	2,909,275	13,272,500	210,000	445,000	917,500	**17,754,275**	27,034,500	**44,788,775**

	CAPITAL PROJECT COSTS							
	FY 2026 Capital Costs	FY 2027 Capital Costs	FY 2028 Capital Costs	FY 2029 Capital Costs	FY 2030 Capital Costs	**Five Year Cost**	Beyond FY 2030	**Twenty Year Cost**
Public Works Water & Underground								
Production								
Filter Media Replacement	-	-	-	-	40,000	**40,000**	120,000	**160,000**
Improvements Water Plant #1	120,000	200,000	5,000,000	-	-	**5,320,000**	-	**5,320,000**
Improvements Water Plant #3	675,000	-	-	-	-	**675,000**	-	**675,000**
Motor Control Cabinet Plant #4	-	-	30,000	300,000	-	**330,000**	-	**330,000**
Motor Control Cabinet Plant #5	-	-	-	40,000	375,000	**415,000**	-	**415,000**
Water Softner Rehab Plant #5	-	-	-	-	255,000	**255,000**	255,000	**510,000**
Water Tower & Tank Painting	800,000	825,000	850,000	875,000	900,000	**4,250,000**	5,000,000	**9,250,000**
Production Long-Term Projects	-	-	-	-	-	**-**	14,920,000	**14,920,000**
Total Production	1,595,000	1,025,000	5,880,000	1,215,000	1,570,000	**11,285,000**	20,295,000	**31,580,000**
Water Distribution & Collection								
Collection System Analysis	50,000	-	-	-	-	**50,000**	-	**50,000**
Corrosion Control Study	300,000	-	-	-	-	**300,000**	-	**300,000**
Lead Service Line Replace - City	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	**5,000,000**	7,000,000	**12,000,000**
Lead Service Line Replace - Grant	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	**5,000,000**	7,000,000	**12,000,000**
NW Sanitary Force Main	250,000	-	-	-	-	**250,000**	-	**250,000**
Route 31 Sewer and Water Main	800,000	-	-	-	-	**800,000**	-	**800,000**
Sanitary Manhole Lining Program	500,000	500,000	500,000	500,000	500,000	**2,500,000**	7,500,000	**10,000,000**
Sanitary Sewer Lining Program	529,000	550,000	566,000	573,000	590,000	**2,808,000**	8,850,000	**11,658,000**
Water Main Replacement	-	-	1,000,000	1,000,000	1,000,000	**3,000,000**	23,000,000	**26,000,000**
Water Meter Replacement	4,000,000	-	-	-	-	**4,000,000**	10,000,000	**14,000,000**
Distribute/Collect Long-Term	-	-	-	-	-	**-**	-	**-**
Total Distribution & Collection	8,429,000	3,050,000	4,066,000	4,073,000	4,090,000	**23,708,000**	63,350,000	**87,058,000**
Water & Underground	10,024,000	4,075,000	9,946,000	5,288,000	5,660,000	**34,993,000**	83,645,000	**118,638,000**
Vehicles: Water & Sewer								
Public Works Water & Under.	814,107	136,536	310,000	337,693	831,750	**2,430,086**	5,578,500	**8,008,586**
Public Works Wastewater	177,196	-	-	71,825	168,000	**417,021**	1,216,000	**1,633,021**
Total Water & Sewer Vehicles	991,303	136,536	310,000	409,518	999,750	**2,847,107**	6,794,500	**9,641,607**
WATER & SEWER	17,203,578	20,322,636	12,243,060	6,472,518	8,677,250	**64,939,042**	120,474,000	**185,413,042**

	CAPITAL PROJECT COSTS							
	FY 2026 Capital Costs	FY 2027 Capital Costs	FY 2028 Capital Costs	FY 2029 Capital Costs	FY 2030 Capital Costs	**Five Year Cost**	Beyond FY 2030	**Twenty Year Cost**
Vehicles: Governmental								
City Administration	-	-	-	-	-	**-**	-	**-**
Community Development	72,000	-	-	-	-	**72,000**	406,000	**478,000**
Fire Rescue	6,386,918	659,804	4,605,694	1,312,300	1,283,689	**14,248,405**	17,840,000	**32,088,405**
Police	793,471	473,440	1,021,519	563,087	1,278,381	**4,129,898**	12,978,000	**17,107,898**
Public Works Engineering	48,371	50,578	-	37,264	51,750	**187,963**	688,000	**875,963**
Public Works Fleet	51,972	198,220	-	-	-	**250,192**	352,000	**602,192**
Public Works Streets	1,582,591	546,616	849,298	313,298	843,750	**4,135,553**	14,948,500	**19,084,053**
Govt. Vehicles	8,935,323	1,928,658	6,476,511	2,225,949	3,457,570	**23,024,011**	47,212,500	**70,236,511**
Total Project Costs	$ 43,528,891	$ 30,396,894	$ 26,597,071	$19,189,247	$ 18,868,445	**$ 138,580,548**	$ 280,099,531	**$ 418,680,079**

CITY OF CRYSTAL LAKE

ANNUAL BUDGET

FISCAL YEAR 2026

FIVE YEAR FINANCIAL PLAN

INTRODUCTION

The City of Crystal Lake's Five Year Financial Plan (FP) is a long-range planning document designed to forecast trends in revenues and expenditures, identifying potential impacts to financial stability. The first year of the FP is fiscal year 2026, covering the period from January through December 2026 with four additional years of projections through December 2030.

Purpose

Preparing a long-term financial plan is considered a best practice for local governments. According to the Government Finance Officers Association:

> *Beyond the annual budget cycle and multi-year capital plan, governments need to identify long-term financial trends. Long-term financial planning involves projecting revenues, expenses, and key factors that have a financial impact on the organization. Understanding long-term trends and potential risk factors that may impact overall financial sustainability allows the finance officer to proactively address these issues. Going through a long-term financial planning process allows decision makers to focus on long-term objectives, encourages strategic thinking, and promotes overall awareness for financial literacy in an organization. Long-term financial planning creates commitment and motivation to provide a guide for decision-making.*

Funds

The FP includes the City's three major operating funds and three capital funds. The General Fund accounts for the majority of the City's operational activity, including City Administration, Police, Community Development, Information Technology and some divisions of the Public Works Department. The Fire Rescue Fund reports the operational activity of the Fire Rescue Department. The capital needs of these functions are accounted for in the Capital Replacement Fund and the Vehicle Replacement Fund. The final two funds included are the Water & Sewer Operational Fund and the Water & Sewer Capital Fund.

Assumptions

Predicting future revenue flows and expenditure trends is anything but an exact science. Using past history, current market conditions and expert opinions regarding future outlooks all play a part in assembling the long-term data. Major revenues have all been calculated out using their unique patterns and indicators. Capital expenditures have been identified by each project, slated for the fiscal year most appropriate for each project. Operational expenditures have been projected based on industry trends and inflation.

While some operational expenditures have been forecasted on known figures, the following general factors have been applied to categories of expenditures:

Salary & Benefits: 4%	Contractual Services: 2.5-4%
Health Insurance: 5%	Commodities: 2.5 -3%
Public Safety Pension Contributions: 5%	Miscellaneous Expenditures: 3%

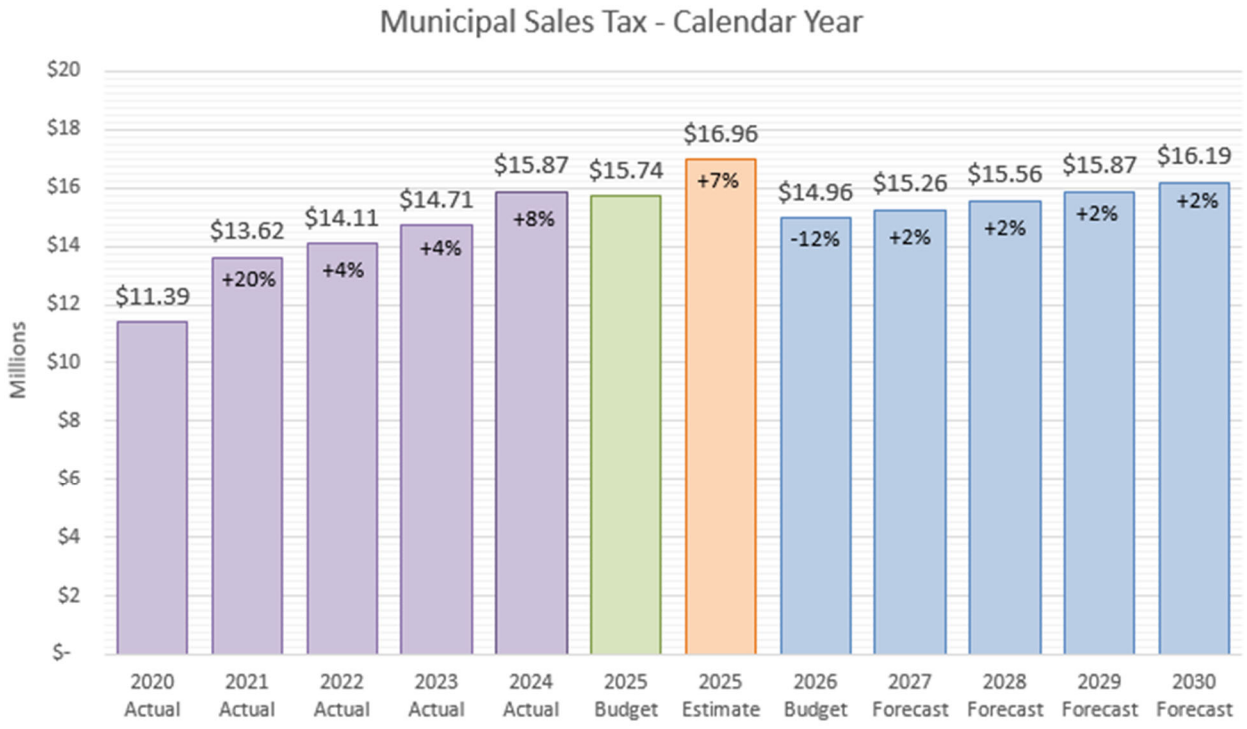
MAJOR REVENUES

The City has a diverse revenue base. This diversity promotes financial stability with insulation from financial market swings. The State Municipal Sales Tax (Sales Tax) is the largest single revenue source the City receives each year. Some other major revenues include the Home Rule Sales Tax and Income Tax.

> *With the change to a calendar fiscal year for 2025, the graphs below have been crafted to show historical data on a calendar year basis instead of the City's prior May to April fiscal years for comparability purposes.*

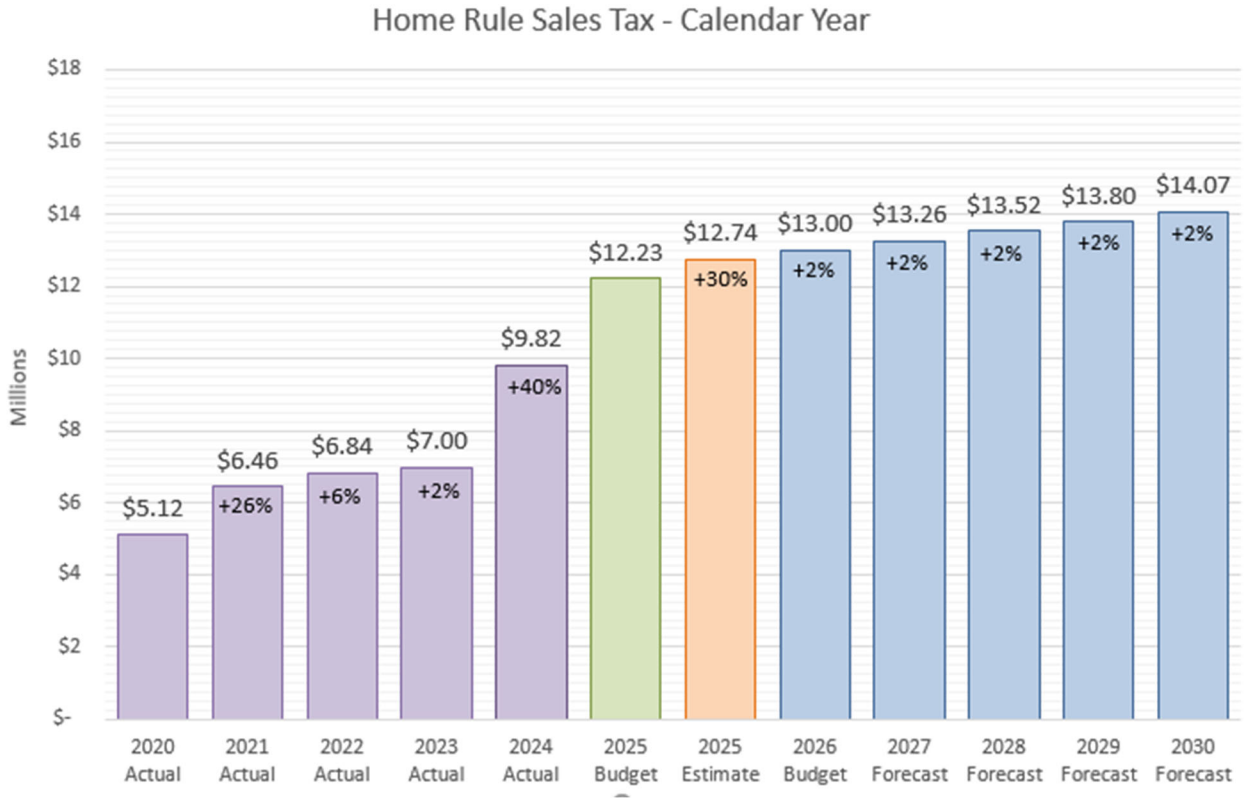
Sales Tax

Each month, the City receives a distribution from the State of Illinois for sales tax collected within Crystal Lake. The State sets a 1% tax rate to share with each municipality. This revenue source can see fluctuations from market conditions, but Crystal Lake's sales tax base includes a strong foundation of everyday items such as clothing and restaurants which cushion swings on luxury items. The sales tax on groceries will be transitioned to an independent capital funding tax starting with 2026, aligning with the change in State law. A 12% decrease (about $2 million) has been factored into the Sales Tax forecast for 2026 to account for the shift of taxes on groceries. Beyond 2026, a 2% conservative increase has been incorporated per year.



Home Rule Sales Tax

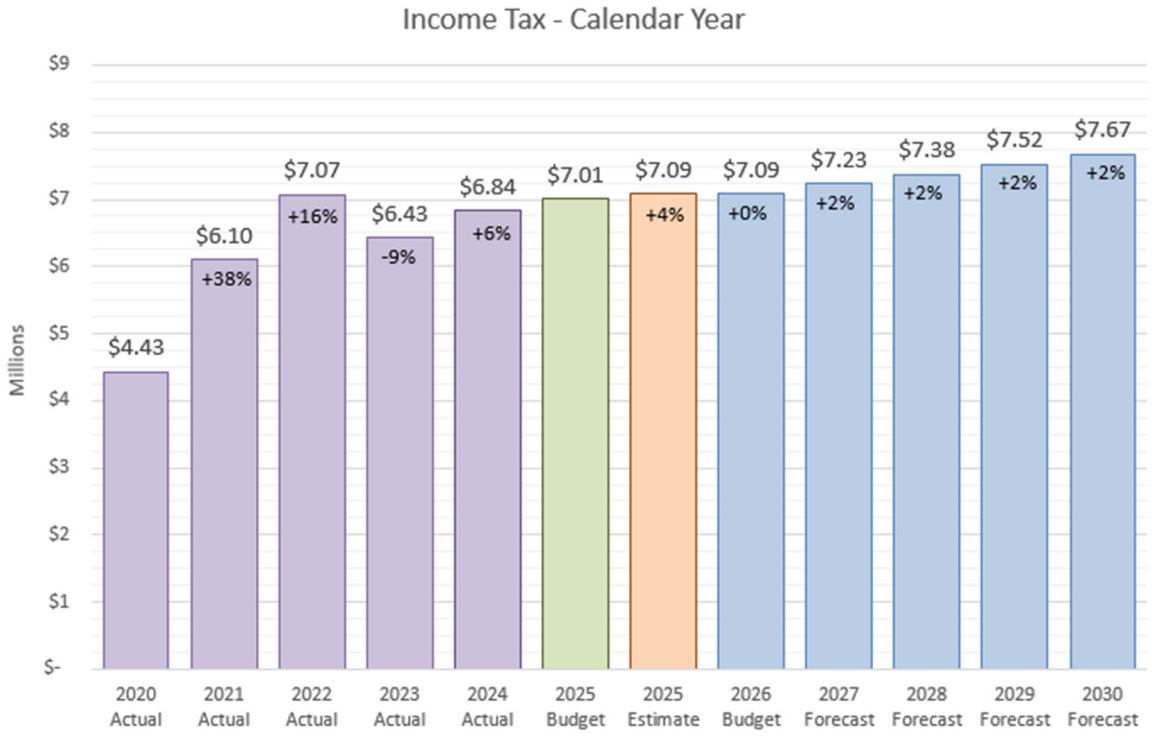
Similar to Sales Tax, the State also collects a Home Rule Sales Tax on behalf of the City. The tax base is very similar, however groceries and titled vehicles such as cars, boats and RV's are exempt from the Home Rule Sales Tax. Effective July 2024, the City adopted a 0.5% increase to the Home Rule Sales Tax rate. This was to provide critical funding for increased police officer and firefighter/paramedic positions, road improvements in place of the vehicle sticker, and lead service line replacement grant funding for affected residents. A 2% increase per year has been factored into the Home Rule Sales Tax beyond 2026, blending recent inflationary increases with potential recessionary decreases. The City's current rate for Home Rule Sales Tax 1.25%.



Income Tax

While Sales Tax and Home Rule Sales Tax are based on transactions within Crystal Lake, Income Tax is distributed by the State on a per capita basis. The State previously shared 10% of collections, but reduced the sharing percentage to allow the State to retain a higher amount of the tax. Municipalities and supporting agencies have lobbied the State to restore the 10% rate. While the State of Illinois has made a few small adjustments to the sharing percentage, the most recent increase (effective August 2023) raised the percentage to 6.47%.

For 2026, 2% increases were applied to each month compared to the prior year, except for May. May 2025 saw unusually high activity; the estimate for May 2026 was reduced 9% based on an average of the past four year May receipts. The net effect was a break even compared to the current year's estimate of $7.09 million. Conservative increases of 2% to the tax base have been built into the future years.



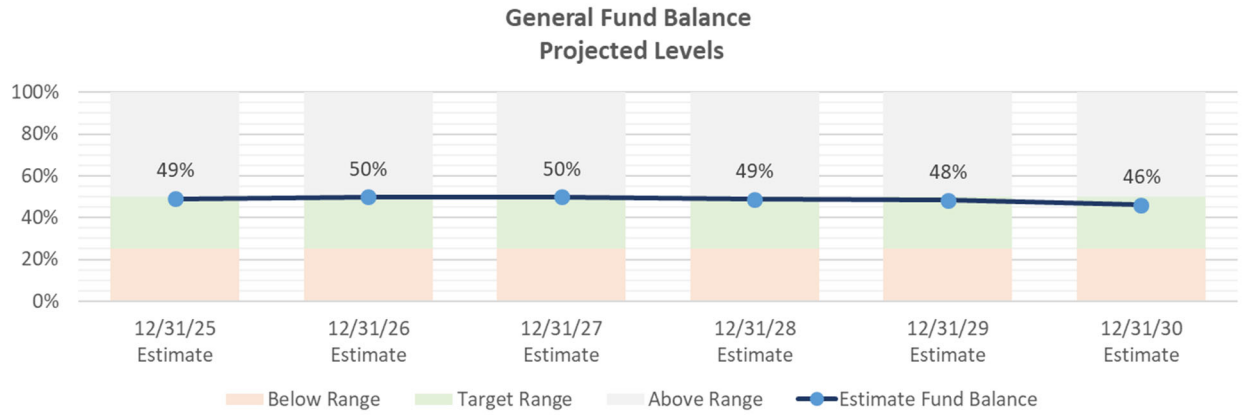
FIVE YEAR FORECASTS

Six funds have been included in the City's Five Year Financial Plan. These are the General Fund, Fire Rescue Fund, Capital Replacement Fund, Vehicle Replacement Fund, Water & Sewer Operational Fund and Water & Sewer Capital Fund. Each serves a unique purpose to the accounting of the City, capturing the majority of both operational and capital activities.

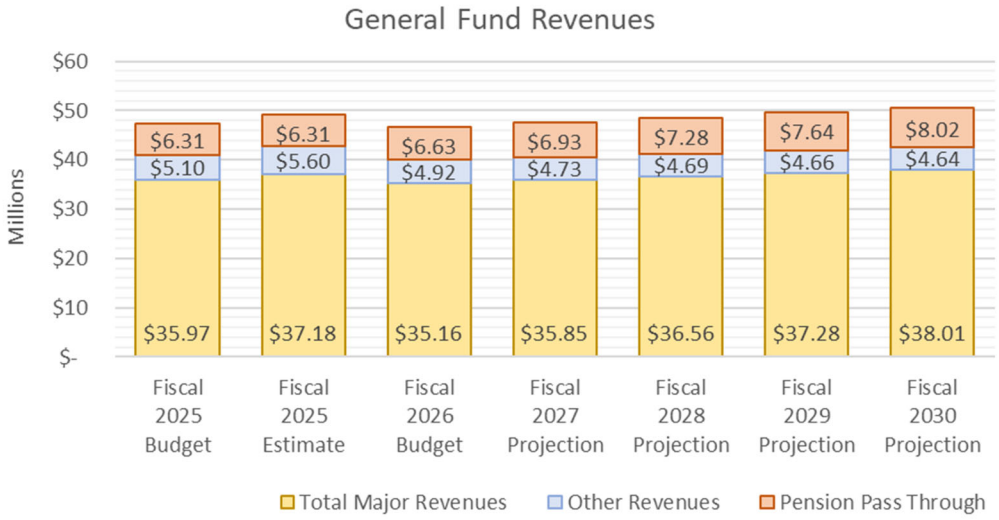
General Fund

The main operational fund, General Fund, captures the majority of operating activity within the City. Please refer to Exhibit A at the end of this section for details on the General Fund Forecast.

According to the City's Fund Balance policy, the City strives to keep a Fund Balance of between 25% and 50% of operational expenditures. Based on the projections for the current year, the City is forecasting to remain solidly in that range for the next five years.

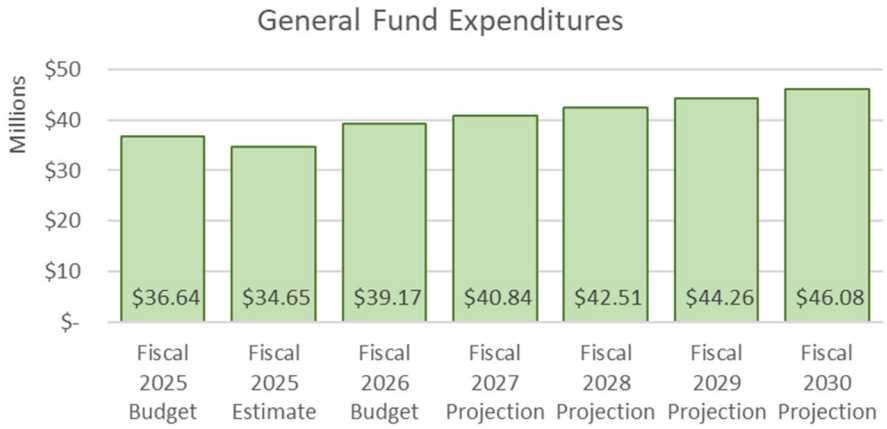


Revenues are tracking for steady growth overall. Most major revenue sources have been rising gradually along with inflation. Growth estimates are conservative to allow for potential recessionary impacts. While the General Fund does record property taxes, those taxes are remitted directly to the City's public safety pension funds and not retained by the City for operational support.

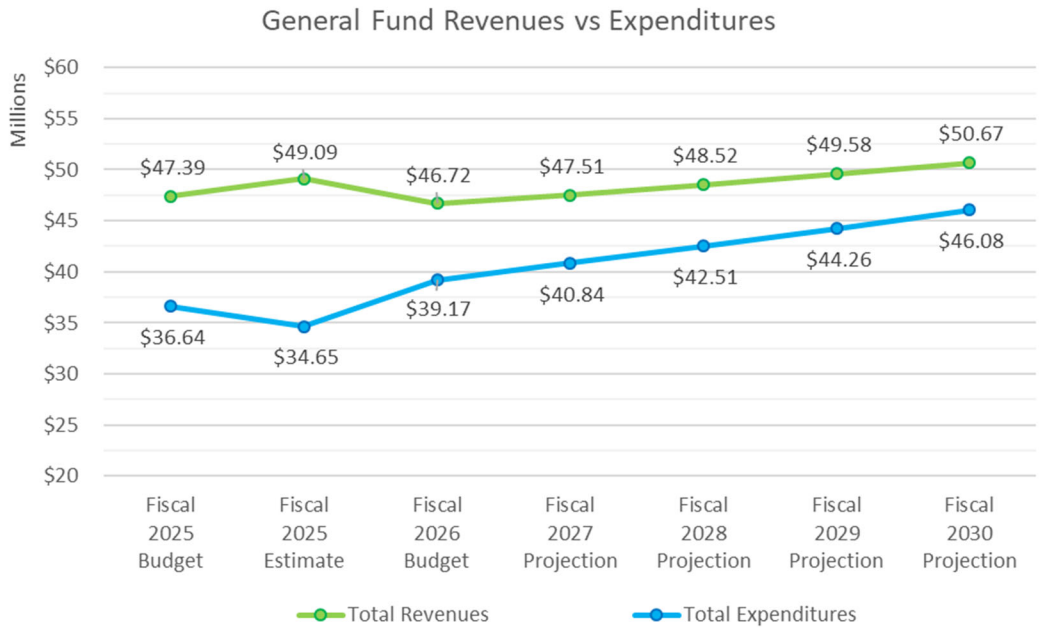


Expenditures are predicted to have steady growth as well. The City has a long-standing track record of keeping operational expenditures within budgetary constraints, taking advantage of

efficiencies for staff and processes when possible. The City will continue to manage operational spending to stay within the available resources and providing consistently high quality services to the community.



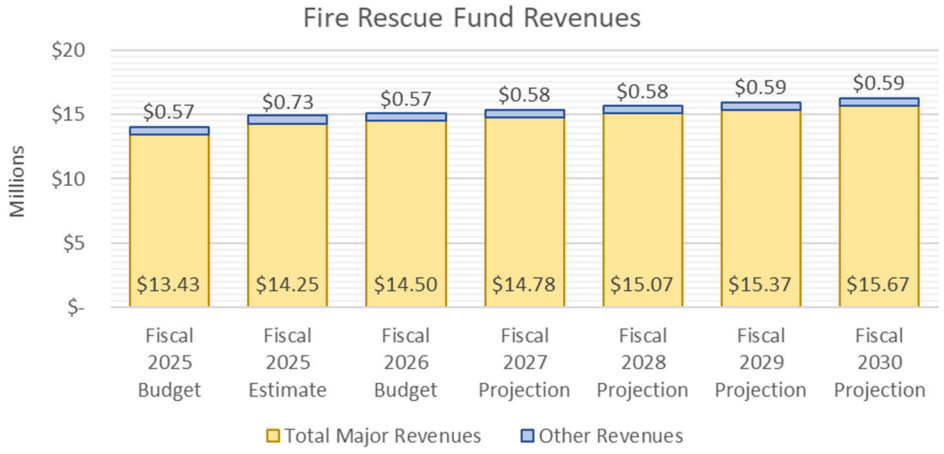
Overall, revenues for the General Fund are expected to outperform expenditures for the near future. Any operational surplus generated by the General Fund is used as a funding source for the City's capital needs. The excess is reflected in the TRANSFERS section of the General Fund and both governmental capital funds, the Capital Replacement Fund and the Vehicle Replacement Fund forecasts. These transfers are a primary funding sources for the City's capital plan, a critical element to supporting the City's capital needs.



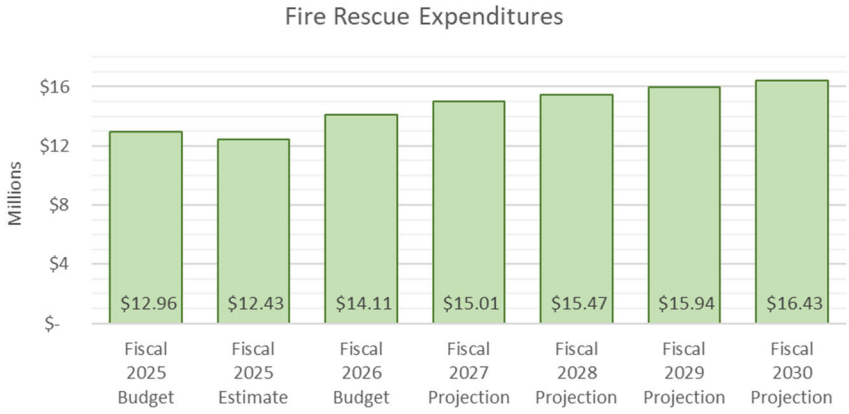
Fire Rescue Fund

The City maintains a separate operational fund to track the activity of the Fire Rescue Department. Please refer to Exhibit B at the end of this section for details on the Fire Rescue Fund Forecast.

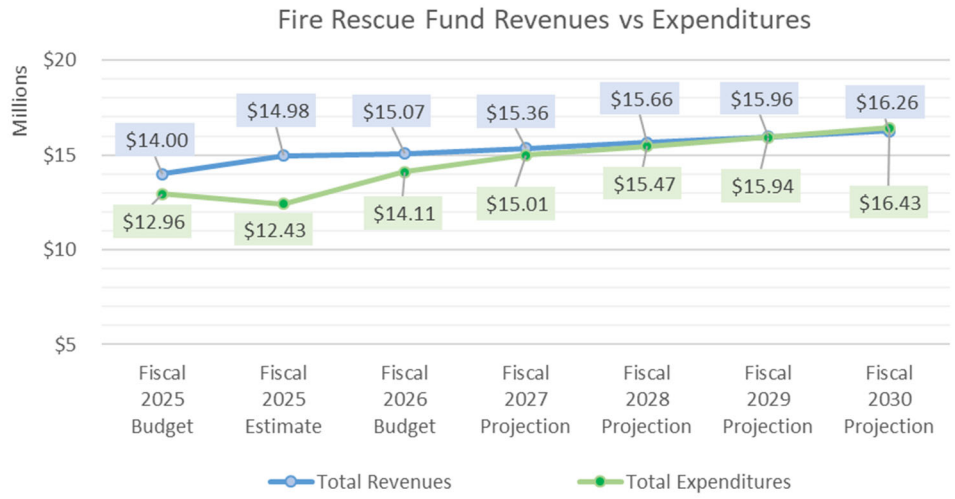
Major revenues for the Fire Rescue Fund include property taxes, ambulance transport fees, and contractual payments from the Village of Lakewood and the Crystal Lake Rural Fire Protection District. These three sources account for about 96% of the revenues in this fund. A change to the ambulance transport fee was enacted in 2024, setting the rate to match the Ground Emergency Medical Transport (GEMT) rate as determined by the State of Illinois for the City; this rate is more reflective of actual transportation costs.



The majority of the increase for expenditures relates to personnel costs, as the Fire Rescue Department is a service based department. Based on identified needs of the community, the overall staffing levels of the Department are projected to increase through 2027, growing the operational expenditures at a higher pace.



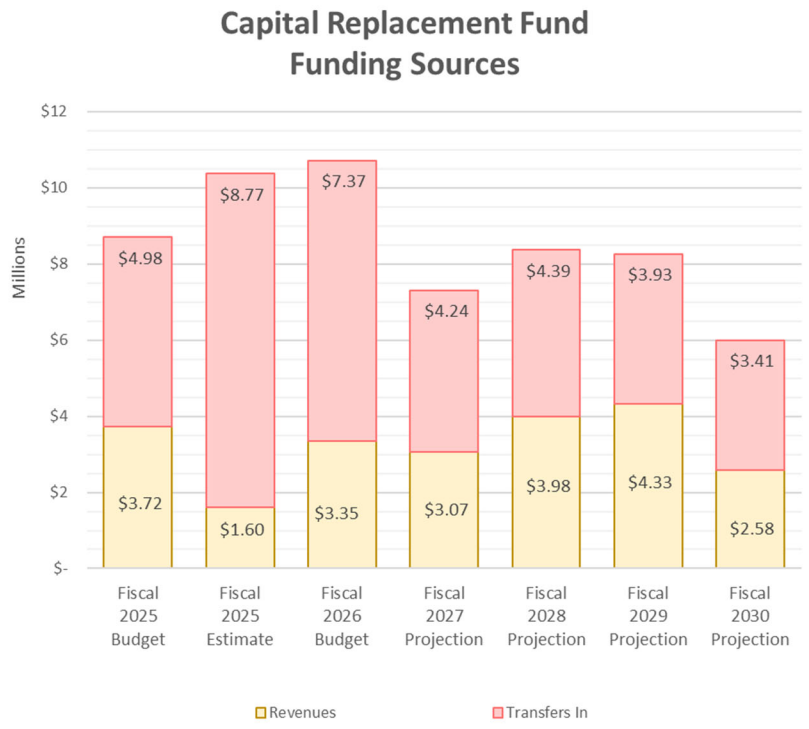
Overall, expenditures for Fire Rescue operations are increasing faster than the corresponding revenue sources. For fiscal year 2024B, a full year of property tax receipts was received, compared to only eight months of expenditures, which produced a largest gap than usual between revenues and expenditures. The levy proceeds were used to fund operations in to the first few months of 2025. The forecast shows sufficient resources for the next few years, with expenditures exceeding revenues starting in 2030. Staff will review all future expenditures and revenues closely for this fund to ensure the Fire Rescue Fund will remains solvent.



Capital Replacement Fund

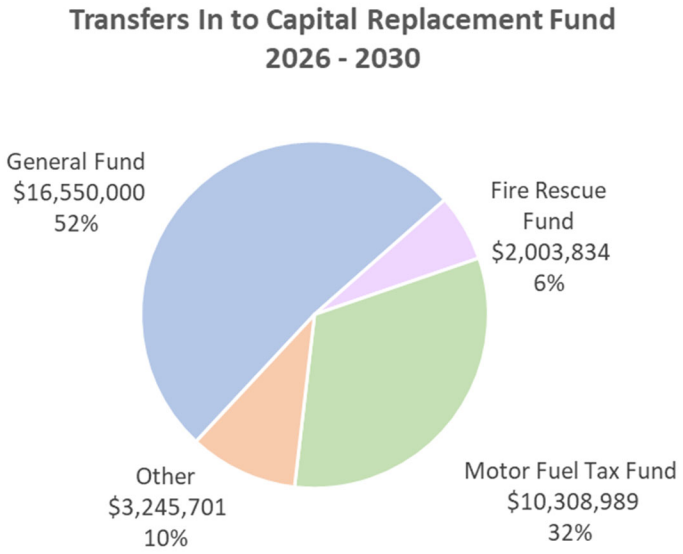
The first of the capital funds included herein is the Capital Replacement Fund (Capital Fund). The Capital Fund accounts for all the capital needs of the City's governmental functions except for vehicles. Please refer to Exhibit C at the end of this section for details on the Capital Replacement Fund Forecast.

The Capital Fund comprises the needs of the General Fund operating departments, such as Police, Three Oaks Recreation Area, and some Public Works divisions as well as Fire Rescue, Motor Fuel Tax related capital, and other governmental functions. Any capital relating to the Water & Sewer services of the City are reported in their own capital fund later in this document.

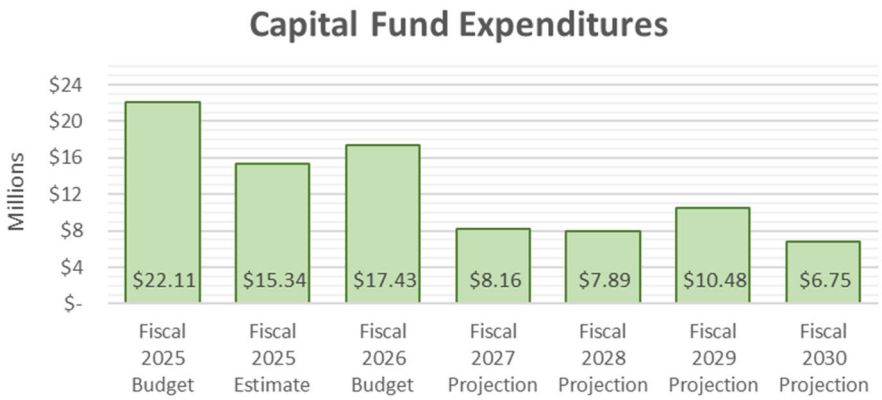


Major revenue sources dedicated to this fund are video gaming license and tax revenues, as well as the replacement grocery sales tax. As can be seen in the chart to the left, transfers in from operating funds are a significant funding source for the Capital Replacement Fund sources. Large fluctuations in the revenue category is due one-time revenue sources, grants and reimbursements, that tend to vary depending on the related projects.

Transfers in for the Capital Replacement Fund originate from three major operational funds: General Fund, Fire Rescue Fund, and the Motor Fuel Tax Fund (roadway projects). The General Fund has the most significant transfer, providing funds for the bulk of governmental projects. Other funds with scheduled transfers during this cycle include the Road and Vehicle Fund and the Main Street Tax Increment Financing (TIF) Fund.



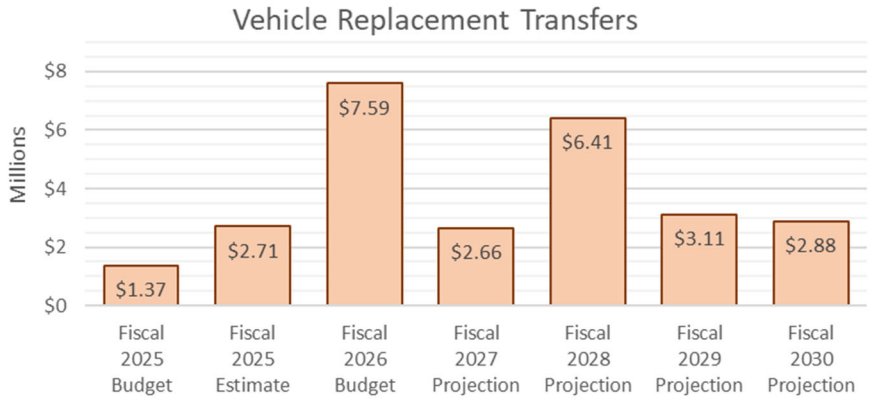
Being that expenditures for this fund are capital in nature, the annual amount can fluctuate considerably from year to year. Projects are slated based on timing needs and ideally, available funding. Inclusion in the Capital Improvement Plan does not guarantee inclusion in the Annual Budget. Projects are evaluated continually to assess scope, timing, necessity, and benefit to the Community. For more detail on the included projects, please see the City's Capital Improvement Plan or the Capital Plan Highlights section within the budget.



Vehicle Replacement Fund

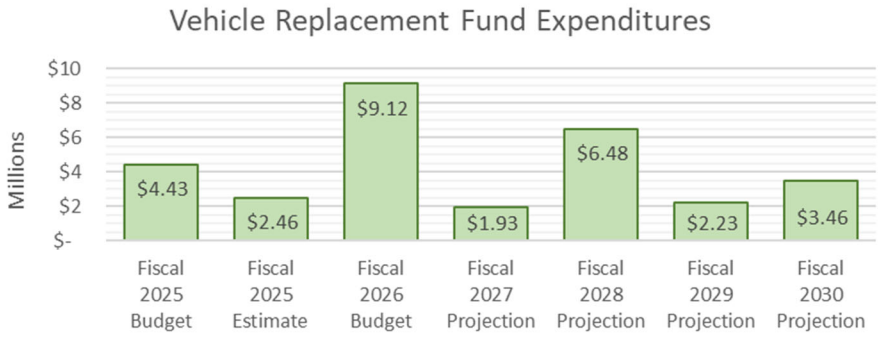
The Vehicle Replacement Fund was created in 2024. This fund is used for all governmental function vehicle replacement costs and existing lease obligation payments. Vehicles are a critical component of the City's capital inventory. Examples include police squad cars, fire rescue apparatus, and snow plows. Having a dedicated fund to account for such replacements allows the City to better plan for fluctuations year by year in estimated costs without a significant impact on the General Fund. It also allows for the accumulation of fund balance to ideally pay for the vehicles as needed without financing costs. Please refer to Exhibit D at the end of this section for details on the Vehicle Replacement Fund Forecast.

There are currently no revenue sources dedicated to funding vehicle replacements. All funding is provided as transfers from the General Fund and the Fire Rescue Fund. General Fund operational surpluses are allocated between the Capital Replacement Fund and the Vehicle Replacement Fund. Transfers in from the Fire Rescue Fund are set to match the proposed replacement needs.



Expenditures have been planned out to account for when each vehicle is most likely due for replacement. All vehicles are evaluated based on condition and repairs annually and only replaced as needed. While the City entered into a vehicle leasing program in 2019, replacements going forward will be reviewed for purchase or lease; the most advantageous method for the City to fund the replacement will be selected on a case by case basis.

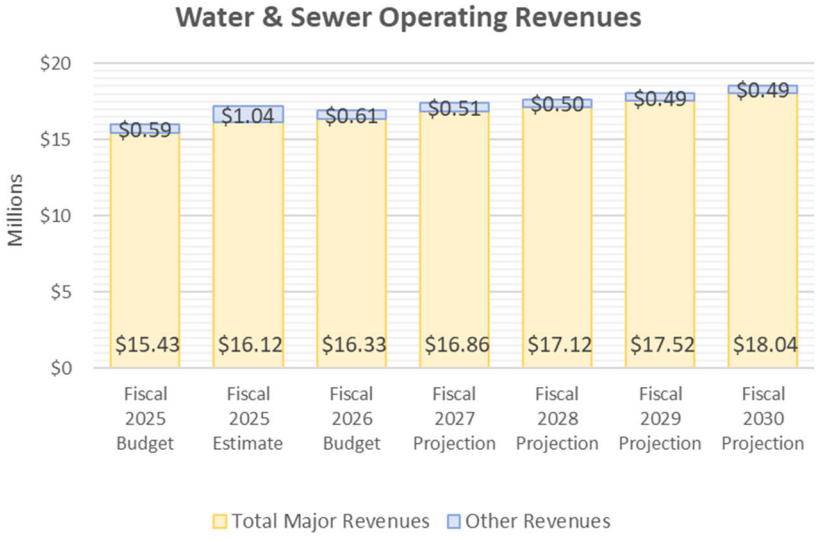
The 2026 budget of $9.12 million is unusually high due to the need to order multiple fire apparatus, to be received within the next few years. Funds are budgeted at the time of ordering and carried forward each year until the vehicle is received, assuring sufficient resources are available at the time the invoice must be paid. The expected amount of actual vehicle purchases in 2026 will be considerably lower, but the funds will be earmarked accordingly.

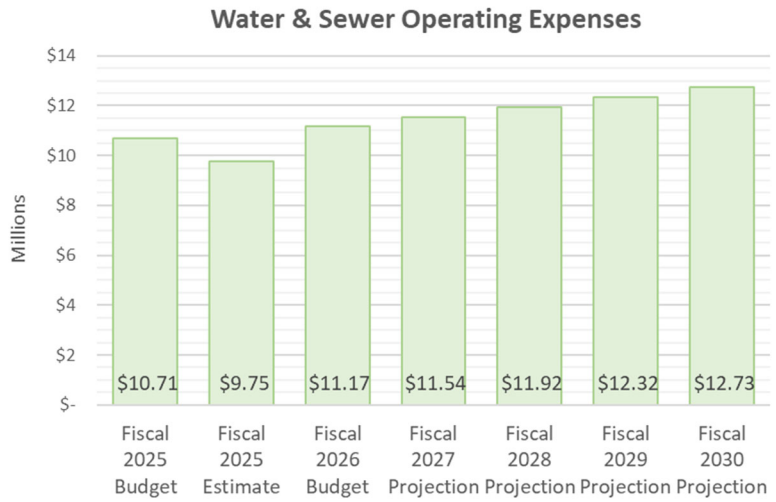


Water & Sewer Operating Fund

The Water & Sewer Operating Fund tracks the operational activity of providing drinking water, removing wastewater, managing stormwater and Public Works Administration. Please refer to Exhibit E at the end of this section for details on the Water & Sewer Operating Fund.

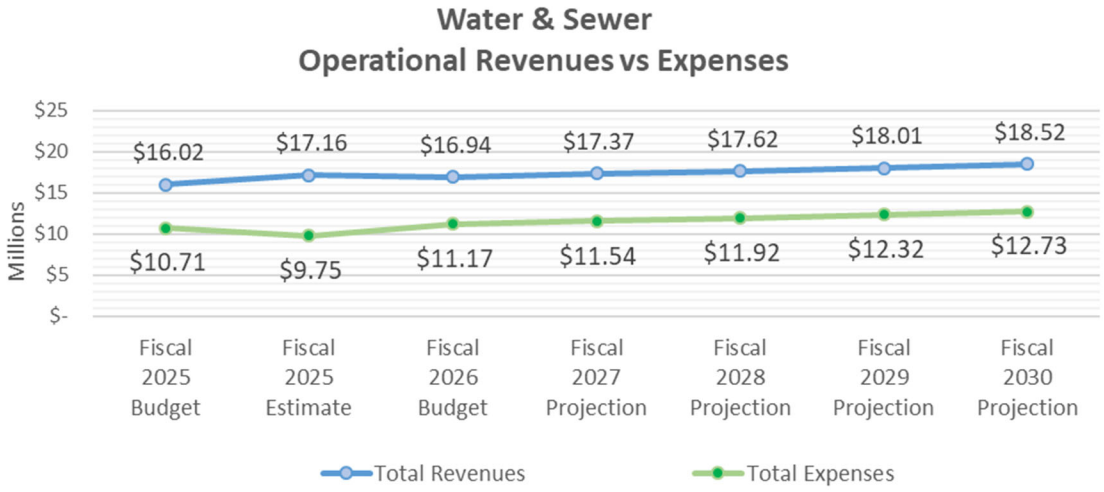
Major revenues in the Water & Sewer Operating Fund include consumption based fees for water and sewer services and connection fees for new construction. Consumption based fees are increased by inflationary levels each year as needed to cover the rising costs of operations and capital of the water and sewer systems.





On the expense side, water and sewer related expenses are expected to grow at a reasonable pace over the next few years. Staff reviews the operational expenses closely at all times in order to minimize the user fees needed to support the system. No major changes are anticipated at this time.

Overall, water and sewer related operational revenues are projected to be sufficient to support operational expenses. In addition, water and sewer operational revenues are necessary to cover all debt service payments relating to the water and sewer operations. Any surplus after debt and operational expenses have been paid is then transferred to the Water & Sewer Capital Replacement Fund.

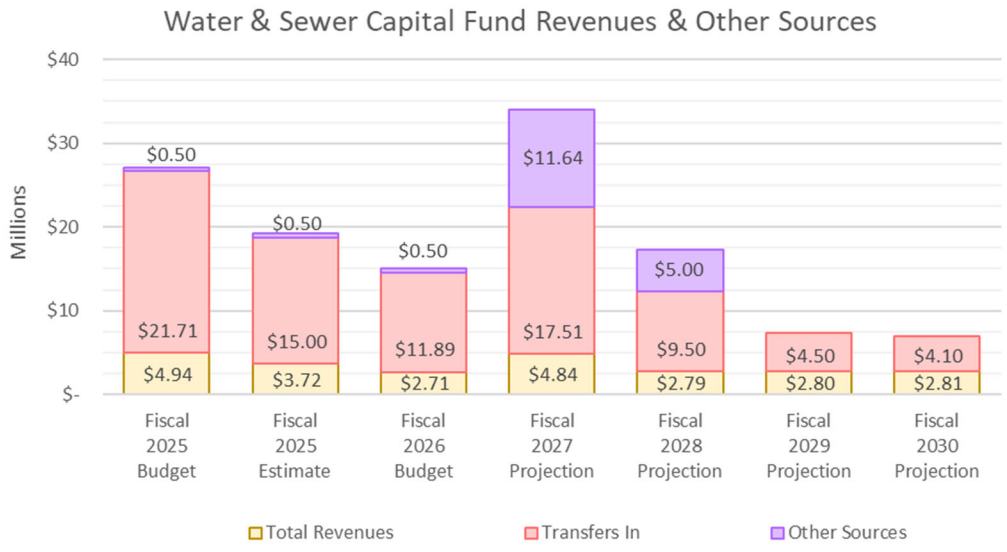


The fund balance of the Water & Sewer Operations Fund has temporarily grown due to favorable operational results. This surplus will be drawn down over the next five years from a cash balance of about $12.3 million at the end of 2025 to a projected $3.5 million at the end of 2030. Debt service obligations are around $3.5 million per year at this time. Having available fund balance allows for stability of funding even with unexpected operational expenses that may arise.

Water & Sewer Capital Replacement Fund

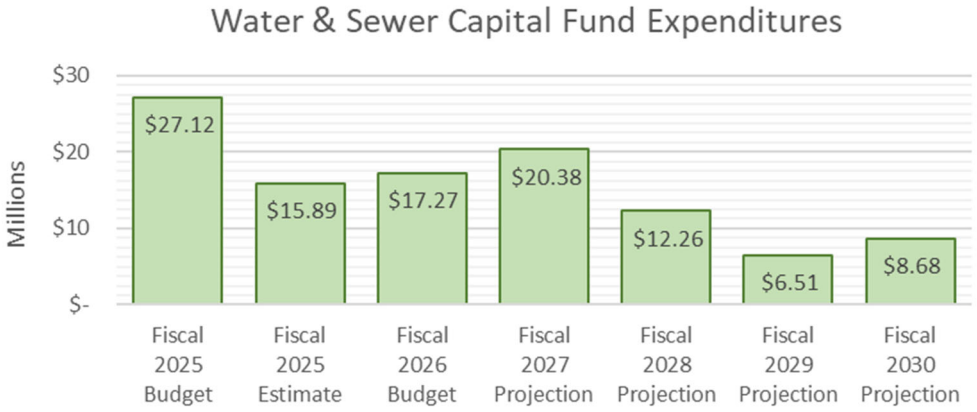
The Water & Sewer Capital Replacement Fund (Water & Sewer Capital Fund) accounts for the unique capital needs of providing drinking water, removing wastewater, and managing stormwater. Please refer to Exhibit F at the end of this section for details on the Water & Sewer Capital Fund.

Similar to the Capital Fund, the Water & Sewer Capital Fund also relies significantly on transfers from the related Operating Fund. Since 2024, the Water & Sewer Capital Replacement Fund has received the full allocation of utility taxes, formerly allocated between two capital funds. Other major revenues include grants and reimbursements. Bond issuances or procurement of low interest loans have also been planned for a revenue source within the next five years as a few more expensive capital projects are coming due. Bond issuances/loans allow the City to maintain positive cash flow and spread the payment of the expenses over the life of the resulting capital asset. A debt issuance ($10 million) occurred in 2025 to fund the city-wide water meter project. Additional issuance are expected in 2027 and 2028 ($16 to $17 million) to fund improvements at wastewater treatment plants.



On the expense side, the FP assumes all projects will be completed or vehicles/equipment procured in the year needed. Expenses are slotted in fiscal years to match the anticipated or estimated timeframe for each project. The conclusion of the water meter replacement project is planned for 2026. Other large projects in the coming years include the re-establishment of Crystal Creek, wastewater treatment plant improvements, lead service line replacements (federal mandate) and the beginning of a city wide water main replacement program. Inclusion in the Capital Improvement Plan does not guarantee inclusion in the Annual Budget. Projects

are evaluated continually to assess scope, timing, necessity, and benefit to the Community. For more detail on the included projects, please see the City's Capital Improvement Plan.



CLOSING REMARKS

The City anticipates annual updates to the Five Year Financial Plan, revising as new information is available. Economic fluctuations, recessionary and/or inflationary impact, supply chain effects and other factors will continue to be evaluated throughout the year. An effective five year financial plan allows staff to focus time and resources on what is needed in the short term without losing perspective of the bigger picture. City officials and staff can make informed decisions with knowledge of future demands

CITY OF CRYSTAL LAKE
FIVE YEAR FINANCIAL PLAN
FY 2026 - FY 2030

EXHIBIT A

GENERAL FUND	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	Fiscal 2027 Projection	Fiscal 2028 Projection	Fiscal 2029 Projection	Fiscal 2030 Projection
REVENUES							
Major Revenues							
Sales Tax	15,735,386	16,958,920	14,956,350	15,255,478	15,560,588	15,871,800	16,189,236
Home Rule Sales Tax	12,226,859	12,744,477	12,999,364	13,259,351	13,524,538	13,795,029	14,070,930
Income Tax	7,011,965	7,086,871	7,090,180	7,231,984	7,376,624	7,524,156	7,674,639
Use Tax	998,415	389,320	115,371	103,834	93,451	84,106	75,695
Total Major Revenues	$ 35,972,625	$ 37,179,588	$ 35,161,265	$ 35,850,647	$ 36,555,201	$ 37,275,091	$ 38,010,500
Pension Pass Through	$ 6,309,638	$ 6,309,638	$ 6,631,660	$ 6,930,084	$ 7,276,588	$ 7,640,418	$ 8,022,438
Other Revenues	5,103,977	5,604,433	4,922,319	4,728,691	4,691,642	4,660,651	4,635,246
	11,413,615	11,914,071	11,553,979	11,658,775	11,968,230	12,301,069	12,657,684
Total Revenues	$ 47,386,240	$ 49,093,659	$ 46,715,244	$ 47,509,422	$ 48,523,431	$ 49,576,160	$ 50,668,184
EXPENDITURES							
Executive	$ 535,285	$ 539,253	$ 458,260	$ 461,832	$ 465,511	$ 469,300	$ 473,203
Legal	763,200	713,200	763,200	782,280	801,837	821,883	842,430
City Administration	2,423,994	2,247,715	2,674,958	2,780,519	2,891,371	3,006,658	3,126,558
Information Technology	1,777,523	1,696,442	1,783,502	1,841,183	1,900,856	1,962,601	2,026,491
Police Department	13,227,090	12,638,414	14,331,846	15,016,346	15,619,569	16,247,401	16,900,858
Community Development	2,757,582	2,294,628	3,067,412	3,177,547	3,292,106	3,411,345	3,535,457
Public Works							
Engineering	1,468,696	1,385,367	1,637,692	1,703,316	1,771,608	1,842,681	1,916,650
Streets	4,409,716	4,112,256	4,728,654	4,903,897	5,085,791	5,274,601	5,470,590
Fleet Services	855,340	722,770	850,762	885,180	911,735	939,087	967,260
Facility Services	1,125,098	1,006,745	1,203,305	1,244,124	1,286,377	1,330,115	1,375,395
Fire & Police Commission	74,332	94,721	96,113	56,060	57,469	58,914	60,395
Three Oaks Rec. Area	854,145	839,480	886,038	918,464	952,096	986,978	1,023,160
Debt Service	53,730	53,730	53,680	53,556	53,356	53,079	53,623
Pension Obligation	6,309,638	6,309,638	6,631,660	7,015,620	7,422,445	7,853,534	8,310,375
Total Expenditures	$ 36,635,369	$ 34,654,359	$ 39,167,082	$ 40,839,924	$ 42,512,126	$ 44,258,177	$ 46,082,445
Revenues Over (Under) Expenditures	$ 10,750,871	$ 14,439,300	$ 7,548,162	$ 6,669,498	$ 6,011,305	$ 5,317,982	$ 4,585,739
TRANSFERS IN (OUT)							
Transfers In	$ 199,130	$ 240,654	$ 249,105	$ 130,000	$ 130,000	$ -	$ -
Transfers Out	(5,210,870)	(12,324,298)	(5,102,495)	(6,088,019)	(5,591,939)	(4,557,000)	(5,113,000)
Net Transfers	$ (5,011,740)	$ (12,083,644)	$ (4,853,390)	$ (5,958,019)	$ (5,461,939)	$ (4,557,000)	$ (5,113,000)
FUND BALANCE							
Change in Fund Balance	$ 5,739,131	$ 2,355,656	$ 2,694,772	$ 711,479	$ 549,366	$ 760,982	$ (527,261)
Est. Beg. Fund Balance	18,483,199	22,104,883	24,460,539	27,155,311	27,866,790	28,416,155	29,177,137
Est. End. Fund Balance	$ 24,222,330	$ 24,460,539	$ 27,155,311	$ 27,866,790	$ 28,416,155	$ 29,177,137	$ 28,649,877
*Unrestricted Ending Fund Balance	$ 17,716,060	$ 17,776,990	$ 20,336,973	$ 20,911,037	$ 21,320,237	$ 21,938,249	$ 21,265,158
Available Fund Balance as % of Expenditures	46%	49%	50%	**50%**	**49%**	**48%**	**46%**

FIRE RESCUE FUND	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	Fiscal 2027 Projection	Fiscal 2028 Projection	Fiscal 2029 Projection	Fiscal 2030 Projection
REVENUES							
Major Revenues							
Property Taxes	$ 7,642,097	$7,642,097	$ 7,724,645	$7,879,138	$8,036,721	$8,197,455	$8,361,404
Transport Fees	2,900,000	3,700,000	3,700,000	3,768,000	3,837,360	3,908,107	3,980,269
Contract Service	2,887,680	2,906,658	3,073,257	3,134,722	3,197,416	3,261,364	3,326,591
Total Major Revenues	$ 13,429,777	$ 14,248,755	$ 14,497,902	$ 14,781,860	$ 15,071,497	$ 15,366,926	$ 15,668,264
Other Revenues	570,000	728,599	574,250	578,943	583,682	588,469	593,304
Total Revenues	$ 13,999,777	$ 14,977,354	$ 15,072,152	$ 15,360,803	$ 15,655,179	$ 15,955,395	$ 16,261,568
EXPENDITURES							
Fire Rescue	$ 12,959,940	$ 12,432,580	$ 14,112,555	$ 15,005,634	$ 15,465,910	$ 15,940,634	$ 16,430,276
Total Expenditures	$ 12,959,940	$ 12,432,580	$ 14,112,555	$ 15,005,634	$ 15,465,910	$ 15,940,634	$ 16,430,276
Revenues Over (Under) Expenditures	$ 1,039,837	$ 2,544,774	$ 959,597	$ 355,169	$ 189,269	$ 14,761	$ (168,708)
TRANSFERS IN (OUT)							
Transfers In	$ -	$ -	$ -	$ -	$ -	$ -	$ 750,000
Transfers Out	(971,608)	(301,250)	(7,899,019)	(766,804)	(4,605,694)	(1,608,300)	(1,283,689)
Net Transfers	$ (971,608)	$ (301,250)	$ (7,899,019)	$ (766,804)	$ (4,605,694)	$ (1,608,300)	$ (533,689)
FUND BALANCE							
Change in Fund Balance	$ 68,229	$ 2,243,524	$ (6,939,422)	$ (411,635)	$ (4,416,425)	$ (1,593,539)	$ (702,397)
Est. Beg. Fund Balance	11,447,841	13,808,189	16,051,713	9,112,291	8,700,656	4,284,231	2,690,692
Est. End. Fund Balance	$ 11,516,070	$ 16,051,713	$ 9,112,291	$ 8,700,656	$ 4,284,231	$ 2,690,692	$ 1,988,295
Unrestricted Ending Fund Balance	$ 10,062,641	$ 15,961,713	$ 8,972,291	$ 4,092,861	$ 2,449,322	$ 1,696,925	$ 746,925
Available Fund Balance as % of Expenditures	77%	128%	64%	27%	16%	11%	5%

CAPITAL REPLACEMENT FUND	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	Fiscal 2027 Projection	Fiscal 2028 Projection	Fiscal 2029 Projection	Fiscal 2030 Projection
REVENUES							
Major Revenues							
Video Gaming	$ 331,384	$ 385,903	$ 391,538	$ 397,789	$ 404,165	$ 410,668	$ 417,301
Sales Tax	-	-	2,000,000	2,040,000	2,080,800	2,122,416	2,164,864
Grants & Reimb.	3,236,774	1,211,627	953,635	630,000	1,500,000	1,800,000	-
Total Major Revenues	$ 3,568,158	$ 1,597,530	$ 3,345,173	$ 3,067,789	$ 3,984,965	$ 4,333,084	$ 2,582,165
Other Revenues	150,000	-	-	-	-	-	-
Total Revenues	$ 3,718,158	$ 1,597,530	$ 3,345,173	$ 3,067,789	$ 3,984,965	$ 4,333,084	$ 2,582,165
EXPENDITURES							
City Administration	60,000	-	50,000	10,000	-	-	-
Community Development	5,244,420	4,585,535	2,687,095	600,000	250,000	250,000	250,000
Information Technology	578,000	130,000	818,000	575,000	70,000	70,000	115,000
Fire Rescue	97,000	88,733	1,730,601	107,000	-	296,000	-
Police Department	180,285	80,920	852,842	737,000	1,017,000	432,000	407,000
Public Works							
Engineering	2,581,500	241,500	848,000	1,460,000	560,000	2,355,000	980,000
Fleet Services	-	-	65,000	95,000	-	-	-
Facility Services	4,102,579	1,503,101	4,290,160	980,000	283,000	1,735,580	1,348,860
Roadways - MFT	5,536,384	3,113,963	3,690,792	1,325,000	3,375,000	2,925,000	900,000
Roadways - Non MFT	2,022,000	2,022,000	2,232,500	2,145,100	2,209,500	2,275,700	2,343,900
Streets	205,000	181,710	115,000	101,500	53,000	54,500	326,000
Three Oaks Recreation	1,505,550	3,396,550	49,550	21,000	71,500	89,000	75,365
Total Expenditures	$ 22,112,718	$ 15,344,012	$ 17,429,540	$ 8,156,600	$ 7,889,000	$ 10,482,780	$ 6,746,125
Revenues Over (Under) Expenditures	$ (18,394,560)	$ (13,746,482)	$ (14,084,367)	$ (5,088,811)	$ (3,904,035)	$ (6,149,696)	$ (4,163,960)
OTHER FINANCING SOURCES (USES)							
Transfers In	$ 4,978,404	$ 8,767,065	$ 7,373,459	$ 4,242,000	$ 4,385,000	$ 3,931,000	$ 3,410,000
Transfers Out	-	-	-	-	-	-	-
Net Transfers	$ 4,978,404	$ 8,767,065	$ 7,373,459	$ 4,242,000	$ 4,385,000	$ 3,931,000	$ 3,410,000
FUND BALANCE							
Change in Fund Balance	$ (13,416,156)	$ (4,979,417)	$ (6,710,908)	$ (846,811)	$ 480,965	$ (2,218,696)	$ (753,960)
Est. Beg. Fund Balance	19,146,034	19,805,404	14,825,987	8,115,079	7,268,268	7,749,233	5,530,537
Est. End. Fund Balance	$ 5,729,878	$ 14,825,987	$ 8,115,079	$ 7,268,268	$ 7,749,233	$ 5,530,537	$ 4,776,577
*Unrestricted Ending Fund Balance	$ 5,700,943	$ 14,809,430	$ 8,086,144	$ 7,260,111	$ 7,741,344	$ 5,520,054	$ 4,769,831

VEHICLE REPLACEMENT FUND	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	Fiscal 2027 Projection	Fiscal 2028 Projection	Fiscal 2029 Projection	Fiscal 2030 Projection
REVENUES							
Major Revenues	-	-	-	-	-	-	-
Total Major Revenues	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other Revenues	-	-	-	-	-	-	-
Total Revenues	$ -	$ -	$ -	$ -	$ -	$ -	$ -
EXPENDITURES							
City Administration	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Community Development	105,000	105,969	72,000	-	-	-	-
Fire Rescue	874,608	212,517	6,386,918	659,804	4,605,694	1,312,300	1,283,689
Police Department	592,251	594,264	935,746	473,440	1,021,519	563,087	1,278,381
Public Works							
Engineering	129,528	127,414	56,669	53,591	-	37,264	51,750
Fleet Services	50,695	42,295	51,972	198,220	-	-	-
Streets	2,680,371	1,380,309	1,619,435	546,616	849,298	313,298	843,750
Total Expenditures	$ 4,432,453	$ 2,462,768	$ 9,122,740	$ 1,931,671	$ 6,476,511	$ 2,225,949	$ 3,457,570
Revenues Over (Under) Expenditures	$ (4,432,453)	$ (2,462,768)	$ (9,122,740)	$ (1,931,671)	$ (6,476,511)	$ (2,225,949)	$ (3,457,570)
OTHER FINANCING SOURCES (USES)							
Other Sources	$ -	$ 112,498	$ -	$ -	$ -	$ -	$ -
Transfers In	1,374,608	2,712,517	7,586,918	2,659,804	6,405,694	3,112,300	2,883,689
Transfers Out	-	-	-	-	-	-	-
Net Transfers	$ 1,374,608	$ 2,825,015	$ 7,586,918	$ 2,659,804	$ 6,405,694	$ 3,112,300	$ 2,883,689
FUND BALANCE							
Change in Fund Balance	$ (3,057,845)	$ 362,247	$ (1,535,822)	$ 728,133	$ (70,817)	$ 886,351	$ (573,881)
Est. Beg. Fund Balance	7,139,162	7,121,265	7,483,512	5,947,690	6,675,823	6,605,006	7,491,357
Est. End. Fund Balance	$ 4,081,317	$ 7,483,512	$ 5,947,690	$ 6,675,823	$ 6,605,006	$ 7,491,357	$ 6,917,476

WATER & SEWER OPERATING FUND	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	Fiscal 2027 Projection	Fiscal 2028 Projection	Fiscal 2029 Projection	Fiscal 2030 Projection
REVENUES							
Major Revenues							
Consumption Fees	$ 14,928,716	$ 15,263,515	$ 15,828,983	$ 16,456,267	$ 16,943,895	$ 17,446,091	$ 17,963,293
Connection Fees	500,000	855,000	500,000	400,000	175,000	75,000	75,000
Total Major Revenues	$15,428,716	$16,118,515	$16,328,983	$16,856,267	$17,118,895	$17,521,091	$18,038,293
Other Revenues	590,214	1,042,244	608,902	514,836	500,442	486,054	486,672
Total Revenues	$ 16,018,930	$ 17,160,759	$ 16,937,885	$ 17,371,103	$ 17,619,337	$ 18,007,145	$ 18,524,965
EXPENSES							
Public Works Admin	$ 979,572	$ 950,979	$ 1,059,265	$ 1,102,221	$ 1,144,230	$ 1,187,889	$ 1,233,265
Water & Sewer	5,821,575	5,102,020	5,989,313	6,177,355	6,381,053	6,591,851	6,808,276
Wastewater	3,905,279	3,692,732	4,122,435	4,256,196	4,396,497	4,541,736	4,692,095
Total Expenses	$ 10,706,426	$ 9,745,731	$ 11,171,013	$ 11,535,772	$ 11,921,781	$ 12,321,476	$ 12,733,636
Revenues Over (Under) Expenses	$ 5,312,504	$ 7,415,028	$ 5,766,872	$ 5,835,331	$ 5,697,556	$ 5,685,670	$ 5,791,329
TRANSFERS IN (OUT)							
Transfers In	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Transfers Out	(7,578,891)	(7,578,891)	(7,837,736)	(7,486,505)	(7,451,123)	(7,318,362)	(7,323,181)
Net Transfers	$ (7,578,891)	$ (7,578,891)	$ (7,837,736)	$ (7,486,505)	$ (7,451,123)	$ (7,318,362)	$ (7,323,181)
CASH BALANCE							
Change in Cash Balance	$ (2,266,387)	$ (163,863)	$ (2,070,864)	$ (1,651,174)	$ (1,753,567)	$ (1,632,692)	$ (1,531,852)
Est. Beg. Cash Balance	9,119,187	12,332,462	12,168,599	10,097,735	8,446,560	6,692,994	5,060,301
Est. End. Cash Balance	$ 6,852,800	$ 12,168,599	$ 10,097,735	$ 8,446,560	$ 6,692,994	$ 5,060,301	$ 3,528,450
Available Cash Balance as % of Expenditures	64%	125%	90%	73%	56%	41%	28%

WATER & SEWER CAPITAL REPLACEMENT FUND	Fiscal 2025 Budget	Fiscal 2025 Estimate	Fiscal 2026 Budget	Fiscal 2027 Projection	Fiscal 2028 Projection	Fiscal 2029 Projection	Fiscal 2030 Projection
REVENUES							
Major Revenues							
Utility Taxes	2,595,359	2,782,863	2,674,927	2,684,349	2,693,808	2,703,305	2,712,839
Grants & Reimb.	2,272,884	889,815	-	2,060,644	-	-	-
Total Major Revenues	$ 4,868,243	$ 3,672,678	$ 2,674,927	$ 4,744,993	$ 2,693,808	$ 2,703,305	$ 2,712,839
Other Revenues	70,000	45,000	40,000	100,000	100,000	100,000	100,000
Total Revenues	$ 4,938,243	$ 3,717,678	$ 2,714,927	$ 4,844,993	$ 2,793,808	$ 2,803,305	$ 2,812,839
EXPENSES							
Public Works Admin	$ 6,112,200	$ 3,522,000	$ 3,279,000	$ 2,838,600	$ 1,777,060	$ 350,000	$ 1,100,000
Water & Sewer	19,208,493	10,805,091	10,891,095	4,245,252	10,273,661	5,639,040	6,491,750
Wastewater	1,794,929	1,566,437	3,094,956	13,292,819	210,000	516,825	1,085,500
Total Expenses	$ 27,115,622	$ 15,893,528	$ 17,265,051	$ 20,376,671	$ 12,260,721	$ 6,505,865	$ 8,677,250
Revenues Over (Under) Expenditures	$ (22,177,379)	$ (12,175,850)	$ (14,550,124)	$ (15,531,678)	$ (9,466,913)	$ (3,702,560)	$ (5,864,411)
OTHER FINANCING SOURCES (USES)							
Transfers In	$ 21,205,446	$ 14,502,835	$ 11,389,000	$ 5,865,859	$ 4,500,000	$ 4,500,000	$ 4,100,000
Transfers Out	-	-	-	-	-	-	-
Other Sources	500,000	500,000	500,000	11,640,000	5,000,000	-	-
Net Transfers	$ 21,705,446	$ 15,002,835	$ 11,889,000	$ 17,505,859	$ 9,500,000	$ 4,500,000	$ 4,100,000
CASH BALANCE							
Change in Cash Balance	$ (471,933)	$ 2,826,985	$ (2,661,124)	$ 1,974,181	$ 33,087	$ 797,440	$ (1,764,411)
Est. Beg. Cash Balance	5,393,498	5,393,498	8,220,483	5,559,359	7,533,539	7,566,626	8,364,066
Est. End. Cash Balance	$ 4,921,565	$ 8,220,483	$ 5,559,359	$ 7,533,539	$ 7,566,626	$ 8,364,066	$ 6,599,655

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CITY OF CRYSTAL LAKE

ANNUAL BUDGET

FISCAL YEAR 2026

SUPPLEMENTAL INFORMATION

DRAFT

AN ORDINANCE APPROVING THE ANNUAL BUDGET OF THE CITY OF CRYSTAL LAKE, ILLINOIS, FOR THE FISCAL YEAR

BEGINNING JANUARY 1, 2026 AND ENDING DECEMBER 31, 2026

WHEREAS, the City Council designates a Budget Officer for the City who shall compile an annual budget for the City of Crystal Lake; and

WHEREAS, the Budget Officer has proposed to the corporate authorities a budget as required by Section 8-2-9.3 of the Illinois Municipal Code; and

WHEREAS, Section 8-2-9.9 of the Illinois Municipal Code requires that the corporate authorities of the City of Crystal Lake allow for public inspection of the tentative annual budget at least ten (10) days prior to its passage; and

WHEREAS, the tentative annual budget has been available for public inspection in the Office of the City Manager and online on the City's website from November 7, 2025; and

WHEREAS, after proper notice being given, a public hearing was conducted on December 2, 2025, to obtain public comment on the tentative annual budget for the City of Crystal Lake for the fiscal year beginning January 1, 2026 and ending December 31, 2026; and

WHEREAS, Section 8-2-9.6 of the Illinois Municipal Code authorizes the City Council to delegate authority to heads of municipal departments to delete, add to, or change sub-classes within an adopted budget.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and City Council of the City of Crystal Lake, McHenry County and State of Illinois, as follows:

Section 1: The fiscal year budget of the City of Crystal Lake, McHenry County, Illinois, for the fiscal year beginning January 1, 2026 and ending December 31, 2026, in the form attached hereto is hereby approved and adopted.

Section 2: The City Manager is hereby authorized to delete, add to, or change sub-classes within the funds of the adopted budget. No revision of the budget shall be made increasing the total budget without proper approval from the City Council.

Section 3: That a certified copy of this Ordinance and a copy of the budget hereby approved shall be filed with the McHenry County Clerk in accordance with the provisions of the statutes of the State of Illinois.

DATED at Crystal Lake, Illinois, this 2nd day of December 2025.

APPROVED:

_____

Haig Haleblian, MAYOR

ATTEST:

_____

CITY CLERK

PASSED: December 2, 2025

APPROVED: December 2, 2025

Published in pamphlet form by the authority of the Mayor and City Council of the City of Crystal Lake.

ACCOUNT DESCRIPTIONS

Personnel Services

Full-Time Wages
Includes salaries and wages of all full-time employees, officials and officers of the City of Crystal Lake.

Part-Time/Seasonal Wages
Includes wages of all part-time or seasonal employees of the City of Crystal Lake.

Overtime
Wages paid above regular salary for hours worked beyond standard required work schedule.

Pension Payments
Includes monthly payments to retired or disabled police officers and firefighters or their survivors eligible to receive payments from their retirement funds.

Group Insurance
Includes City's share of employee and dependent group term coverage.

City Portion Social Security
Includes City's share of Social Security expense.

City Portion IMRF
Includes City's share of Illinois Municipal Retirement Fund expense.

City Portion Medicare
Includes City's share of Medicare expense.

Contractual Services

Professional Services
Includes payment to outside technical or professional advisors or consultants.

Reimbursed Expenses
Includes all amounts that are paid by the City of Crystal Lake and reimbursed by an outside agency. Excludes Grants.

Legal
All costs related to legal services provided to the City.

Annual Audit
Includes payment to outside Certified Public Accountants for annual or special audit of City funds as required by law or direction of the City Council.

Pest Control
Includes all payments to outside consultants, vendors or other governmental agencies for control or abatement of vermin, mosquitoes, moths etc.

Publishing
Includes all legal advertising, statutory publication expenses and cost of miscellaneous publications.

Postage and Freight
Includes postage, out-going shipment charges, stamps, postcards, insurance and registration fees, pre-printed envelopes and postage dues. Incoming transportation charges are to be charged to the same classification as the cost of the materials or supplies received.

Training
Includes transportation, mileage expense, meals, lodging and all necessary expenses incurred in performance of official duties. Also includes fees and expenses incurred for training courses, seminars, conferences, etc., relating to official duties.

Automotive Repair
Includes costs of miscellaneous parts to maintain City automobiles.

Dues and Subscriptions
Includes membership in technical and professional organizations and cost of subscribing to technical or professional publications, periodicals, bulletins or services from which the City will derive direct benefit.

Insurance and Bonding
Includes cost of all types of insurance, insurance riders and fidelity bonds except employee group life and health insurance.

Utilities
Includes costs of telephones, cellular phones, pagers, electricity, gas, heat fuel oil or propane for City buildings or installations.

Animal Control
Includes cost of outside vendors or other governmental units for housing, feeding or humanely disposing of animals.

Buildings and Offices Maintenance Services
Includes costs of services, including labor and materials, performed by outside vendors for maintenance and repair of buildings, offices, garages and installations.

Examinations
Includes all professional, laboratory or diagnostic fees paid to outside vendors for required examinations.

Operating Equipment Maintenance Services
Includes costs of services, including labor and materials, performed by outside vendors for maintenance of all operating equipment: tractors, mowers, sweepers, automobiles, trucks, and equipment, traffic signals, instruments, minor apparatus and tools.

Office Equipment Maintenance Services
Includes costs of maintenance, including labor and materials, performed by outside vendors for maintenance and repair of office equipment; computers, office machines and furniture. Also includes service contracts.

Clothing Rental
Includes expense of rental clothing.

Radio Equipment
Includes costs of services, including labor and materials, performed by outside vendors for maintenance and repair of car radio receivers, paging equipment, control consoles and antenna tower, portable radios either by call or service contract.

Sidewalk Maintenance Services
Includes costs of services, including labor and materials, performed by outside vendors for maintenance and repair of sidewalks.

Storm Sewer Maintenance Services
Includes costs of services, including labor and materials performed by outside vendors for maintenance and repair of storm sewers.

Street Light Maintenance Services
Includes costs of services, including labor and materials, performed by outside vendors for maintenance and repair of streetlights. Also includes monthly service charge fee paid to outside vendors for street lights.

Plant Maintenance Services
Includes costs of services, including labor and materials, performed by outside vendors for maintenance and repair of utility plants and equipment.

Lines and Systems Maintenance Services
Includes costs of services, including labor and materials, performed by outside vendors for maintenance and repair of water and sewer lines, interceptors, force mains, valves and valve vaults and lift stations.

Fire Hydrants Maintenance Services
Includes costs of services, including labor and materials, performed by outside vendors for maintenance and repair of fire hydrants.

Employee Programs
Includes costs of employee recognition supplies and activities.

State Filing Fees
Includes annual compliance fees for police and fire pension funds.

Tree Removal Services
Includes costs of services, including labor and materials, performed by outside vendors for tree and stump removal.

Tree Planting Services
Includes costs of services, including labor and materials, performed by outside vendors for tree planting, watering and fertilizing.

Rent - Building or Equipment
Includes all rental costs of buildings and equipment.

Land Rental
Includes all rental costs of vacant land, parking lots, driveways, streets, roadways and easements.

Para Transit Services
Includes the City's portion of costs for the Dial-A-Ride program through the Regional Transportation Agency.

Contingency
Provides for unforeseen emergencies.

Debt Collection Services
Includes costs of services, including labor and materials, performed by outside vendors in collecting debts due.

Supplies and Materials

Office Supplies
Includes all supplies necessary for the operation of an office: copy paper, writing utensils, staples, etc. Does not include postage or pre-stamped envelopes, charges for stationery, printing and miscellaneous items.

Cleaning Supplies
Includes all cleaning supplies such as brooms, mops, brushes, solvents, soap, disinfectants, deodorizers, etc.

Landscape Materials
Includes materials such as grass seed, sod and plant materials, including trees.

Motor Fuel & Lubricants
Includes gasoline, motor oil, diesel fuel and other fuels and lubricants for cars, trucks, heavy equipment, etc.

Computer Hardware & Software
Includes all costs of computer hardware and software, including printers, yearly maintenance and software updates/upgrades.

Small Tools & Equipment
Includes all supplies and equipment of small unit value below the capitalization threshold of $5,000 (per item) and subject to either loss or rapid deterioration. Includes all hand tools, supplies and equipment used by mechanics, laborers, maintenance men, etc.

Automotive Supplies
Includes cost of materials and supplies used for maintenance and repair of automobiles, trucks and other heavy equipment.

Public Works Materials
Includes all bituminous patching material, cement, sand, gravel, street paint, etc.

Clothing
Includes clothing allowance for City personnel.

Water Meters and Parts
Includes costs of water meters and parts for maintenance and repair of water meters.

Fire Hydrants and Parts
Includes costs of all parts for maintenance and repair of fire hydrants.

Salt
Includes cost of water softener and ice control salt.

Chemicals and Sealants
Includes all chemicals for treatment of water and sewer lines, and system and installation maintenance.

Laboratory Supplies
Includes all laboratory supplies below the capitalization threshold of $5,000 (per item), such as Petri dishes, flasks, slides, automatic sampling parts, analytical reagents, etc.

Water Tap Materials
Includes costs of materials such as copper tubing, corporation codes, buffalo boxes and pressure fittings, etc., used in water taps.

Street Signs
Includes costs to purchase new and replacement street signs.

Operating Supplies
Includes cost of materials and supplies used for in-house maintenance and repair of operating equipment.

Plant Maintenance
Includes cost of materials and supplies, performed in-house, for maintenance and repair of utility plants and equipment.

Stationery and Printing
Includes all costs for printing, binding, photography, blueprinting and microfilming services by outside vendors, including City letterhead and return-address labels and envelopes.

Capital Outlay, account series 57000:

Capital Outlay includes the purchase of all real property such as land, buildings, machinery and equipment which benefit the current and future fiscal periods. Capital Outlay would include the purchase of all items which meet the following criteria:

- Must have an estimated useful life of more than three years;
- Must be capable of being permanently identified as an individual unit of property;
- Must belong to one of the general classes of property, which are considered as fixed assets in accordance with generally accepted accounting practices. Fixed assets are defined as items of more or less permanent property necessary to the operation of an enterprise. As a general rule, an item, which meets the first two requirements and has a unit cost of $10,000 (per item) or more, should be classified as Capital Outlay.

Buildings

Includes the construction or acquisition of permanent structures.

Office Equipment

Includes computers and or/machines and furniture.

Automotive Equipment

Includes automobiles and trucks and necessary equipment/alterations if purchased with a new vehicle.

Operating Equipment

Includes all machinery and equipment not included in Office Equipment, Automotive Equipment or Departmental Equipment.

Public Works Improvement

Includes costs for the extension of utilities to approved sites.

Streets

Includes construction costs of streets, parking lots, sidewalks, bridges, curbs, gutters, culverts, storm sanitary sewers, dry wells, airport runways and aprons, water lines, lighting systems, permanent signs, etc.

System Improvement

Includes construction and acquisition costs of water, sewer and storm sewer lines, manholes, lift stations, valve vaults, etc.

Land

Includes the cost of land, construction easements, permanent easements, legal and survey fees.

Departmental Equipment
Includes only those items, which are unique to a particular department such as automotive testing equipment, microscopes, automatic sampling devices, etc.

GLOSSARY OF TERMS

ACCOUNTING SYSTEM: The total set of records and procedures that are used to record, classify, and report information on the financial status and operations of an entity.

ACCRUAL BASIS OF ACCOUNTING: The method of accounting under which transactions and events are recognized when they occur, regardless of when cash is received or paid.

ACTIVITY: A cost center for recording charges for services delivered or functions performed. Each activity has an assigned manager who is responsible for planning and conducting the various approved objectives or workload.

ADJUDICATION: Administrative Court conducted by the City for compliance issues and no criminal violation of local ordinance violations.

AD VALOREM PROPERTY TAXES: In proportion to value. A basis for levy of taxes on property.

AME: After-market equipment

AMORTIZATION: (1) The portion of the cost of a limited-life or tangible asset charged as an expense during a particular period. (2) The reduction of a debt by regular payments of principal and interest sufficient to retire the debt by maturity.

ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR): A government's annual report that contains three sections-introductory, financial and statistical. An ACFR provides financial information beyond the general purpose external financial statements and conforms to guidance in the GASB Codification.

APPROPRIATION: An authorization made by the legislative body of a government, which permits officials to incur obligations against and to make expenditures of governmental resources. Appropriations are usually made for fixed amounts and are typically granted for a one-year period.

APS: Automated Citation Program

ARRA: American Recovery and Reinvestment Act of 2009

ASE: Automotive Service Excellence

ASSESSED VALUATION: A valuation set upon real estate or other property by a government as a basis for levying taxes.

ASSESSMENT: (1) The process of making the official valuation of property for taxation. (2) The valuation placed upon property as a result of this process.

ASSETS: Property owned by a government, which has a monetary value.

ASSIGNED FUND BALANCE: The portion of a Governmental Fund's net assets to denote an intended use of resources.

AUDIT: The examination of documents, records, reports, systems of internal control, accounting and financial procedures, and other evidence to determine whether the financial statements or other financial reports and related items are fairly presented in accordance with generally accepted accounting principles or other established or stated criteria.

AVL: Automatic Vehicle Locater

BALANCED BUDGET: A plan (budget) setting forth expenditures and other uses for a given period being equal to or less than proposed revenues and other sources available.

BOND: A written promise to pay (debt) a specified sum of money (called principal or face value) at a specified future date (called the maturity date(s)) along with periodic interest paid at a specified percentage of the principal (interest rate). Bonds are typically used for long-term debt.

BOND DISCOUNT: The excess of the face value of a bond over the price for which it is acquired or sold.

BOND PREMIUM: The excess of the price at which a bond is acquired or sold over its face value.

BUDGET: A plan setting forth the financial operations, embodying an estimate of proposed expenditures for a given period and the proposed means of financing them with available resources.

BUDGET DOCUMENT: The official written statement prepared by the Finance Department staff, which presents the proposed budget to the legislative body.

BUDGET MESSAGE: A general discussion of the proposed budget presented in writing as part of or supplement to the budget document. The budget message explains principal budget issues against the background of financial experience in recent years and presents recommendations made by the chief executive and designated budget officer.

CAD: Computer Aided Design

CALEA: The Commission on Accreditation for Law Enforcement Agencies

CAPITAL ASSETS: Assets of significant value (over $25,000) and having a useful life of several years.

CAPITAL EXPENDITURES: A capital expenditure is a purchase of any item over a specified amount depending on the type of asset (i.e., small tools, vehicles and infrastructure) with a useful life of 3 years or more. Items purchased meeting the criteria are tracked in the asset management system.

CAPITAL IMPROVEMENTS BUDGET: A plan of proposed capital expenditures and the means of financing them. The capital budget is usually enacted as part of the complete annual budget, which includes capital outlays. The capital budget normally is based on a capital improvement plan (CIP).

CASH BASIS: The basis of accounting under which revenues are recorded when received in cash and expenditures (or expenses) are recorded when cash is disbursed.

CD: Community Development Department

CFA: Computerized Fleet Analysis

CIP: Capital Improvement Plan

CMAQ: Congestion Mitigation and Air Quality

CMO: City Manager's Office

COMMITTED FUND BALANCE: The portion of a Governmental Fund's net assets with self-imposed constraints or limitations that have been placed by formal action at the highest level of decision making.

COMPONENT UNIT: Separate governments, agencies or not-for-profit corporations that, pursuant to the criteria in the GASB Codification are combined with other component units to constitute the reporting entity.

CRYSTAL LAKE FIRE PROTECTION DISTRICT: The City of Crystal Lake Fire Rescue Department services the unincorporated area of Crystal Lake with EMS and Fire Protection Services.
CSO: Community Service Officer

CVERT: Citizen Volunteers Employing Radar Team

DELINQUENT TAXES: Taxes, which remain unpaid on and after the date on which a penalty for non-payment is attached.

DIVISION: An organizational unit within a department for purposes of administration and cost accounting.

DEPRECIATION: The measure of the value of a fixed asset that has been consumed during a period whether arising from use, passage of time or obsolescence.

EAV: Equalized Assessed Valuation

EMS: Emergency Medical Services

ENTERPRISE FUND: A fund established to account for operations financed and operated in a manner similar to private business enterprises. In this case, the governing body intends that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

EPA: Environmental Protection Agency

ERP: Enterprise Resource Planning software

ETSB: Emergency Telephone System Board

EVOC: Emergency Vehicle Operators Course

EVT: Emergency Vehicle Technician

EXPENDITURES: The payment of cash or the transfer of property or services for the purpose of acquiring an asset, service or settling a loss. Expenditures include current operating expenses requiring the present or future use of net current assets, debt service and capital outlays, intergovernmental grants, entitlement and shared revenues.

FCC: Federal Communications Commission

FD: Fire Rescue Department

FIDUCIARY FUND: Any fund held by a government in a fiduciary capacity for an external party, ordinarily as agent or trustee. Also called trust and agency funds.

FINES & FORFEITS: A sum of money imposed or surrendered as a penalty.

FISCAL YEAR: A 12-month period to which the annual operating budget applies and at the end of which a government determines its financial position and the results of its operations.

FRA: Federal Rail Administration

FULL FAITH AND CREDIT: A pledge of the general taxing power of a government to repay debt obligations (typically used in reference to bonds).

FULL TIME EQUIVALENT (FTE): A unit of measurement that indicates the workload of an employee in a way that makes workloads comparable across various contexts. An FTE of 1.0 is equivalent to a full-time worker. An FTE of 0.5 is equivalent to a part-time employee.

FUND: An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives.

FUND BALANCE: The excess of a fund's assets over its liabilities, generally called a reserve. A negative fund balance is sometimes called a deficit.

GEMT: Ground Emergency Medical Transport

GENERAL FUND: The fund used to account for all financial resources, except those required to be accounted for in another fund.

GENERAL OBLIGATION BONDS: When a government pledges its full faith and credit for the repayment of the bonds it issues, then those bonds are general obligation (GO) bonds. Sometimes the term is also used to refer to bonds, which are to be repaid from taxes and other general revenues.

GENERAL OBLIGATION REVENUE BONDS: Intended to be paid first from the revenues of the enterprise fund. They are backed by the full faith, credit and taxing power of the City.

GENERALLY ACCEPTED ACCOUNTING PRINCIPALS (GAAP): Uniform minimum standards and guidelines for financial accounting and reporting. They govern the form and content of the financial statements of an entity. GAAP encompasses the conventions, rules and procedures necessary to define accepted accounting practices at a particular time. They include not only broad guidelines of general application, but also detailed practices and procedures. GAAP provides a standard by which to measure financial presentations. The primary authoritative body on the application of GAAP to State and local governments is the GASB.

GIS: Geographic Information System

GOAL: An aim or desired result

GOVERNMENT FINANCE OFFICERS' ASSOCIATION (GFOA): A professional association of state, provincial and local government finance officers in the United States and Canada.

GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB): The authoritative accounting and financial reporting standard-setting body for government entities.

GOVERNMENTAL FUNDS: Funds used to account for the acquisition, use and balance of expendable financial resources and the related current liabilities-(except those accounted for in proprietary funds and fiduciary funds). Under current GAAP, there are four governmental fund types: general, special revenue, debt service and capital projects.

GRANT: A contribution of assets (usually cash) by one governmental unit or other organization to another. Typically, these contributions are made to local governments from the State and federal governments. Grants are usually made for a specified purpose.

HPC: Historical Preservation Commission

HVAC: Heating, Ventilating and Air Conditioning

ICAC: Internet Crimes Against Children

ICMA: International City/Council Management Association.

ICSC: International Council of Shopping Centers

IDOT: Illinois Department of Transportation

IMRF: Illinois Municipal Retirement Fund

INFRASTRUCTURE: The basic facilities, equipment, services and installations needed for the growth and functioning of a community. Includes roads, bridges, curbs and gutters, streets, sidewalks, drainage systems and lighting systems.
INTERGOVERNMENTAL REVENUES: Revenues from other governments in the form of grants, entities, shared revenues or payments in lieu of taxes.

INTERNAL SERVICE FUND: A fund used to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government, or to other governments, on a cost reimbursement basis.

IPBC: Intergovernmental Personnel Benefit Cooperative. The IPBC is an entity created under Illinois State laws which allows municipal groups to band together for the purposes of health insurance. The IPBC was created in 1979 and currently includes 170 municipalities or municipal entities as members.

IT: Information Technology Department

JSA: Job Safety Analysis

LEGAL DEBT LIMIT: The maximum amount of outstanding gross or net debt legally permitted.

LEGAL DEBT MARGIN: The legal debt limit less outstanding debt subject to limitation.

LEGISLATIVE: Having the power to create laws.

LEVY: (1) (Verb) To impose taxes, special assessments or service charges for the support of government activities. (2) (Noun) The total amount of taxes, special assessments or service charges imposed by a government.

LEXIPOOL: A system of risk management tools consisting of web based public safety policy manuals and training bulletins.

MARKET VALUE: An assessor's estimate of what property would be worth on the open market if sold. The market value is set each year before taxes are payable.

MAJOR FUND: Funds are classified as major if they are significantly large with respect to the whole government. A fund is "major" if total assets, liabilities, revenues or expenditures/expenses of the individual governmental or enterprise fund are at least 10 percent of the corresponding total of assets, liabilities, revenue or expenditures/expenses for all funds of that category or type (total governmental or total enterprise funds) and total assets, liabilities

revenues or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

MCDOT: McHenry County Department of Transportation

MCR: Mobile Capture Accident Reporting

METRA: Northeast Illinois commuter rail system serving Chicago and area suburbs.

MODIFIED ACCRUAL BASIS: The basis of accounting under which expenditures other than accrued interest on general long-term debt are recorded at the time liabilities are incurred and revenues are recorded when received in cash except for material and/or available revenues which should be accrued to reflect properly the taxes levied and revenue earned.

MOTOR FUEL TAX (MFT): Intergovernmental revenue from the State to be used for maintenance and construction of the municipal street system. The money comes from the State gasoline tax and fees from motor vehicle registration.

MATURITIES: The dates on which the principal or stated value of investments or debt obligations mature and may be reclaimed.

NAPA: National Automotive Parts Association

NONSPENDABLE FUND BALANCE: The portion of a Governmental Fund's net assets that are not available to be spent, either short-term or long-term, in either form or through legal restrictions.

NCS: National Citizen Survey

NPDES: National Pollutant Elimination System

OBJECTIVE: Serving as a goal; being the object of a course of action.

OC SPRAY: Oleoresin Capsicum or "pepper" spray

OPEB: Other Post-Employment Benefits

OPERATING BUDGET: A plan of financial operation embodying an estimate of proposed expenditures for the calendar year and the proposed means of financing them (revenue estimates).

OPERATING EXPENSES: Proprietary fund expenses related directly to the fund's primary activities.

OPERATING TRANSFER: Routine and/or recurring transfers of assets between funds.

ORDINANCE: A formal legislative enactment by the government body of a municipality. If it is not in conflict with any higher form of law, it has the full force and effect of law within the boundaries of the municipality to which it applies.

OTHER CHARGES: A level of budgetary appropriations which includes expenses for outside professional services, advertising, insurance, utility costs, repairs maintenance and miscellaneous costs.

PACE: Suburban bus service of the regional transportation authority.

PC: Personal computer

PD: Police Department

PERFORMANCE INDICATORS: A quantitative or qualitative measurement of activity.

PERSONNEL SERVICES: A level of budgetary appropriations, which include expenses for salaries, wages, and related employee benefits such as the City's share of retirement and insurance.

POLICY: A set of guidelines used for making decisions.

PLC: Programmable logic controller

POPULAR ANNUAL FINANCIAL REPORT (PAFR): A financial report that is designed to be readable and easily accessible by the general public and others that do not have a background in public finance.

PROGRAM: Group activities, operations or organizational units directed to attaining specific purposes or objectives.

PROPRIETARY FUNDS: Account for government's ongoing activities that are similar to those often found in the private sector. All assets, liabilities, equities, revenues, expenses and transfers relating to the government's business and quasi-business activities are accounted for through proprietary funds. The GAAP used are generally those applicable to similar businesses in the private sector and the measurement focus is on determination of income, financial position and changes in financial position. Includes enterprise and internal service funds.

PW: Public Works Department

PZC: Planning and Zoning Commission

REGIONAL TRANSPORTATION AUTHORITY: Lead public transportation agency for Chicago area suburbs.

RESERVES: Assets kept back or saved for future use or special purpose.

RESIDUAL EQUITY TRANSFER: Non-recurring or non-routine transfers of assets between funds.

RESTRICTED FUND BALANCE: The portion of a Governmental Fund's net assets that are subject to external enforceable legal restrictions.

RETAINED EARNINGS: An equity account reflecting the accumulated earnings of the government's proprietary funds (those funds where service charges will recover costs of providing those services).

REVENUE: The term designates an increase to a fund's assets which:

- does not increase a liability (e.g., proceeds from a loan)
- does not represent a repayment of an expenditure already made
- does not represent a cancellation of certain liabilities; and
- does not represent an increase in contributed capital.

REVENUE ESTIMATE: A formal estimate of how much revenue will be earned from a specific revenue source for some future period, typically a future fiscal year.

S/A: Single Axle

SCADA: Supervisory Control and Data Acquisition

SPECIAL ASSESSMENT: A compulsory levy made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

SPECIAL REVENUE FUND: A fund used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditure for specified purposes.

STP: Surface Transportation Program

SUPPLIES: A level of budgetary appropriations, which include expenses for commodities that are used, such as office supplies, operating supplies, and repair and maintenance supplies.
T/A: Tandem Axle

TAX CAPACITY: A valuation set upon real estate and certain personal property by the County Assessor as a basis for levying property taxes. The assessor determines the estimated market (resale) value of the property. This value is converted by a formula per the County Assessor.

TAX RATE: The property tax rate that is based on the taxes levied as a proportion of the property value.

TAX LEVY: The total amount to be raised by general property taxes for the purposes stated in a resolution certified to the County Assessor.

TAXES: Compulsory charges levied by a government to finance services performed for the common benefit.

TIF: Tax Increment Financing District.

TRANSPORTATION RENEWAL FUND (TRF): Intergovernmental revenue from the State to be used for maintenance and construction of the municipal street system. The money comes from the State gasoline tax.

TRU: Targeted Response Unit.

TRUTH IN TAXATION: The "taxation and notification law" requires local governments to set estimated levies, inform taxpayers about the impacts, and hold a separate hearing to take taxpayer input.

UDO: Unified Development Ordinance

UNASSIGNED FUND BALANCE: Available expendable financial resources in a Governmental Fund that are not the object of a tentative management plan, i.e. designations (Only in the General Fund, unless negative).

UPRR: Union Pacific Railroad

USGS: United States Geological Survey

VARIANCE: A relaxation of the terms of the zoning ordinance where such variance will not be

contrary to the public interest and where, owing to conditions peculiar to the property and not the result of the actions of the applicant, a literal enforcement of the ordinance would result in unnecessary and undue hardship.

WAS: Waste Activated Sludge

WORKLOADS: A measure of services provided.

WTP: Water Treatment Plant

WWTP: Wastewater

CITY OF CRYSTAL LAKE

ANNUAL BUDGET

FISCAL YEAR 2026

APPENDICES

APPENDIX A – THE BUDGET PROCESS

The City of Crystal Lake follows the statutory procedure of utilizing a budget officer which procedure requires that an annual budget be adopted by the corporate authorities before the beginning of the fiscal year to which it pertains.

STRATEGIC ACTION PLAN

Recognizing the many challenges facing the community, City Council members and Department Heads actively engage in strategic planning processes. A Strategic Plan identifies the most important commitments that will achieve the community's vision and advance the City's mission. Key elements of the City's planning framework include:

- Establishing a process for review of an improvement in services managed by the City of Crystal Lake.
- Establishing the foundation for budgeting appropriate resources for specific outcomes.

See Appendix C for more information on the City of Crystal Lake's Strategic Plan.

REVENUE PROJECTIONS

Revenue projections for the new fiscal year begin early in the current fiscal year. Projections are made by the departments responsible for the revenues with help from the Finance staff. Projections are based upon consultations with state and local agencies, trend analysis, anticipated changes in the local and regional economy, and discussions with directly associated staff members. Although revenue projections are prepared early in the budget process, the budget revenue analysis continues with departmental budget development and extends until the budget is adopted based upon any new information.

EXPENDITURES

The City of Crystal Lake uses a program-oriented budgeting process. Each budgeting unit is given a target or "baseline" funding level based upon the previous year's funding level. With a few exceptions, no fixed assets or wages and benefits are included in baseline funding. Any funding request that represents new expenditures and programs, or that is in excess of baseline funding, must be submitted as a separate request. Requests for capital purchases (fixed assets) must also be submitted separately.

PROPOSED BUDGET ANALYSIS/COMPILATION

The Finance Department reviews and compiles a preliminary draft of departmental budgets to present to the Budget Team, which is comprised of the Budget Officer (City Manager), Department Heads and Assistant Finance Director. During Budget Team meetings, each Department Head answers questions concerning their budget.

Given revenue projections and baseline funding requirements, budget changes in funding are made according to necessity and priority. A total recommended funding level is determined and is weighed against available resources.

PROPOSED BUDGET DEVELOPMENT

The Budget Officer prepares and submits to the Crystal Lake City Council, the Proposed Annual Budget covering the next fiscal year. The Proposed Budget assumes for each fund that operating revenues and resources are equal to, or exceed expenditures. The Budget Officer's message summarizes funding requirements, major changes in programs and alternatives for funding.

CITY COUNCIL BUDGET WORKSHOP

A budget workshop is held with the City Council to review and discuss the proposed budget. The workshop is open to the public. Discussions and budget revisions may occur up until the budget is adopted. The City Council make the tentative annual budget conveniently available for public inspection at least ten days prior to the passage of the annual budget.

PUBLIC HEARING/BUDGET ADOPTION

Not less than one week after publication of the tentative annual budget, and prior to final action on the budget, the City Council hold a public hearing on the tentative annual budget, after which hearing the tentative budget may be further revised and passed without any further inspection, notice, or hearing. At the public hearing, citizens may make formal comments concerning the proposed budget. The budget is approved by a vote of two-thirds of the members of the corporate authorities holding office.

BUDGET AMENDMENTS

The City Council may delegate authority to delete, add to or change the adopted budget, subject to such limitation or requirement for prior approval by the Budget Officer or City Manager as the Council, upon a majority vote of the members then holding office, may establish. No revision of the budget shall be made increasing the budget in the event funds are not available to effectuate the purpose of the revision.

The City Manager may transfer funds between units in the same fund. With the prior approval of the City Manager, Heads of Departments may transfer funds between line items within the same budgeting unit. Changes at the fund level require the approval of two-thirds of the City Council.

BASIS OF BUDGETING

The City's annual budget for all funds is prepared using the inflows and outflows of current financial resources (modified basis of accounting). Current financial resources are cash or items such as receivables that will be converted into cash during the current fiscal period or that will be available soon enough after the end of the period to pay current-period liabilities.

Because the budget is prepared on a modified accrual basis for all funds but financial statements are prepared on a modified accrual (governmental funds) and accrual (enterprise and pension trust funds) basis, certain differences between the two methods need to be accounted for. Two most significant differences are 1) depreciation expense – the modified accrual basis does not recognize depreciation expense and will therefore result in higher fund balance/retained earnings than the accrual basis when adjusting for depreciation expense; and 2) purchase of capital items – the modified accrual basis recognizes the full cost of a capital asset when it is purchased rather than depreciating it over time and will therefore result in a lower fund balance/retained earnings than the accrual basis when adjusting for the purchase of capital items.

The City's Annual Comprehensive Financial Report contains two categories of basic financial statements, government-wide and fund financial statements. Government-wide financial statements are intended to provide an aggregated overview of the City's net assets and changes in net assets. The government-wide financial statements report on the City as a whole and assist in assessing operational accountability, whether the City has used its resources efficiently and effectively in meeting operating objectives. Operational accountability is best achieved by using essentially the same basis of accounting and measurement focus used by business organizations, the accrual basis and flow of economic resources measurement focus.

Fund financial statements, the other category of basic financial statements, assist in assessing whether the City has raised and spent financial resources in accordance with budget plans and compliance with pertinent laws and regulations. Fund financial statements focus on the short-term flow of current financial resources or fiscal accountability, rather than on the flow of economic resources.

APPENDIX B - FISCAL YEAR 2026 BUDGET CYCLE

January 2025	CIP Revision Focus Group.
March 2025	Capital project templates released
June 2, 2025	Distribute FY 26 operating budget instructions to all departments.
June 13, 2025	Capital projects due
July 7, 2025 – July 18, 2025	Meetings with City Manager to review capital requests
August 1, 2025	Position or employee change requests due to HR
August 15, 2025	Budget submittals due from ALL Departments
August 18 2025– August 29, 2025	Finance review of budget submittals
August 19, 2025	City Council Capital Presentations
September 2, 2025	City Council Capital Presentations (Backup date)
September 2, 2025 – September 19, 2025	Departments meet with City Manager & Finance to review operating requests, accomplishments, objectives and metrics.
September 22, 2025 – October 10, 2025	Budget Document Preparation
October 13, 2025 – October 24, 2025	City Manager Final Review of Budget Document
November 3, 2025	Distribute Proposed FY26 Budget to Council
November 6, 2025	Distribute Property Tax Memorandum to Council
November 7, 2025	Post Agenda for Workshop. Make Budget Available to Public.

November 12, 2025	Conduct Budget Workshop
November 18, 2025	Council resolution to determine max property tax levy amount
November 21, 2025	Publish Notice of Public Hearing for Budget. Publish Notice of Truth in Taxation Public Hearing
December 2, 2025	Public Hearing and Adoption of FY 26 Budget, salary ordinance, water rate and other budget impact ordinances. Public Hearing and Adoption of 2025 Tax Levy
December 19, 2025	File adopted FY 26 Budget and 2025 Property Tax Levy with McHenry County Clerk.

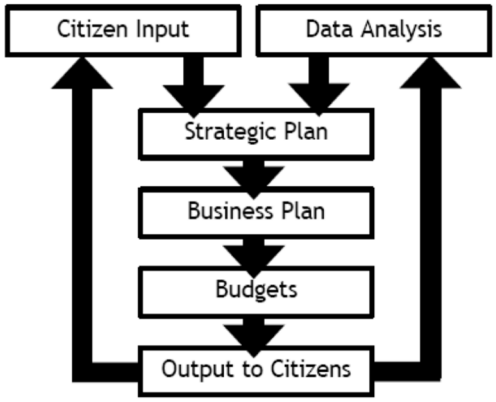
APPENDIX C - STRATEGIC PLAN

The Strategic Plan identifies the most important commitments that will help achieve the community vision. The strategic commitments that form the Strategic Plan are:

1. Development – Reinvestment in the Community
2. Enhancing Community Life through Service Maintenance and Development
3. Managing Infrastructure/Finances

THE STRATEGIC PLANNING PROCESS

The Strategic Plan is not a static document or process. It must change to reflect the changing community. As a dynamic document, the City will continuously revisit the Strategic Plan to ensure we are headed on the right path.



CITIZEN SURVEY

An effective way of gathering citizen input is through a citizen survey. A citizen survey is a uniform survey tool to assess resident satisfaction with community amenities and government service provision. The Strategic Plan documents incorporates the results of the citizen survey.

ENVIRONMENTAL SCAN

The purpose of the Environmental Scan was to help identify the important issues the City needs to address in order to realize its vision for the future. The Environmental Scan identified demographic, economic, social, technological and environmental changes. The Environmental Scan focused on changes in both the external environment (community, regional, national and international) as well as internal changes to the City organization and services provided by the City.

S.W.O.T. ANALYSIS

Utilizing information gathered from the citizen survey, a S.W.O.T analysis was developed. A S.W.O.T. analysis is an assessment of present strengths and weaknesses, and future opportunities and threats.

CITY COUNCIL WORKSHOP

Utilizing the Environmental Scan and S.W.O.T. analysis, the City Council held a workshop session. The purpose of the workshop was to re-confirm the City's Vision Statement, Mission Statement, and Core Values, review and confirm the City's strengths, weaknesses, opportunities, and threats, and identify future opportunities. The Strategic Plan documents incorporates the results of the workshop.

EVALUATION

Once the final document is approved, evaluation of the Strategic Plan at regular intervals is critical to understanding how the organization is performing relative to the expectations articulated in the plan so that progress toward the achievement of community-wide goals can be assessed.

STRATEGIC COMMITMENT #1: DEVELOPMENT – REINVESTMENT IN THE COMMUNITY

EXPLORE ANNEXATION OPPORTUNITIES

- Pursue annexations of strategic properties in order to provide better realignment of corporate boundaries (ongoing).
- Explore governmental consolidation (ongoing).

PROMOTE THE DEVELOPMENT/REDEVELOPMENT OF STRATEGIC AREAS.

- Promote the development of the Northwest Corridor (ongoing).
- Promote commercial redevelopment along Route 14 (ongoing).
- Promote commercial and residential development in the Main Street TIF District with emphasis on the former Oak Manufacturing Building and the former Hines Lumber site (ongoing).
- Promote the redevelopment of the Crystal Court property (ongoing).

COMPLETE A COMPREHENSIVE ANNEXATION POLICY.

- Proactively pursue annexation of developed and undeveloped properties that are in the best interests of the City (ongoing).

COMPLETE THE NEXT PHASE OF DEVELOPMENT OF THE THREE OAKS RECREATION AREA.

- Build upon the success of the Three Oaks Recreation Area to further enhance recreational opportunities for the entire community (ongoing).

COMPLETE A COMPREHENSIVE ANALYSIS OF THE CITY'S ZONING POLICY.

PROMOTE REVITALIZATION AND REDEVELOPMENT.

- Assist businesses and developers to effectively work with environmental and brownfield regulatory and incentive programs (ongoing).
- Develop land-use plans and implement regulations (e.g. zoning, transportation management, storm water management, etc.) that make more efficient use of land and transportation systems (ongoing).
- Work in partnership with other local and State organizations to aid local economic development, including business retention and attraction efforts (ongoing).

PROMOTE NEIGHBORHOOD REVITALIZATION/PRESERVATION.

- Develop infrastructure and make other investments to address neighborhood development needs (green spaces, median islands, streets, sidewalks, drainage structures, signage, curbs and gutters, parking) (ongoing).
- Encourage more quality neighborhood associations (ongoing).
- Encourage programs that assist neighborhoods struggling under the effects of the foreclosure crisis (ongoing).

STRATEGIC COMMITMENT #2: ENHANCING COMMUNITY LIFE THROUGH SERVICE MAINTENANCE AND DEVELOPMENT

PROMOTE EFFECTIVE COMMUNICATION.

- Enhance the use of the City's newsletter, website, and government access channel (ongoing).
- Continued E-government implementation (Virtual City Hall) (ongoing).
- Schedule two general town meetings per year (ongoing).

STRENGTHEN PARTNERSHIPS TO ENCOURAGE ENHANCED RECREATION AND CULTURAL OPPORTUNITIES IN THE COMMUNITY.

- Encourage the development of a community center/senior center/pool (ongoing).
- Encourage the development of cultural opportunities (ongoing).

ENHANCE PUBLIC TRANSPORTATION OPPORTUNITIES.

- Continue to work with partners such as Metra, Pace, and McHenry County to development public transportation opportunities (ongoing).

STRATEGIC COMMITMENT #3: MANAGING INFRASTRUCTURE/FINANCES

ENSURE FISCAL RESPONSIBILITY.

- Communicate to the community how the City utilizes public funds and the challenges it faces to provide services (ongoing).
- Develop a five-year financial forecast that includes operating costs, capital costs and a plan to finance both (completed).

MAINTAIN A PRIORITIZED CAPITAL IMPROVEMENT PLAN.

- Develop a five-year capital improvement plan and update annually thereafter (completed).
- Develop ongoing funding sources to address capital improvement projects (ongoing).
- Develop innovative ways to increase funding for local and regional transportation infrastructure (ongoing).

MAINTAIN CITY STREETS IN GOOD CONDITION.

- Maintain a pavement replacement program (completed)

STRENGTHEN REGIONAL PARTNERSHIPS TO HELP SOLVE LOCAL AND REGIONAL TRANSPORTATION PROBLEMS (ONGOING).

ENHANCE THE QUALITY OF DRINKING WATER IN THE CITY.

APPENDIX D - FINANCIAL POLICIES

The City's Financial Policies cover the following policies applicable to the financial practices of the City of Crystal Lake. They are a key element regarding sound fiscal administration. The purpose of the City of Crystal Lake's financial policies are to serve as a foundation for long and short range planning; facilitate decision making related to financial matters; establish parameters in which the government can operate; and provide direction to staff for handling the City's day-to-day financial business. These policies also serve as a blueprint to achieve the fiscal stability necessary to carry out the City's strategic plans. Because of the broad and diverse nature of the City's offices and departments it is critical to have written, clearly defined, financial policies which minimize the risk of developing conflicting or inconsistent goals and objectives causing negative impacts on the overall financial position of the City of Crystal Lake.

These policies are reviewed whenever necessary to update for changes in law or generally accepted accounting principles. These policies may also be updated to enhance our understanding and implementation of sound financial practices, in response to changes and events that may affect our financial well-being.

This budget is in compliance with all relevant financial policies.

1. PURCHASING

Purchasing is a support function that directly affects all City departments and offices' operating budgets. Purchasing is an important component in accomplishing various City goals and objectives in a cost-effective manner. This policy provides the framework for acquiring goods and services on behalf of the City.

2. TRAVEL AND TRAINING

The travel and training policy establishes guidelines for business related travel and training expenditures and reimbursement. All City personnel traveling or incurring business expenses on behalf of the City, and those responsible for the approval of these expenses, are expected to use these measures to assist in maintaining control over travel expenditures. This policy applies to all funds under City control and are superseded only in those instances where funding agencies apply specific and more restrictive rules and rates.

3. CITY CREDIT CARD

The City's credit card program is intended to replace petty cash and the use of personal funds reimbursed through Accounts Payable. Purchases will be made within established guidelines, documented with receipts, authorized, audited and recorded in a timely manner.

4. PETTY CASH

The petty cash policy is a set of guidelines that govern the management and usage of small amounts of cash for nominal business expenses.

5. ACCOUNTS PAYABLE AND VENDOR DISBURSEMENTS

The accounts payable and vendor disbursements policy provides for the management of the City's short-term payment obligations to its vendors. The mission of accounts payable is to pay only bills and invoices that are legitimate and accurate.

6. ACCOUNTS RECEIVABLE AND COLLECTIONS

The accounts receivable and collections policy establishes a set of guidelines that govern accounts receivables and provide for the efficient collection of payment on current and past-due accounts while maintaining positive customer relationships. The policy further addresses detection of red flags.

7. CASH RECEIPTS

The cash receipts policy establishes minimum requirements for proper cash and check handling by City departments and offices. The policy prohibits the storage of credit card data by the City.

8. GRANT MANAGEMENT

The grant management policy provides guidance to staff for the application, approval, implementation and oversight of grants awarded to the City.

9. DONATION ACCEPTANCE

The donation acceptance policy provides the framework to accept donations, manage risk associated with donations and to comply with IRS regulations.

10. ECONOMIC DEVELOPMENT INCENTIVES

The economic development incentives policy addresses the City's use of subsidies or other incentives to encourage private development.

11. SURPLUS PERSONAL PROPERTY DISPOSAL

The City's surplus personal property disposal policy governs disposal of City-owned surplus personal property, except as specifically exempted by law.

12. ANNUAL BUDGET

The annual budget policy provides the framework for overall fiscal planning and management. The policy sets forth guidelines for both current and long-range planning activities and establishes fund reserve targets.

13. DEBT MANAGEMENT

The debt management policy governs the use of debt, including permissible debt instruments, conditions under which debt may be used, allowable levels of debt and compliance with post-issuance and continuing disclosure requirements.

14. INVESTMENTS

The investment policy is a statement of objectives and constraints in the City's approach to investing. It describes the City's investment philosophy, preferences, risk tolerance and goals.

15. FRAUD REPORTING

The fraud reporting policy establishes the framework for identifying and reporting suspected misconduct and dishonesty by employees and others whom the City has dealings.

16. ACCOUNTING AND FINANCIAL REPORTING

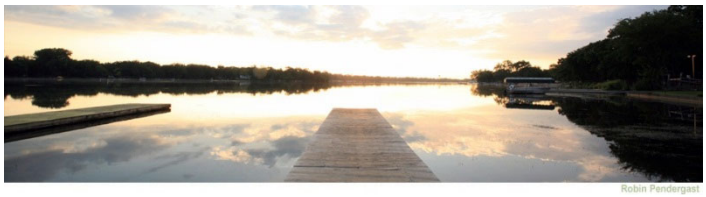
The accounting and financial reporting policy provides key accounting principles used to prepare the City's financial statements and the requirement that an independent audit will be conducted each year.

17. CAPITAL ASSETS

The capital assets policy provides the framework for accounting for and depreciating the City of Crystal Lake's capital assets.

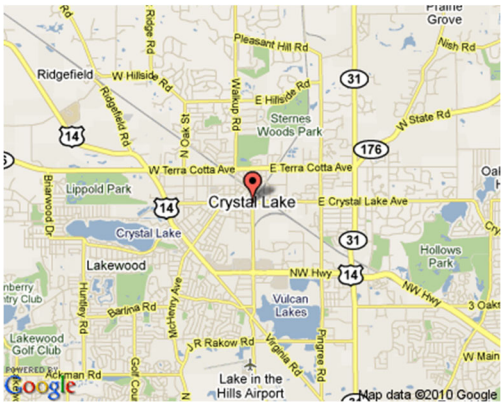
APPENDIX E - HISTORY OF CRYSTAL LAKE

The Crystal Lake area's first European settlers, Beman and Polly Tuttle Crandall arrived in February 1836 with their six children, and discovered a sparkling clear lake, tall timber, and vast prairies. By August, 1836, the U.S. government granted homestead rights to the Crandalls. An old trail, forged by the Sac and Fox tribes, extended from Fort Dearborn in Chicago to northwest Wisconsin, with the portion through Crystal Lake known as Route 14. A log cabin inn, the Lyman-King House, stood on Virginia Street near Pomeroy Avenue and served as a stage coach stop and trading post.



The Village of Crystal Lake was platted in 1840 by Beman Crandall, Christopher Walkup, and Abner Beardsley. At the time, the surveyors determined the boundaries to be Virginia Street to the north, Lake Avenue to the south, McHenry Avenue to the east, and Dole Avenue to the west.

The Village of Nunda was established in 1855, with the Chicago, St. Paul and Fond du Lac railroad (the track is now owned by the Union Pacific), as the first direct rail connection from Chicago. The train stop in the Village of Nunda established the town as the commercial hub of McHenry County. The street configuration of Crystal Lake's present downtown reflects the railroad's early influence. In 1856, a rail spur line (now Dole Avenue) was built from the Village of Nunda to Crystal Lake to transport ice cut from the lake to Chicago and to bring visitors from Chicago to the area.



Many public infrastructure improvements took place in the early years of the two villages. The Chicago Telephone Company received a right-of-way in 1883. In 1884, wooden sidewalks were constructed. The water system was built in the Village of Nunda in 1899 and in the Village of Crystal Lake in 1912. The Nunda Electric Company built a plant on Walkup Avenue, south of the Union Pacific track, in 1902. Western United Gas and Electric Company began operations in 1909. The City built the wastewater treatment system on McHenry Avenue, south of Barlina Road, in 1919. Road paving became a predominate fixture in the community in 1924 and 1929 with increasing use of the personal automobile.

The Village of Nunda became North Crystal Lake in 1908. Consolidation of Crystal Lake and North Crystal Lake occurred on April 28, 1914. The City of Crystal Lake Charter was adopted on September 23, 1914.

APPENDIX F - COMMUNITY PROFILE



The City of Crystal Lake, located 50 miles northwest of Chicago, currently occupies a land area of 18.96 square miles and serves a certified population of 40,269 with a median family income $87,578.

The City of Crystal Lake has operated under the Council-Manager form of government since 1957. Policy-making and legislative authority are vested in a governing council consisting of the Mayor and six other members. The City Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring of the City Manager. The City Manager is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the government, and for appointing the heads of the various departments, including the City Attorney. The City Council is elected at-large on a non-partisan basis. Council members serve four-year staggered terms.

The City of Crystal Lake provides a full range of services, including police and fire protection; construction and maintenance of highways, streets, and infrastructure; maintenance of the public storm drainage system; water, sanitary sewer service and wastewater treatment; and growth management, planning and development control through the activities of the Community Development Department. In addition to these general governmental activities, the City has certain information relative to the public library (a discretely presented component unit) and police and fire pension systems (blended component units). As such, the activities of the Library and police and fire pension systems have been included in the City of Crystal Lake's financial reporting entity. However, as separate governmental entities, the Crystal

Lake Elementary and High School Districts, the Crystal Lake Park District, and the Crystal Lake Civic Center Authority have not met the established criteria for inclusion in the reporting entity and, accordingly, are excluded from this report.

Development management represents a significant challenge and priority for the City. Utilization of impact fees and sophisticated policies requiring development to fund its own infrastructure cost illustrates the fact that the City has maintained growth management initiatives. The City's impact fees and growth-funded infrastructure requirements have ensured that the City's taxpayers are not burdened by development.

The region has a varied manufacturing and industrial base that adds to a relatively stable unemployment rate. Major employers in the community are: AptarGroup, Knaack Manufacturing, Technipaq, Clayens, Walmart, Jewel Foodstores, Crystal Lake School District 47, McHenry County College, Crystal Lake School District 155, Crystal Lake Park District and the City of Crystal Lake.

The non-residential sector of economic activity has continued to be built out, but not at the same pace as prior years, with almost two million square feet of commercial occupancies over the last four years. The City's property valuation growth has remained constant over the past year through the addition of new non-residential development. This is evidence of the City's continued strong economic activity level and further underscores the City's strong non-residential tax base.

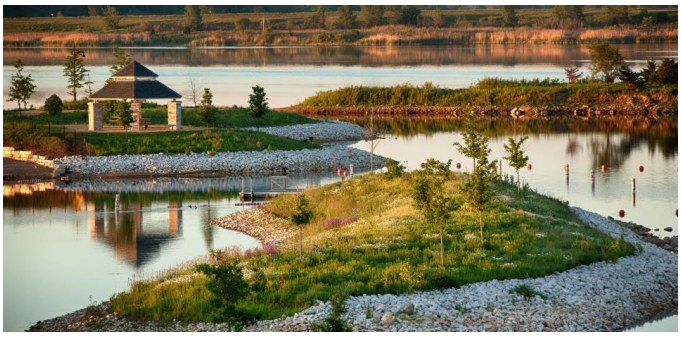
Despite substantial competition that has occurred from commercial growth in many of the areas surrounding Crystal Lake and the difficult retail environment for certain players in the very competitive Chicago arena, the retail sector has remained stable over the past year. The City has continued to maintain strength as a retail base for serving regular commercial needs for the immediate City population, and has continued as a regional point for commercial activities. In 2024 the City filled 293,305 square feet of commercial space with new businesses. Route 14 serves as a retail corridor for the City of Crystal Lake, highlighted by Crystal Point Shopping Center, County Corners Shopping Center, Crystal Lake Plaza, the Commons Shopping Center and the Bohl Farm Marketplace.



The downtown sector of the City, which has continued to show substantial strength, exhibits a very low vacancy rate and continues to be a vibrant commercial destination. The downtown district is home to the Raue Center for the Arts, which is an 800-seat theatre that is one of the finest examples of restored art and decor in the nation. The Raue Center provides a unique draw for the downtown area as the largest performing arts theater in McHenry County.

The City of Crystal Lake is fortunate to have two Metra train stations within our corporate limits. The second station, a 2,000-square-foot Pingree Road Metra Station, was completed in the winter of 2005 at a cost of $2.1 million. Metra funded the construction of the Pingree Road Station as well as renovations to the Downtown Train Station, which were completed the summer of 2006. The Northwest Line, which serves Crystal Lake, is the second heaviest traveled line in Metra's system, carrying over 40,000 passengers per weekday.

Once again, the City has continued to have a very low property tax rate for municipal services compared to other municipalities in southeastern McHenry County. The continued development of the City's non-residential tax base and the stable retail sector of the community have facilitated this position. The City's retail base helps defray the cost of most General Fund supported services, such as police protection, street maintenance, brush and leaf pickup, and other services.



The City of Crystal Lake reclaimed the long-abandoned Vulcan Lakes quarry and has turned it into the Three Oaks Recreation Area. The family-friendly facility offers a swim beach, hiking trails, picnic shelters, boat and paddleboard rentals, and scuba facilities. Work started on the project in 2009, and the Three Oaks Recreation Area officially opened to the public in October 2010. The City of Crystal Lake celebrated the Three Oaks Recreation Area's 10th full year of operations in 2021.

APPENDIX G - PRINCIPAL EMPLOYERS

The private and public employers below have the largest work forces within the City.

Employer	Product or service	Employees
Crystal Lake School District 47	Elementary/middle school education	1528
Mercyhealth	Hospital	732
Crystal Lake School District 155	High school education	725
McHenry County College	Higher education	500
Knaack Manufacturing	Jobsite storage	500
Crystal Lake Park District	Parks and recreation	480
AptarGroup	Product dispensing systems	475
Walmart	Department store	350
City of Crystal Lake	Municipal government	241
Clayens	Medical product injection molding	230
Technipaq	Medical supply store	225
Jewel Foodstores	Grocer	220



Data Sources: Crystal Lake Website, Demographic Data and Statistics, Labor Statistics

APPENDIX H - DEMOGRAPHIC STATISTICS

Fiscal Year Ended December 31	Population [1]	Median Age [1]	Total Housing Units [1]	School Enrollment [2]	Unemployment Rate [3]
1990	21,823	-	-	-	-
2000	38,000	-	-	-	-
2010	40,743	34.1	15,176	15,471	9.5
2011	40,743	35.1	15,176	15,829	8.3
2012	42,349	36.1	15,176	15,800	7.5
2013	40,766	36.1	15,209	14,576	7.1
2014	40,857	35.2	15,351	14,622	5.0
2015	40,598	37.6	15,408	14,351	5.4
2016	40,635	37.8	15,345	14,093	4.6
2017	40,743	38.9	15,428	13,666	2.5
2018	40,743	39.0	15,428	13,473	4.0
2019	40,743	39.6	15,414	13,357	2.8
2020	40,743	39.6	15,414	13,138	16.1
2021	40,269	39.6	15,371	12,639	5.0
2022	40,269	39.5	15,371	12,883	3.8
2023	40,269	39.9	15,371	12,647	3.6
2024	40,269	39.9	15,371	12,545	3.5
2024[4]	40,269	39.9	15,371	12,188	3.7

1 Census.gov

2 Combines total enrollment for Districts 155 and 47

3 Illinois Department of Employment Security

4 City fiscal year end changed from April 30th to December 31st.



Dole Mansion

APPENDIX I - MISCELLANEOUS STATISTICS

Date of Incorporation	September 23, 1914
Form of Government	Council – Manager
Area (square miles)	19.24
Number of City Employees (Full Time Equivalents)	265.50
Facilities and Services:	
Streets (miles)	177
Traffic Signals Maintained	35
Police Services	
Number of Stations	1
Number of Police Personnel	89.40
Number of Calls For Service	26,142
Number of Patrol Units	23
Law Violations	
Physical arrests	955
Traffic violations	4,755
Parking violations	3,353
Fire/Emergency Medical Services	
Number of Stations	3
Number of Fire Personnel	78.00
Number of Calls Answered	7,586
Number of Fire Inspections	992
Number of Life Safety Inspections	241

Culture and Recreation	
Parks acreage	450
Number of Libraries	1
Water System:	
Water mains (miles)	240
Fire hydrants	3,263
Water Production Capacity (millions of gallons per day)	8.54
Average daily consumption (millions of gallons)	3.70
Sewer System:	
Sanitary sewers (miles)	165
Storm sewers (miles)	122
Wastewater Treatment Capacity (millions of gallons per day)	20.2
Average daily sewage (millions of gallons)	3.68