CITY OF CRYSTAL LAKE

DRAFT ANNUAL BUDGET

FISCAL YEAR 2027



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

For the fiscal year beginning January 1, 2027

www.crystallake.org

For consideration on December 1, 2026

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CITY OF CRYSTAL LAKE, ILLINOIS

2027

CITY OFFICIALS

MAYOR
Haig Haleblian

COUNCILMEMBERS

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

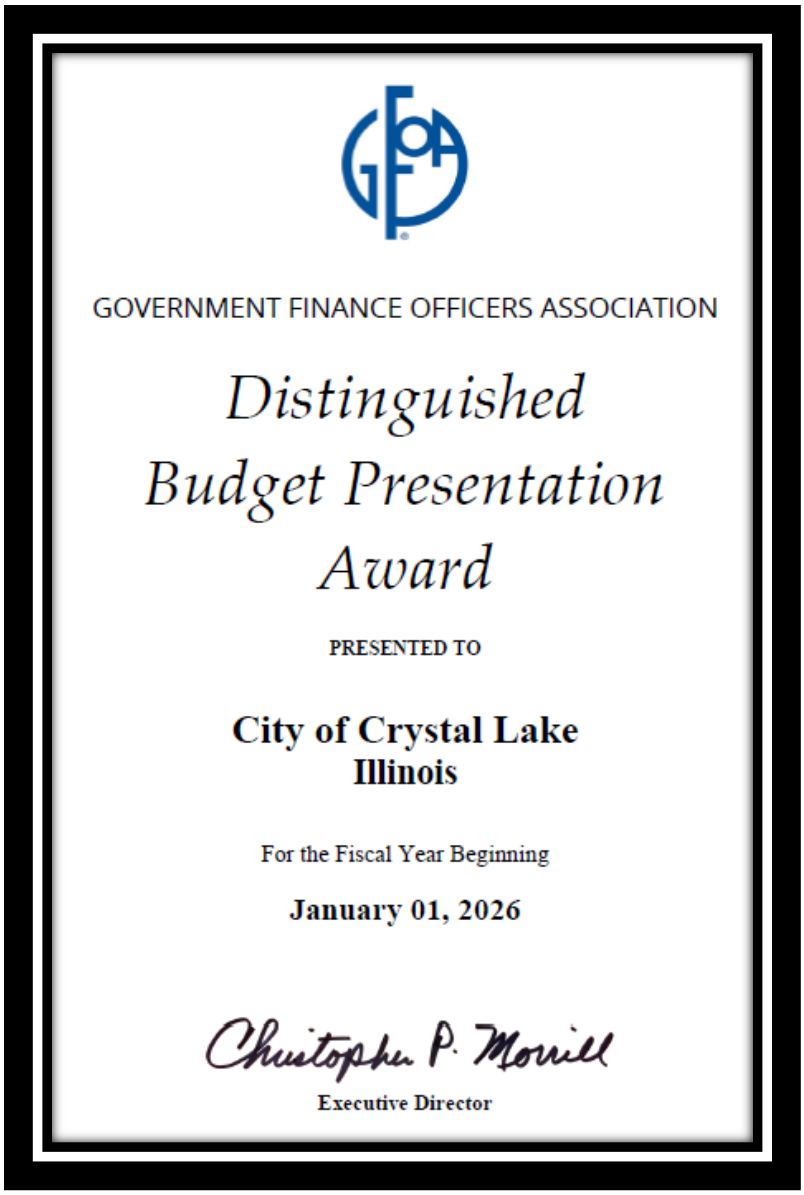
ADMINISTRATION

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
Matthew Farmer	Director of Public Works
Craig Snyder	Chief of Fire Rescue
Thomas Kotlowski	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, 2026

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, 2026. 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.

CITY OF CRYSTAL LAKE

ANNUAL BUDGET

FISCAL YEAR 2027

TRANSMITTAL LETTER

November 5, 2026

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) 2027. 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 2027 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.

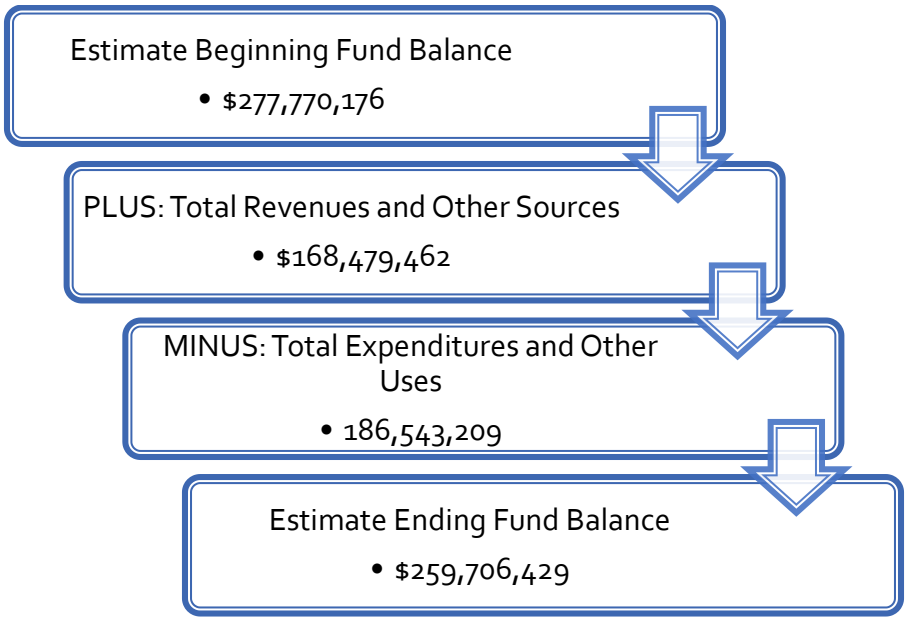
In 2025, Standard and Poor's affirmed the City to a AAA stable rating. The City of Crystal Lake's AAA credit rating represents the highest credit rating that can be earned by an organization and has been assigned to very few governments within the State of Illinois. According to S&P, the City of Crystal 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 its own governing board and Code of Ordinances.

Fiscal year 2027 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.

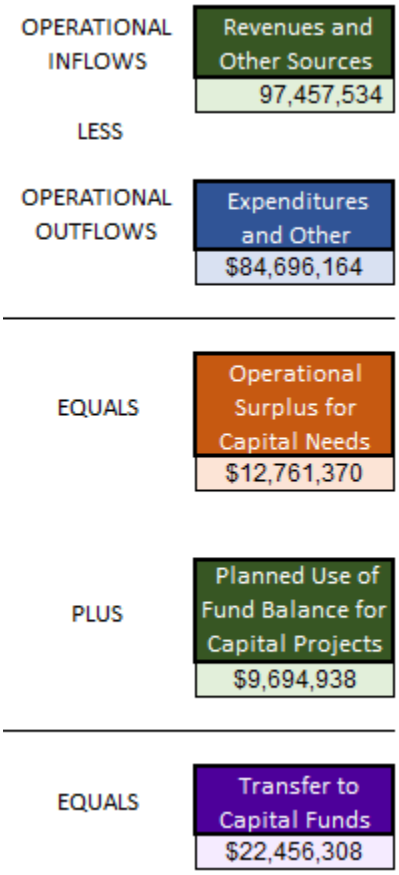
The following graphic looks at the budget as a whole, including City funds, both Public Safety Pension Funds and the Crystal Lake Public Library for Fiscal Year 2027.



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 2027 at $97.46 million. These funds will be used to fund $84.70 million in operating expenditures, debt service and other outflows. This generates a net operational surplus of $12.76 million for capital purposes. City operations exclude capital funds, public safety pension funds and Library funds.

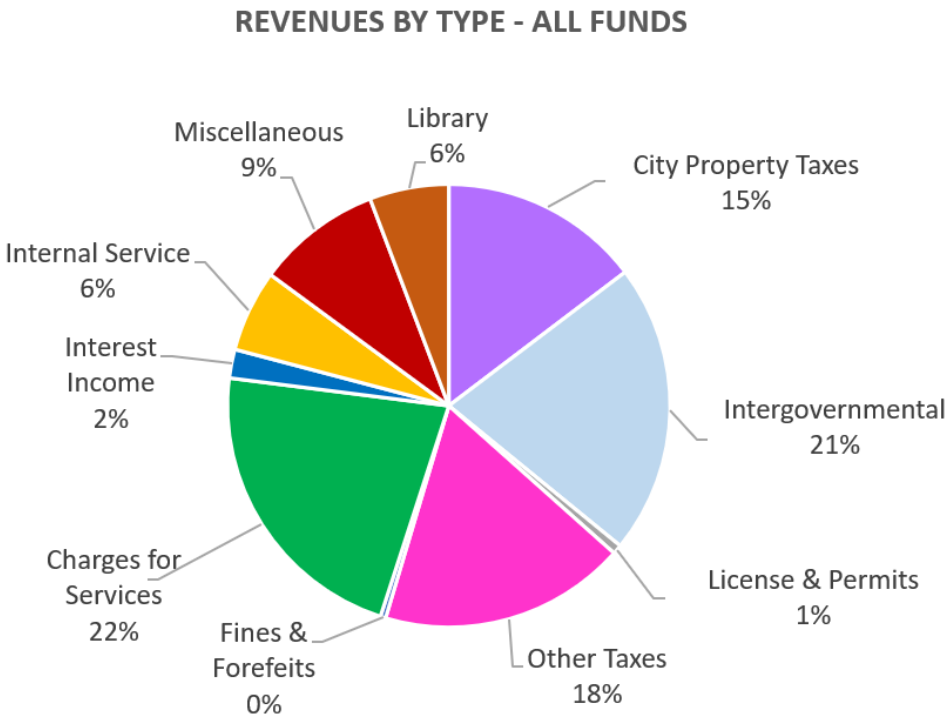
The fiscal year 2027 budget transfers this $12.76 million, adding to the use of $9.69 million in fund balance reserves, to fund capital of $22.46 million. This is intentional, as fund balance contains amounts designated for specific projects, such as multiple engineering projects. As the capital projects 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 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 $79.59 million or 64% of all anticipated receipts.

Comparing revenues to expenditures, the City 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 2027. 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 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change
Revenues and Other Sources:							
Property taxes	$ 15,247,445	$ 15,749,746	$ 16,680,600	$ 17,342,532	$ 17,420,395	$ 18,344,496	$ 1,001,964
Intergovernmental	27,097,493	21,320,017	28,957,639	24,288,601	26,375,472	26,500,763	2,212,162
Licenses and permits	1,420,681	807,285	1,018,524	884,500	1,006,000	861,000	(23,500)
Other taxes	11,968,191	10,591,724	18,309,695	19,656,159	21,452,622	22,523,755	2,867,596
Fines and forfeits	595,639	354,082	523,830	485,000	500,000	490,000	5,000
Charges for services	23,265,610	19,438,263	27,249,136	26,545,688	27,305,887	27,487,075	941,387
Interest	13,118,503	12,286,744	25,564,152	2,627,264	20,945,551	2,619,944	(7,320)
Miscellaneous	11,299,664	8,892,055	11,058,165	10,090,941	10,350,509	11,398,685	1,307,744
Internal service charges	5,124,229	3,486,829	5,437,663	6,407,350	6,475,389	7,476,707	1,069,357
Internal transfers	24,123,914	29,737,133	36,350,855	31,792,818	36,082,994	29,238,483	(2,554,335)
Library	6,334,365	5,596,918	5,973,868	6,171,071	6,064,873	7,233,554	1,062,483
Other sources	1,314,502	711,610	11,484,835	500,000	266,875	14,305,000	13,805,000
Total	140,910,238	128,972,406	188,608,961	146,791,924	174,246,567	168,479,462	21,687,538
Expenditures and Other Uses:							
General government	8,433,213	5,726,424	8,974,534	11,193,615	9,911,331	11,406,843	213,228
Public safety	37,083,570	27,683,008	40,587,888	44,349,819	43,531,615	47,383,845	3,034,026
Highways and streets	6,902,024	4,574,826	7,648,574	9,245,413	8,688,982	9,950,447	705,034
Waterworks and sewerage	15,284,568	5,899,564	9,487,680	11,177,013	10,474,704	11,470,035	293,022
Culture and recreation	5,741,467	3,892,980	5,888,240	8,103,809	6,142,700	7,550,948	(552,861)
Capital outlay	13,228,753	21,279,267	30,646,782	43,877,911	30,304,724	55,696,822	11,818,911
Debt service	4,903,618	4,772,152	4,797,350	5,020,816	5,020,121	4,675,261	(345,555)
Lease payments	884,008	1,083,676	190,307	149,720	33,829	36,779	(112,941)
Internal service charges	5,759,765	3,883,023	6,374,890	7,830,557	7,385,664	9,040,893	1,210,336
Internal transfers	24,631,529	29,737,133	36,350,854	31,792,818	36,082,994	29,331,336	(2,461,482)
Total	122,852,514	108,532,052	150,963,116	172,741,491	157,576,664	186,543,209	13,801,718
Revenues & Other Sources in Excess of Expenditures & Other Uses	18,057,724	20,440,353	37,645,845	(25,949,567)	16,669,903	(18,063,747)	
Beginning Balance*	192,946,356	209,728,722	224,628,475	238,820,702	261,100,273	277,770,176	
Change in Receiv/Pay	(1,791,944)	(5,540,600)	(1,174,047)	-	-	-	
Ending Balance	$ 209,212,135	$ 224,628,475	$ 261,100,273	$ 212,871,135	$ 277,770,176	$ 259,706,429	

**Restated for prior period adjustment*

As the chart above demonstrates, overall revenues, including library revenues, have performed well the past few years. Analyses of major revenues in more detail are available in the Summary of All Funds section of this document.

The FY 2027 budget contains one new revenue source, a packaged liquor tax. The packaged liquor tax will be deposited into the Congress Capital Fund for offsetting capital expenditures associated with the remodeling of 200 Congress Parkway. The budget includes a modest 3% increase to water and sewer rates to help offset growing operational and capital expenses required for providing water and sewer services.

Changes to major items for FY 2027 revenues are as follows, with comparisons from the prior year budget:

- City Revenues $117,702,425 (FY 2026 $108,328,035)
- Library Revenues $7,140,701 (FY 2026 $6,171,071)

Revenues (excluding other finance sources) available to support the FY 2027 budget are $124.8 million, an increase of $10.3 million or 9% from the FY 2026 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 2027 on a month-to-month basis. The home rule sales tax rate increased 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 were reduced for 2026 to account for the change in the grocery tax from a Statewide 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 was reduced dramatically for this change based on trends from 2025 forward.

- Water and sewer user fees have incorporated a 3% increase effective January 2027. 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.

- Other taxes now includes the proposed packaged liquor tax, designated as a funding source for upcoming renovations to the City's property on Congress Parkway. The final plans for the property are still in development, but preconstruction costs are anticipated in 2027 for both City and Library elements.

- The City's portion of the property tax levy request is proposed to increase by 4% compared to the prior year levy. Projected increment in the City's Tax Increment Finance (TIF) District for Water's Edge is expected to grow considerably due to the completion of both residential and commercial elements. All increment received from TIF Districts is statutorily restricted to be used for the benefit of the properties within the TIF Districts.

- The Library's portion of the property tax levy is proposed to increase 21.56%, primarily due to the addition of a new line for building construction of $1 million. This is anticipated to be approved for the preconstruction costs related to the new library facility at the

City's building on Congress Parkway. Without the new line item, the Library's portion of the property tax levy would have increased 3%.

On the expenditure side, changes to major items for FY2026 expenditures are as follows, with comparisons from the prior year budget:

- Operating $81,204,459 (FY 2026 $76,419,541)
- Debt Service $4,623,105 (FY 2026 $4,969,336)
- Capital $54,523,305 (FY 2026 $43,823,331)
- Public Safety Pensions $9,139,407 (FY 2026 $8,308,394)
- Library $7,721,597 (FY 2026 $7,428,071)

Budgeted expenditures for all funds in FY 2027 total $157.2 million, an increase of $16.3 million (11.5%) from the FY 2026 budget year. Major changes among expenditures and other uses are described below.

- Increase in operating expenditures of $4.8 million (6%)
    - 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 2027 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 7.5%. The overall group health insurance expense increased by $1.2million. While the City continues to revise the plan benefits, costs and employee contributions, growing health insurance costs are driving costs higher than average inflationary figures.
    - The FY 2027 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 million due to the projected merit, contractual increases, and additions to staffing levels. The FY 2027 budget includes an increase to full-time equivalents by two positions. The new positions include a full-time Three Oaks Operations Supervisor and a Fire Alarm Inspector. These changes are in addition to the previously authorized increases for 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 2026 was 10.52% of covered payroll, and the contribution rate for 2027 is expected to decrease to 9.83%. Overall, the City's budgeted contribution amount

decreased by $29k. The City expects to use dedicated fund balance reserves to fund any shortfall for IMRF expenditures.

- Decrease in debt service expenditures of $346k (7%)
    - Decrease of $346k in debt service: Debt service payments reflected in this budget are for the repayment of series 2012, 2019A, 2022B, 2022C and 2025 series general obligation bonds, as well as low-interest loans from the IEPA. The City is anticipating issuing Tax Increment Financing (TIF) developer notes in 2027 relating to the Water's Edge project, payable solely from receipts of corresponding TIF increment.
- 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 2027 increased $472k (7%) from the prior year to $7,103,739. Police Pension Fund and Firefighters' Pension Fund contributions are budgeted to be $4,233,950 and $2,869,789, respectively. Expense of the public safety pension funds are expected to increase $831k (10%) to $9.1 million due to retirements and other benefit related costs.
- Capital expenditures are budgeted to increase $10.7 million to $54.5 million. Details of the City's capital budget, as well as the upcoming fiscal years, are detailed in later in this document under the Capital Plan Highlights section on page 223.
- 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 2027 City budget reflects total capital expenditures of $54.5 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, building improvements and land.

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 $5.7 million. Many of the projects will span multiple budget years as the work is designed, constructed and completed.

Streets programmed for resurfacing in fiscal 2027 include:

Street	Limits	
	From	To
Huntley Road	Ackman Road	Waterford Cut
Huntley Road	Waterford Cut	Barlina Road
Huntley Road	Barlina Road	Boneset Drive
Huntley Road	Boneset Drive	Chicago Ave
Village Road	Swanson Road	Stone Creek Cir
Andover Lane	Swanson Road	Village Road
Magnolia Drive	Autumncrest Drive	Alexandra Blvd
Tanglewood Drive	Autumncrest Drive	Alexandra Blvd
Trailwood Drive	Autumncrest Drive	Alexandra Blvd
Autumncrest Drive	Deerheaven Drive	Alexandra Blvd
Trailwood Drive	Willow Tree Drive	Alexandra Blvd
Tanglewood Drive	Willow Tree Drive	Alexandra Blvd

Other roadway improvements budgeted in FY 2027 include:

- Route 176 & Oak Intersection Improvements
- Oak Street Pedestrian Path
- Main & Liberty Road Improvements
- Pingree & Grandview Pedestrian Enhancements
- Luminary Replacements
- Virginia Street Corridor Improvements
- Route 14 Underpass Improvements

All capital expenditures can be found in the Capital Replacement Funds section on page 200 and in the Capital Improvement Plan Highlights section on page 223.

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 2027 to other sources and uses are as follows, with comparisons from the prior year budget:

- Bond/loan proceeds $14,305,000 (FY 2026 $500,000)
- Transfers between City funds $29,331,336 (FY 2026 $31,792,818)

Total other sources and uses in the FY 2027 budget are $43.54 million, an increase of $11.25 million (35%) from the FY 2026 budget. Major changes among other sources and uses are described below.

- Increase of $13.8 million in anticipated bond and loan proceeds revenue: The City anticipates receiving a low-interest loan from the IEPA in the amount of $14,305,000 in 2027 to complete the unfunded mandate relating to phosphorous removal at the City's wastewater plants. The

previous budget had included a preliminary $500k towards that loan, resulting in the difference between fiscal years.

- Decrease of $2.5 million 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 intentionally sets aside fund balance, particularly in the capital funds, in order to apply a pay as you go philosophy where possible to capital improvements.

Fund	Revenues and Other Sources	Expenditures and Other Uses	Net Activity - Planned Use of Fund Balance
City Funds	150,168,501	169,589,352	(19,420,851)
Pension Funds	11,077,407	9,139,407	1,938,000
Library Funds	7,233,554	7,814,450	(580,896)
Total	168,479,462	186,543,209	(18,063,747)

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

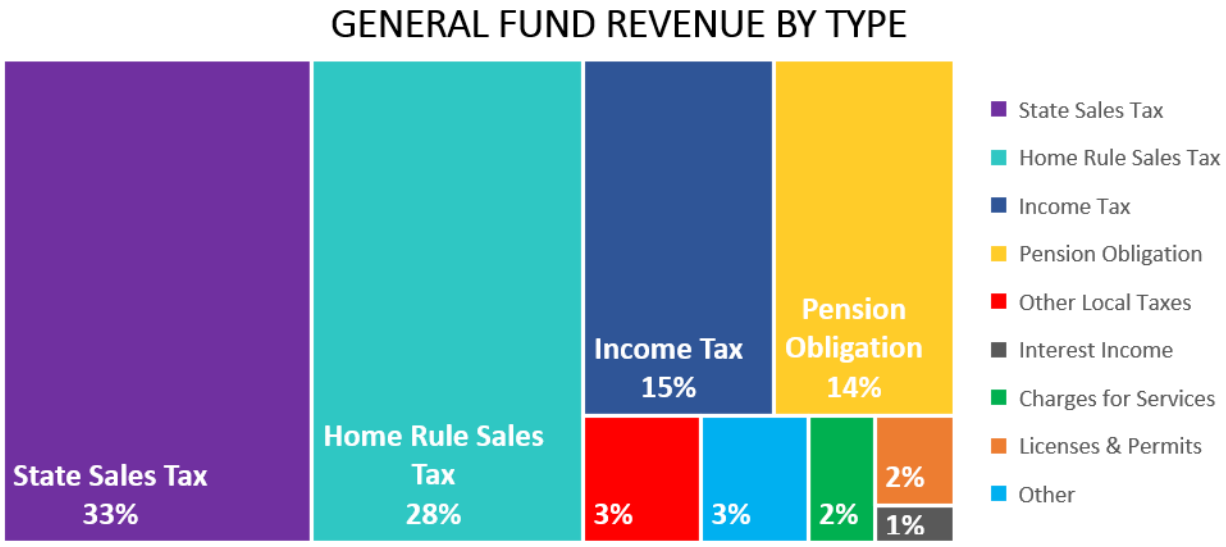
The General Fund is the main operational fund of the City. Major service areas include activities of the Police Department, Community Development, Public Works Streets, Facilities and Fleet, as well as Administration. Administration encompasses not only the activities of the City Council, but also the 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 by Type

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 ($16.53M), Home Rule Sales Tax ($14.49M), Income Tax ($7.52M), and Telecommunication Tax ($477k) comprise the majority of the revenue sources for the General Fund, 77% of the total revenues. Combined, the Sales Tax and the Home Rule Sales Tax account for 61% 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 of intergovernmental revenue at 67% of the category. In 2026, proceeds from grocery taxes were removed from the Sales Tax, and the replacement grocery taxes are 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.

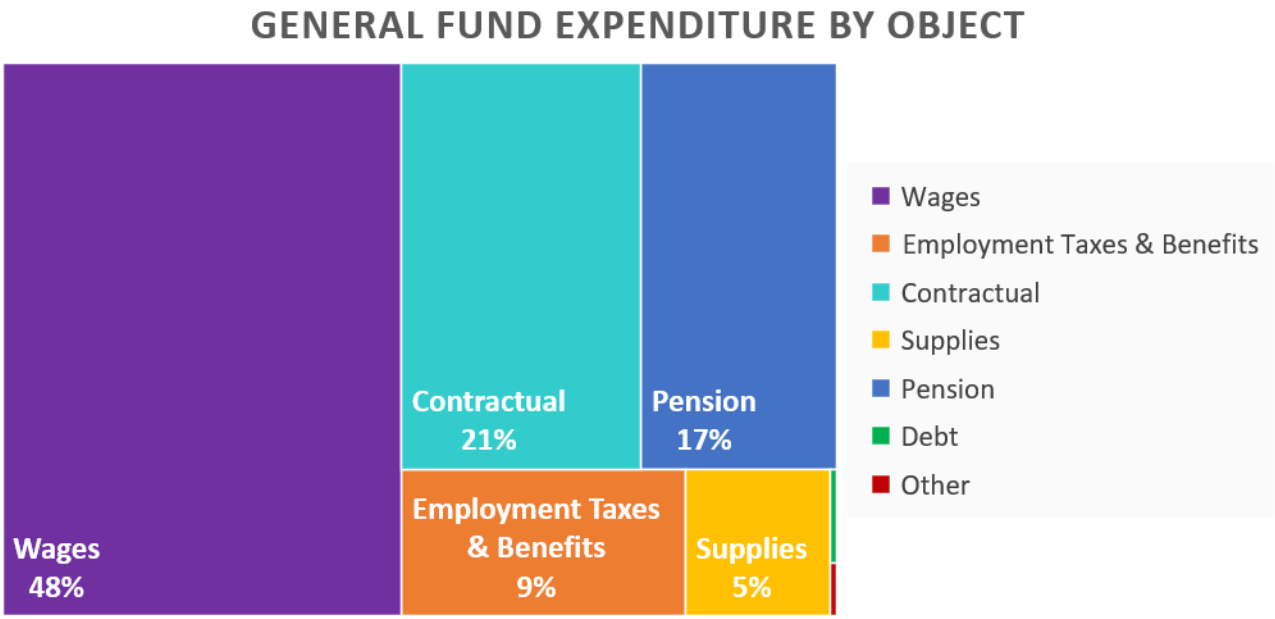
The annual levy for the Police and Firefighters' Pension Funds is also included as a pass-through from the General Fund; the City does not retain these funds. Excluding the pass-through levy for public safety pensions, FY 2027 General Fund revenues are up 9% or $3.67 million, as compared to those of the prior year budget due primarily to inflationary effects on the marketplace driving increases to both the Sales Tax and Home Rule Sales Tax, even without the inclusion of groceries.



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

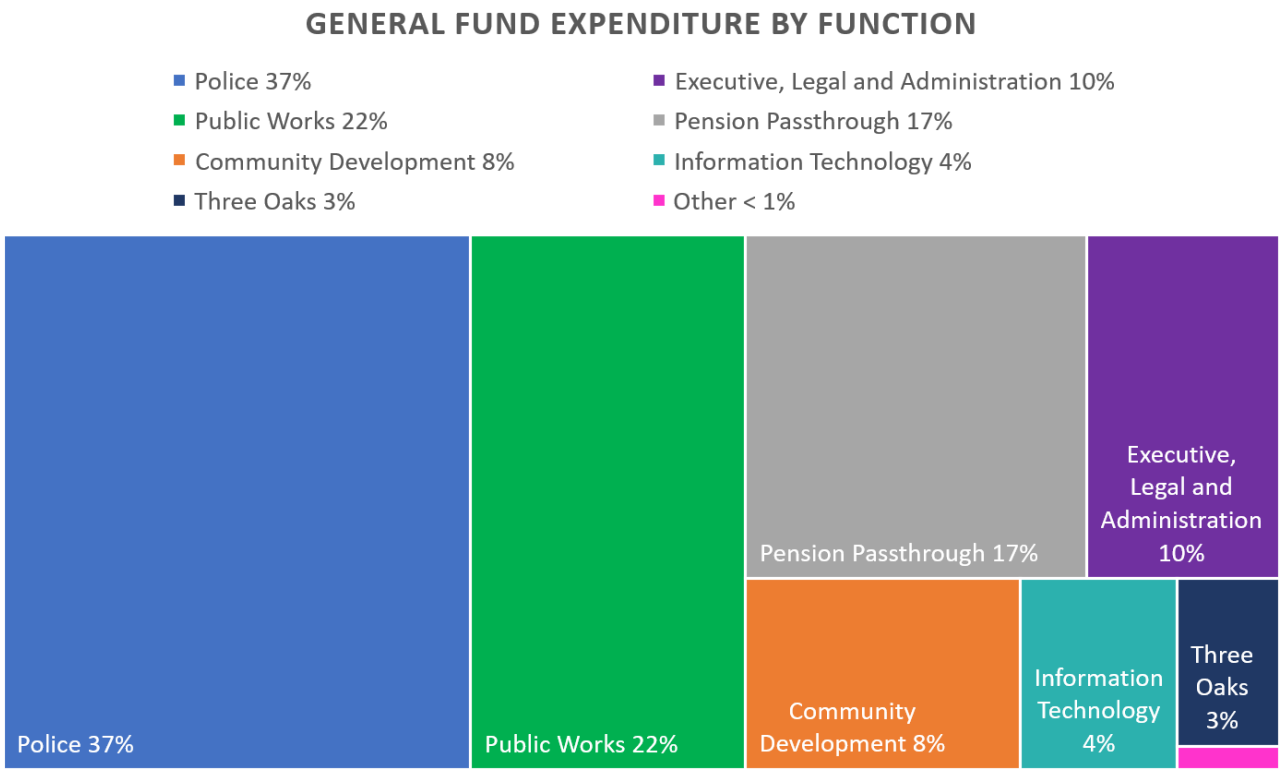
General Fund Expenditures by Object

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.



General Fund Expenditures by Function

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 37% 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

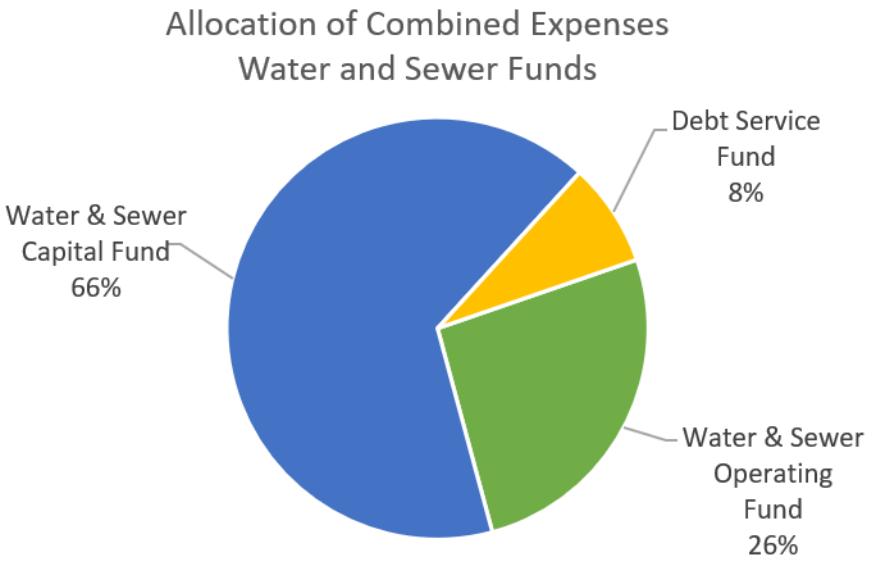
Certain items that flow either in to or out from the General Fund are not classified as revenues or expenditures, respectively. Transfers between funds of the City are recorded as an other financing source for the fund on the receiving side of the transfer, and as an other financing use for the fund 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.

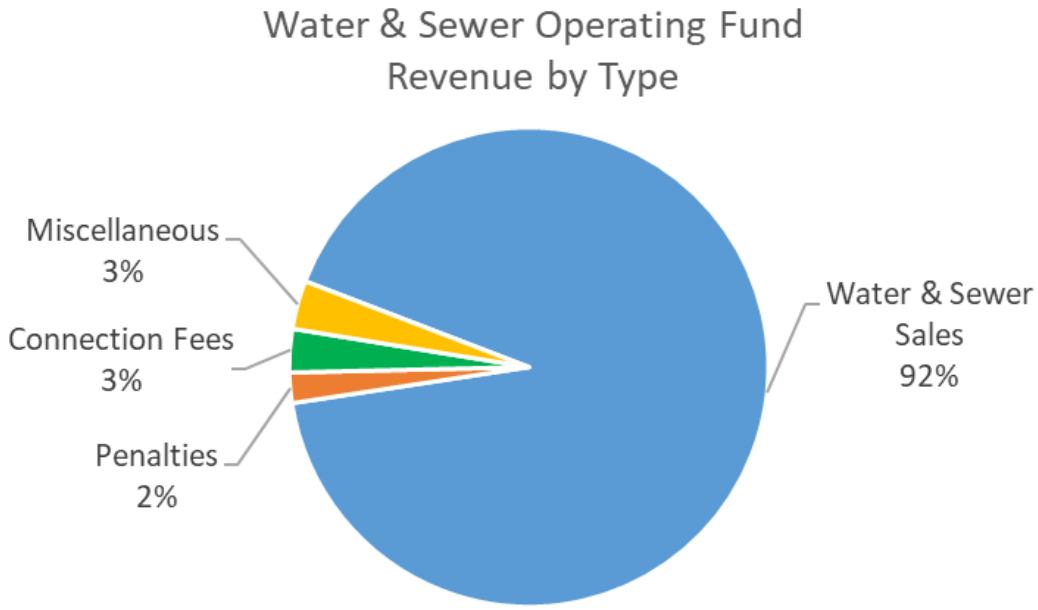
Activities of this function are tracked in three primary funds specific to water and sewer service: Operating, Debt Service and Capital Replacement. The combined budget for fiscal year 2027 is $43.96 million in expenses, with $29 million of the total allocated to infrastructure and other

necessary capital items. Operational expenses are budgeted at $11.5 million. Debt service expenses are budgeted at $3.5 million for 2027.



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 2027 have increased $298k or 2.7%.

Expenses budgeted in the Water and Sewer Capital Replacement Fund are up $11.7 million from the prior year budget. Several large projects are expected to be completed in the current fiscal year, such as the Water Meter Replacement project. Notable projects for 2027 include completing the re-establishment of Crystal Creek, improvements to Pump Station #6 on Keith Avenue and the phosphorous removal at wastewater plants #2 and #3.

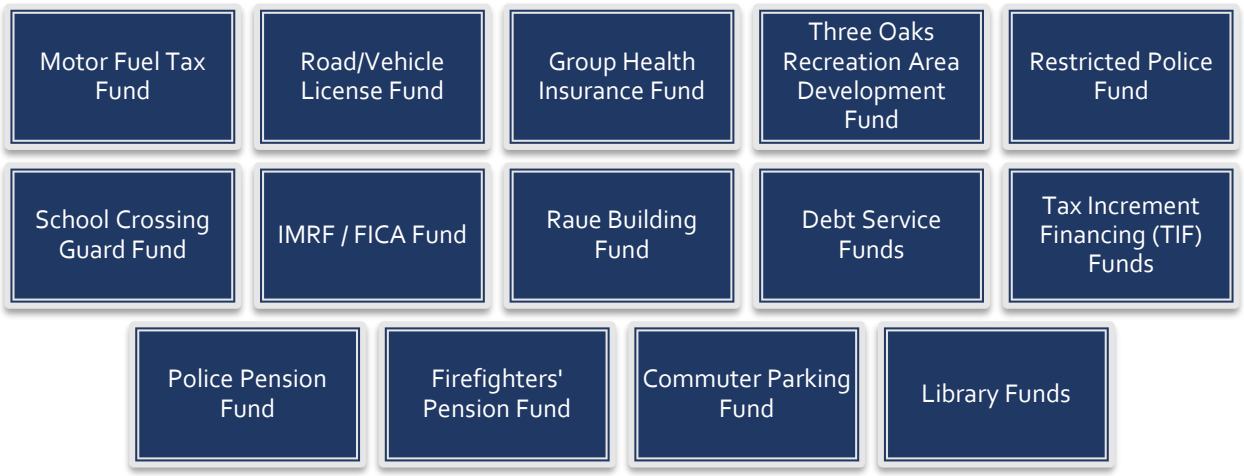
FIRE RESCUE FUND SUMMARY

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 ($7.85 million), service fees from the Crystal Lake Rural Fire Protection District and the Village of Lakewood ($3.25 million) and ambulance fees ($3.5 million) comprise the majority (93%) of the revenue sources for the Fire Rescue Fund. Budgeted revenues as compared to those of the prior year budget are up $577k (3.8%), 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 was renewed in 2026 and will run through 2036 with the potential extensions through 2056. The Village of Lakewood contract was renewed in 2025 and runs through 2030.

Operating expenses for fiscal year 2027 are up $1.49 million (11%), 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 $1.78 million to the Capital Replacement Fund (Other Financing Uses) will provide for several capital projects such intersection improvements to Route 176, Oak Street, Main and Liberty road 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.

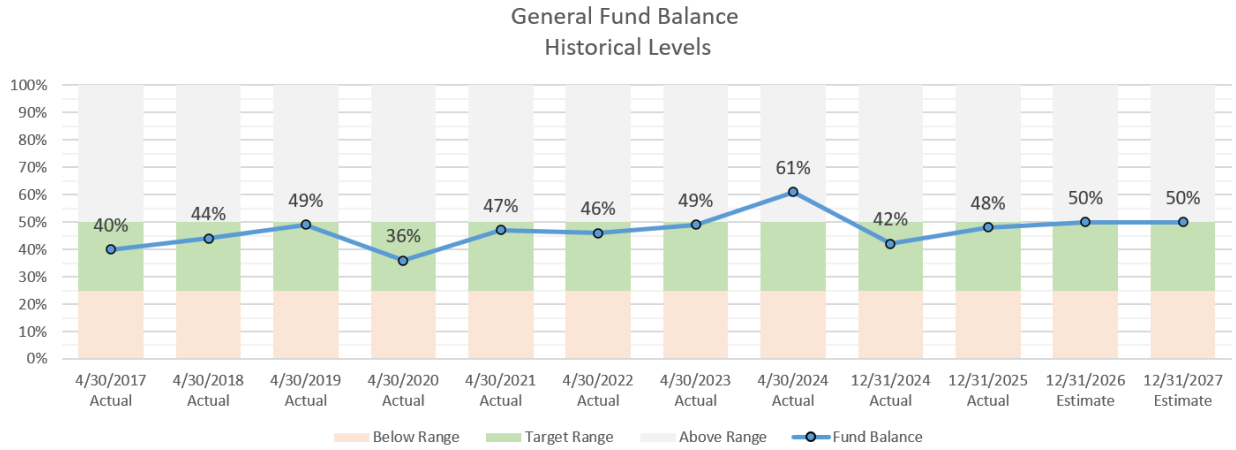
Commuter Parking Fund

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. The figures below represent the fund available fund balance as of the end of the year as compared to the expenditures of the following year.



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 2026 the unassigned fund balance will be about 50% after accounting for funds that will be used in the current year. Based on the proposed Annual Budget for fiscal year end December 31, 2026, the unassigned fund balance is projected to be about 50% of the subsequent year projected expenditures. This is solidly within the policy range.

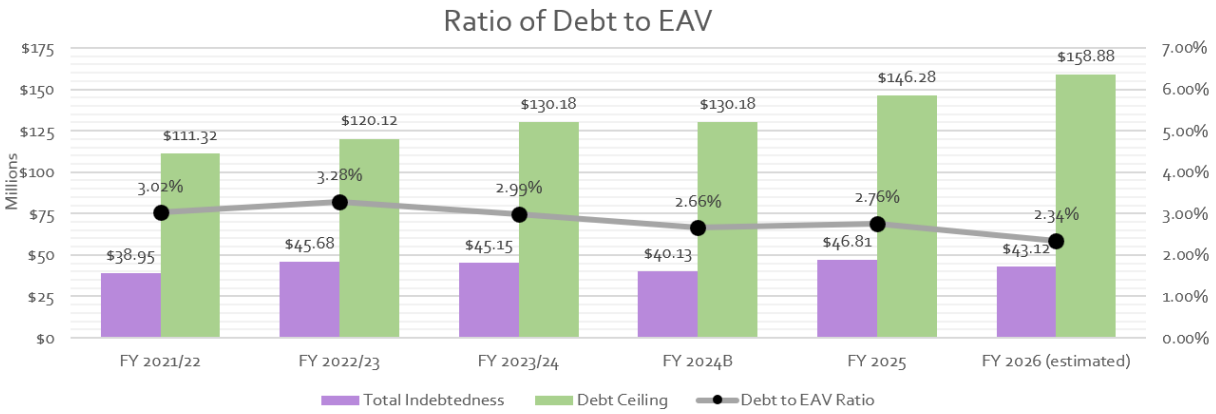
Funds that have been restricted or assigned include amounts that are held in reserve by the City's liability insurance carrier (IRMA). The fiscal year 2027 budget continues the use of fund reserves to pay for capital related items.

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.



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.

Group Health Insurance: As a member of the Intergovernmental Personnel Benefit Cooperative (IPBC), the City joins with other governmental bodies to obtain group health insurance for City employees.

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 2027 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 January 2026, IPBC had over 180 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 2027; the

second half premium rates have been estimated to increase by 7.5%. Final rates will be available early 2027. Each year, the City evaluates its plan design, and incentivizes employees by offering lower employee contribution rates to select lower cost health plans.

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 223.

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 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.

Examples include:

- Two ambulances were ordered in 2023 are anticipated to be received in 2027.
- Two fire engines were ordered in 2024 with that had an anticipated delivery of 45 to 48 months and are now anticipated to be received in 2028.
- A ladder truck was ordered in 2026 with an estimated delivery date in 2030.

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 be 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. Upgrades to the wastewater facilities are required to remove phosphorous from the wastewater and have been incorporated into

the 2027 budget. 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, work, and invest. The City is home to 2,079 local businesses that provide employment for approximately 23,360 people. In 2024, Crystal Lake filled 293,305 square feet of new commercial space, reflecting continued investment in the local economy.

New residential and commercial development continues to add value to the community and expand opportunities for residents and businesses. Crystal Lake is strategically growing its housing options to meet the needs of families, young professionals, seniors, and empty nesters. Several residential developments are adding new homeownership opportunities throughout the City. Pulte Homes is developing a 175-home single-family subdivision, while Lennar's Waterside community is constructing 108 owner-occupied townhomes. Woodlore Townes is nearing completion, adding 102 owner-occupied townhomes, and Bard Estates is underway with 48 additional townhomes. Rental housing remains an important component of the City's housing strategy. Parkway Crossings is under construction and will add 220 apartment units, while Clover will provide 121 age-restricted independent living apartments for residents seeking an active, maintenance-free lifestyle. Sunshine Apartments, located at the corner of Congress Parkway and Station Drive, will add 24 market-rate senior apartment units. At Water's Edge, 240 apartments and 20 luxury townhomes were recently completed offering a walkable setting surrounded by retail, dining, and lakeside views.

Together, these developments reflect more than housing growth. They expand the customer base that supports local restaurants, retailers, entertainment venues, offices, and healthcare providers while offering residents more opportunities to find housing that meets their needs at different stages of life.

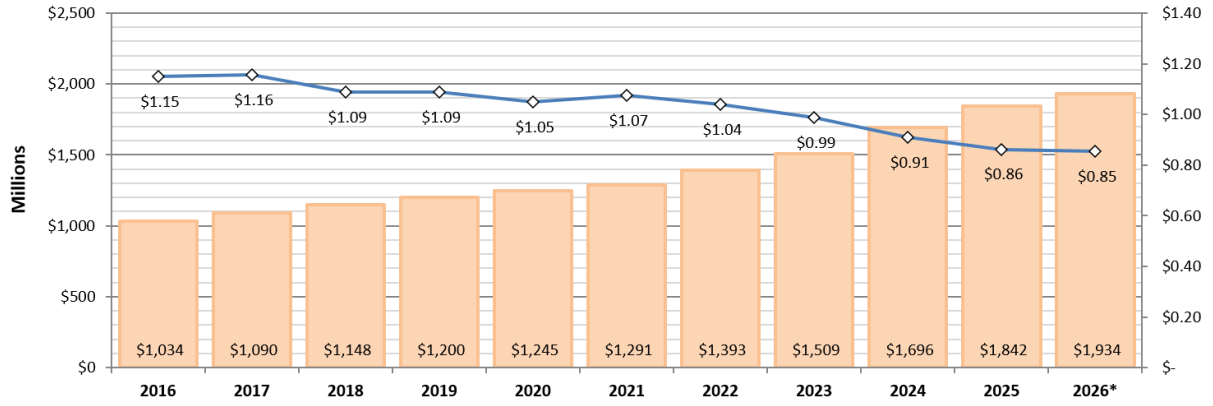
Route 14 continues to serve as a major retail and dining corridor, offering a mix of national retailers, local businesses, and restaurants ranging from fine dining to fast casual. Over the past year, Crystal Lake welcomed a variety of new businesses, including CAVA, First Watch, America's Best, VASA Fitness, Minnie Bird, D-Bat Baseball and Softball, Tatsu Ramen House, Wing Snob, May Tai Kitchen, Next Best Nutrition, Antioch Pizza, Men & Boys Haircuts, Jimmy John's, and 7 Brew. In the downtown the City welcomed Distorted Sandwiches, Batch and Edie & Marigold. These additions bring new dining, shopping, fitness, and entertainment options to the community, create jobs, and give residents more opportunities to enjoy amenities close to home.

Low Property Tax

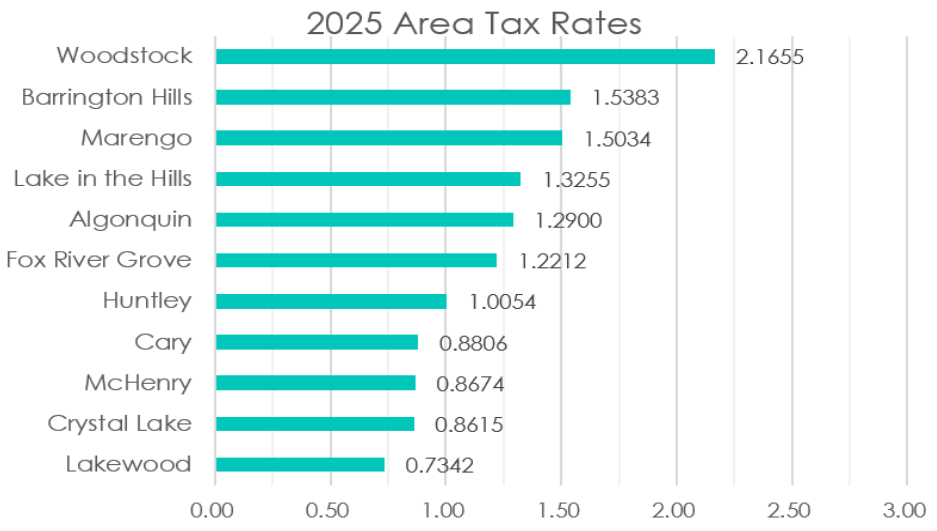
The FY 2027 budget continues the funding of General Fund services without the use of a General Fund Property Tax. The levy is designated for funding pension obligations, fire rescue operations, and supporting the Library's operations.

The City property tax levy for 2026 is proposed to increase by $635k. 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 2026 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. This chart does not take into consideration the Library's portion of the levy, which is expected to increase for the 2026 levy with the addition of a levy for future Library capital needs.

Crystal Lake Historical Equalized Assessed Value (EAV) & City Tax Rate



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 graphic on the right illustrates the comparable rates from the 2025 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 2025 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-seventh 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 is in sound financial condition for FY 2027 as evidenced by our continued strong general purpose bond rating, as well as our adherence to external and internal financial policies. We believe the 2027 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 2027 City Budget.

Respectively submitted,

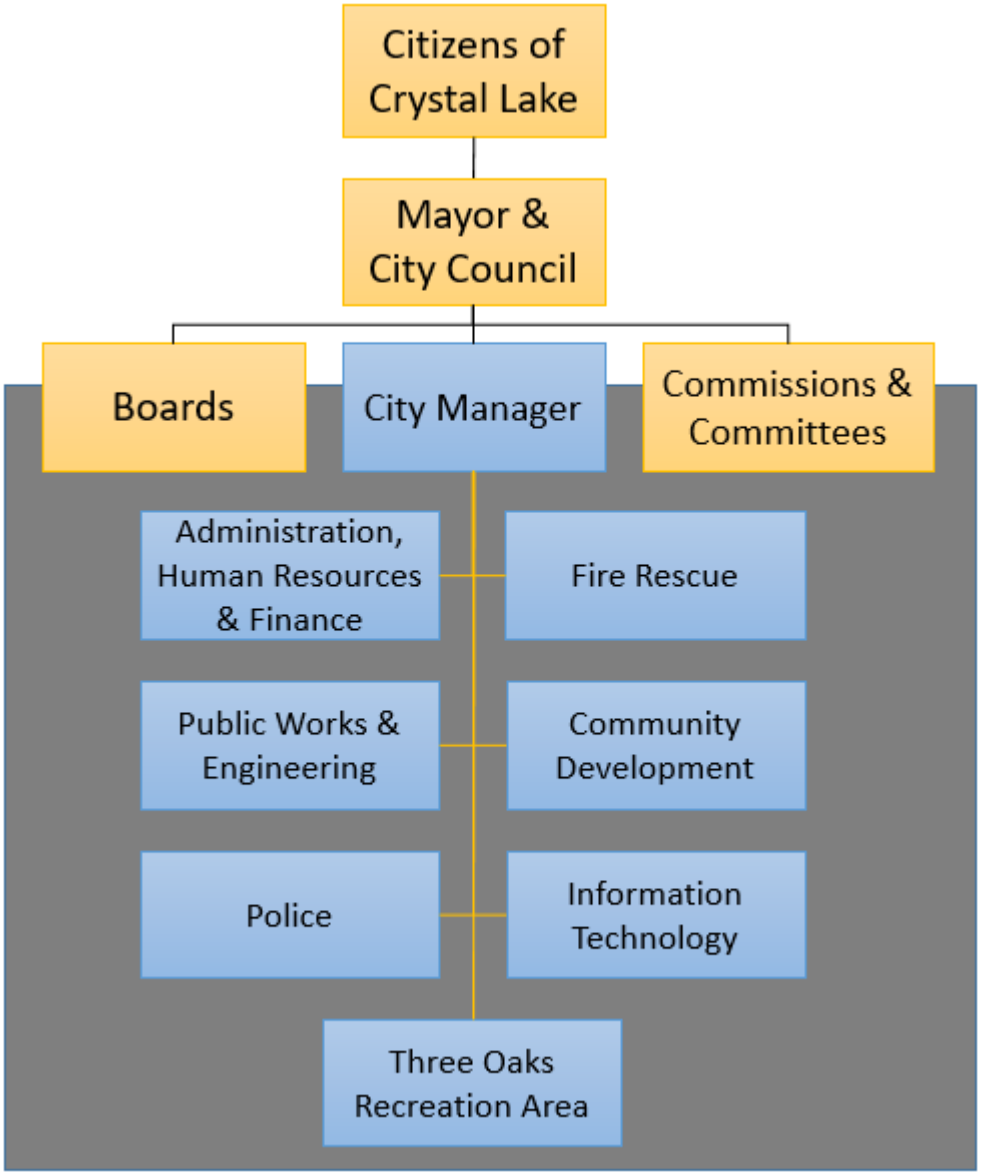
Eric Helm

Eric Helm
City Manager

Jodie Hartman

Jodie Hartman
Director of Finance/Treasurer

CITY OF CRYSTAL LAKE ORGANIZATIONAL STRUCTURE



GUIDING PRINCIPLES

The Fiscal Year 2027 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	2024B Actual	2025 Actual	2026 Goal	2026 Estimate	2027 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	192	180	150 or more	163	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	0	2	3 or more	3	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	85	156	100 or more	135	100 or more
	Community Development	Participate in economic development outreach meetings and events.	Number of meetings or events	78	183	130 or more	152	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	2024B Actual	2025 Actual	2026 Goal	2026 Estimate	2027 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 surveys.	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	87%	91%	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	100%	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	99%	96%	100%	99%	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	2.96	3.71	< 5.0	4.26	< 5.0
	Information Technology	Respond to all internal IT service requests wthin 4 working hours	% Responded within 4 Hours	N/A	N/A	95% or higher	92%	95% or higher
	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	99%	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	2024B Actual	2025 Actual	2026 Goal	2026 Estimate	2027 Goal
Provide prompt, efficient and dependable emergency response	Fire Rescue	Provide a prepared response from time of 911 dispatch to arrival on scene.	Minutes	5.48	6.14	7 or less	7.12	7 or less
	Fire Rescue	Provide a turn-out time of 90 seconds or less to emergency medical calls.	Seconds	86.0	76.0	90 or Less	61.0	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	2	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	4	7	6	6	6
	Police	Enhance community policing efforts through monthly foot patrols for each officer to actively engage residential and business	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	75%	70%	>90%	70%	>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	2024B Actual	2025 Actual	2026 Goal	2026 Estimate	2027 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	1	0	0	1	0
	Public Works	Maintain City's pavement condition rating as good or better through proactive maintenance and resurfacing programs.	Average Condition Rating Score	73.9	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	100.0%	99.9%	99.5% or higher	99.9%	99.5% or higher
	Public Works	Proactively maintain the City's sanitary sewer system to minimize the potential for backups.	Clean & TV 5% - 10%	15.5%	16.1%	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	2,812	3,977	4,500 trees or more	5,807	4,500 trees or more

FISCAL MANAGEMENT:	Responsibly manage public funds and develop financial plans to balance resources with the community's priorities and vision.							
Objective	Department	Goals	Metric	2024B Actual	2025 Actual	2026 Goal	2026 Estimate	2027 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.	Positive Investment Return	Yes	Yes	Yes	Yes	Yes
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 2027

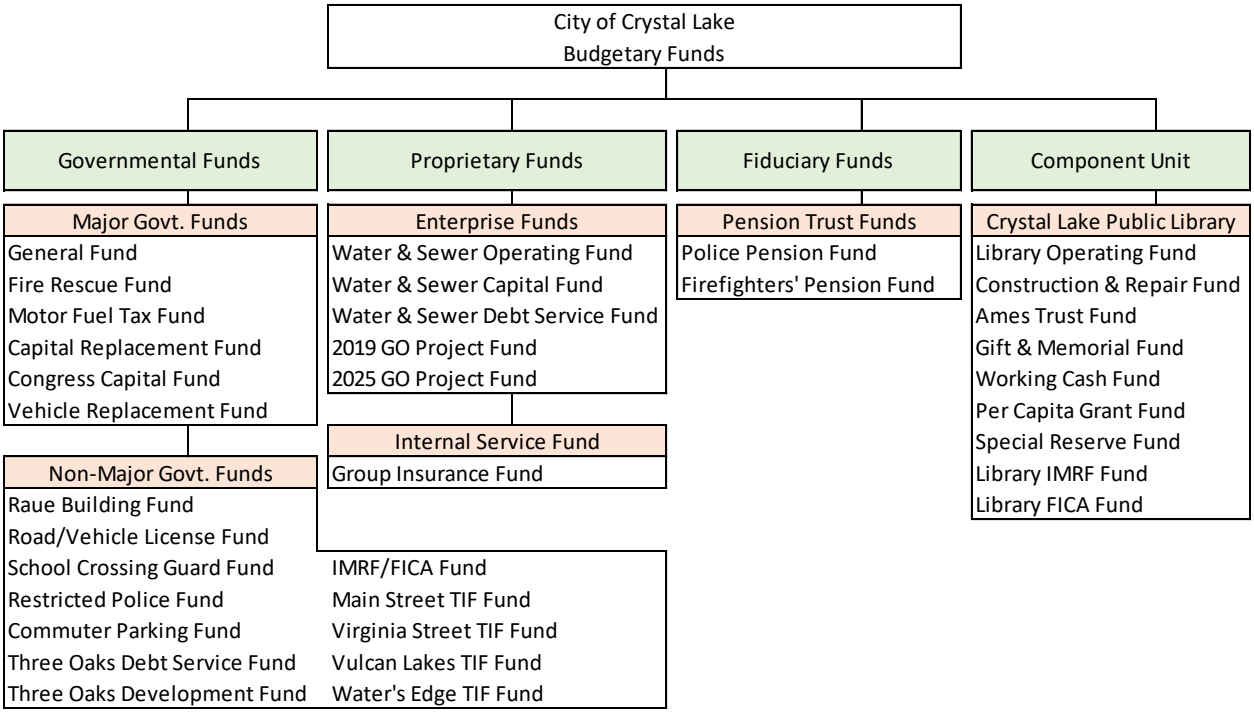
SUMMARY OF ALL FUNDS

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 2026 accomplishments, Fiscal Year 2027 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 2027 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 **Congress Capital Fund** will be used for the purchase and redevelopment of the City's property at 200 E. Congress. The property was acquired in 2026, and the City anticipates the redevelopment to occur over the next several years.

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	Congress Capital Fund	Vehicle Replacement	Raue Building Fund	Road & Vehicle	IMRF & FICA	Crossing Guard	Restricted Police	Commuter Parking	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 2027 BUDGETS

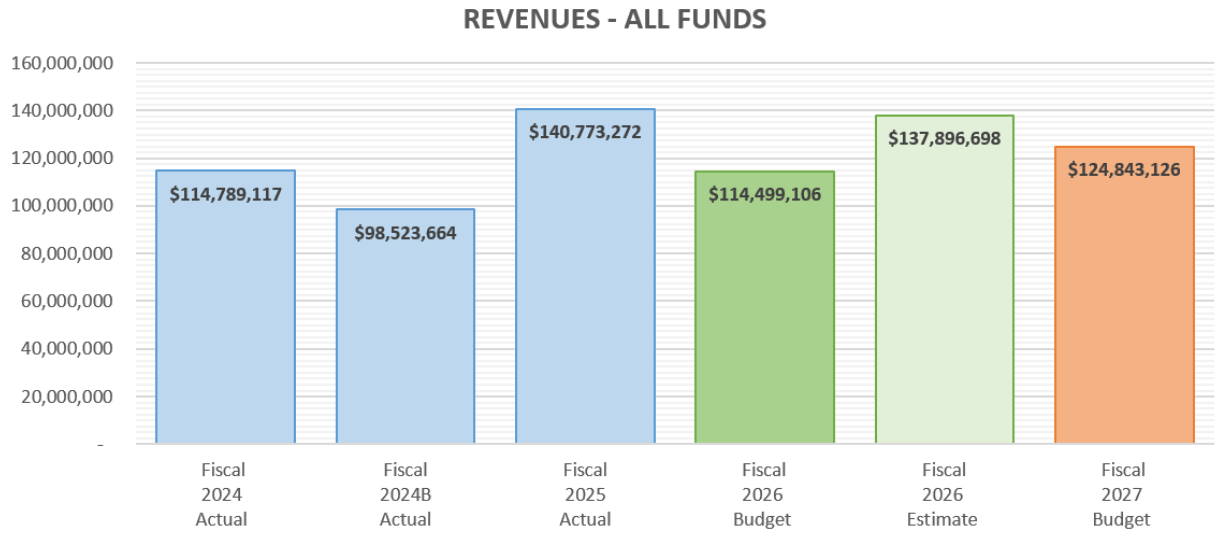
The City finances are accounted for in multiple funds, allocating operational and capital items in unique funds. The City takes great pride in balancing the operational budget each year, with any residual operating income transferred to the capital funds. This proposed budget includes intentional drawdowns of the operational fund balance reserves to fund upcoming capital improvement projects. For 2027, the City is planning on transferring $22.5 million to the capital funds to invest in infrastructure, buildings, vehicles and other City assets.



Transfers from governmental activities to capital funds for 2027 total $17.5 million. Business-type activities (Water & Sewer) project to transfer $5 million. The City funds capital investments using a pay as you go methodology where possible to reduce long-term debt obligations. Details regarding the upcoming projects for the 2027 fiscal year and the following four years can be found in the Capital Improvement Plan Highlights section of the budget document on page 225.

The proposed fiscal year 2027 operational budget is a **BALANCED BUDGET**.

REVENUE SUMMARY – ALL FUNDS



Total revenues for FY 2027 are expected to increase by $10.3 million (9%). 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 variances in revenues from 2026's budget to 2027 are $1.9 million for the Congress Capital Fund from Library reimbursement and a new revenue source to fund the renovations of the facility, as well as sales tax estimates with higher than expected growth due to inflationary increases in the market. Fiscal Year 2027 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.

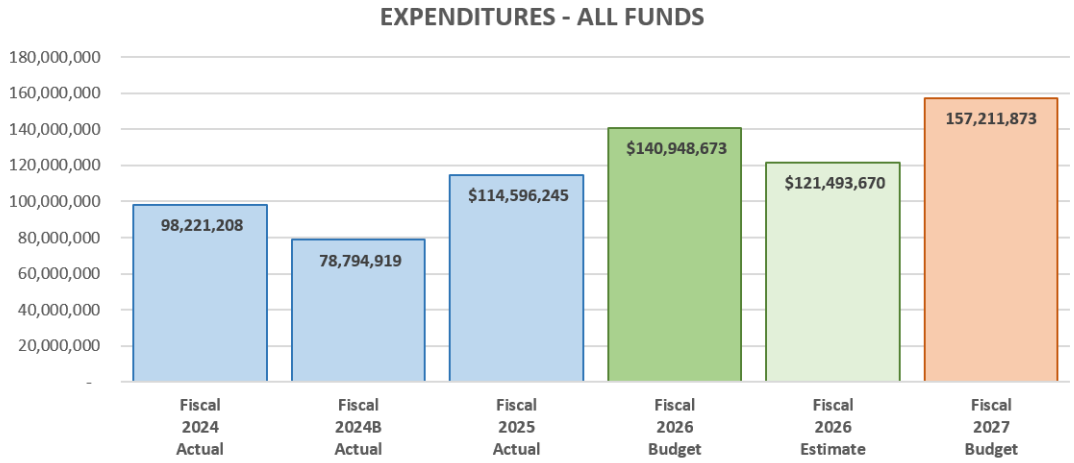
The estimates for 2026 are 20% higher than the budgeted figures due primarily to unanticipated investment gains for both public safety pension funds. Projections for the two funds combined are about $16.7 million more than budgeted. The public safety pension funds have the ability to invest in more aggressive market options than the City. The State of Illinois has engaged professional fund managers to manage the pension fund assets, which have been performing considerably well this year. The budget plans conservatively for future investment gains instead of relying on unpredictable market conditions.

A summary of anticipated revenue results by fund for 2026 and for 2027 follows.

Fund	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
Revenues*								
General Fund	$ 44,580,643	$ 35,897,501	$ 53,995,859	$ 46,715,244	$ 51,275,250	$ 50,860,545	$ 4,145,301	8.9%
Raue Building Fund	-	-	-	-	150	-	-	N/A
Restricted Police Funds	201,535	189,571	239,592	137,750	213,803	121,000	(16,750)	-12.2%
Fire Rescue Fund	12,728,353	14,424,221	15,441,630	15,072,152	15,832,582	15,649,147	576,995	3.8%
Road/Vehicle License Fund	645,212	495,505	510,087	510,000	504,658	501,059	(8,941)	-1.8%
School Crossing Guard Fund	135,390	114,564	162,678	163,885	160,418	158,866	(5,019)	-3.1%
IMRF/FICA Fund	1,265,437	1,272,116	1,351,755	1,391,540	1,391,366	1,426,384	34,844	2.5%
Motor Fuel Tax Fund	2,053,811	1,589,050	2,136,032	1,863,464	1,915,952	1,892,980	29,516	1.6%
Commuter Parking Fund	207,287	112,440	200,613	170,000	180,015	180,000	10,000	5.9%
Three Oaks Develop. Fund	609,539	281,476	227,706	300	201,000	300	-	0.0%
Debt Service Funds	(4,606)	-	-	-	-	-	-	N/A
TIF Funds	320,363	447,303	745,368	1,005,000	1,086,949	1,386,215	381,215	37.9%
Capital Replacement Fund	419,988	426,529	595,945	3,345,173	3,108,805	3,402,432	57,259	1.7%
Vehicle Replacement Fund	-	-	-	-	8,738	-	-	N/A
Congress Capital Fund	-	-	-	-	-	1,920,000	1,920,000	N/A
Water & Sewer Funds	21,859,509	16,925,400	23,179,422	19,677,812	20,876,900	20,084,197	406,385	2.1%
Group Insurance Fund	6,318,970	4,433,596	6,828,340	7,831,557	7,867,362	9,041,893	1,210,336	15.5%
Police Pension Fund	9,419,162	8,481,036	15,205,559	5,901,136	15,589,009	6,175,383	274,247	4.6%
Fire Pension Fund	8,376,863	7,836,437	13,978,817	4,543,022	11,618,868	4,902,024	359,002	7.9%
Library Funds	5,651,661	5,596,919	5,973,868	6,171,071	6,064,873	7,140,701	969,630	15.7%
Total - All Funds	**114,789,117**	**98,523,664**	**140,773,272**	**114,499,106**	**137,896,698**	**124,843,126**	**10,344,020**	**9.0%**
Total - All Funds	114,789,117	98,523,664	140,773,272	114,499,106	137,896,698	124,843,126	10,344,020	9.0%
Less Internal Service Charges	(5,124,229)	(3,486,829)	(5,437,663)	(6,407,350)	(6,475,389)	(7,476,707)	(1,069,357)	16.7%
All Other Revenues	$ 109,664,888	$ 95,036,835	$ 135,335,609	$ 108,091,756	$ 131,421,309	$ 117,366,419	$ 9,274,663	8.6%

*Excludes transfers between funds, capital lease financing, loan or bond proceeds

EXPENDITURE SUMMARY – ALL FUNDS



As shown in the graph above and the chart below, total budgeted expenditures are expected to increase by $16.3 million (12%) from the FY 2026 budget. Upcoming capital expenditures are expected to increase $10.7 million (24%). Excluding capital, total expenditures are anticipated to increase 5.7%, mostly due to increased personnel and related benefit expenses. The majority of funds are budgeting minor adjustments to non-personnel expenditures.

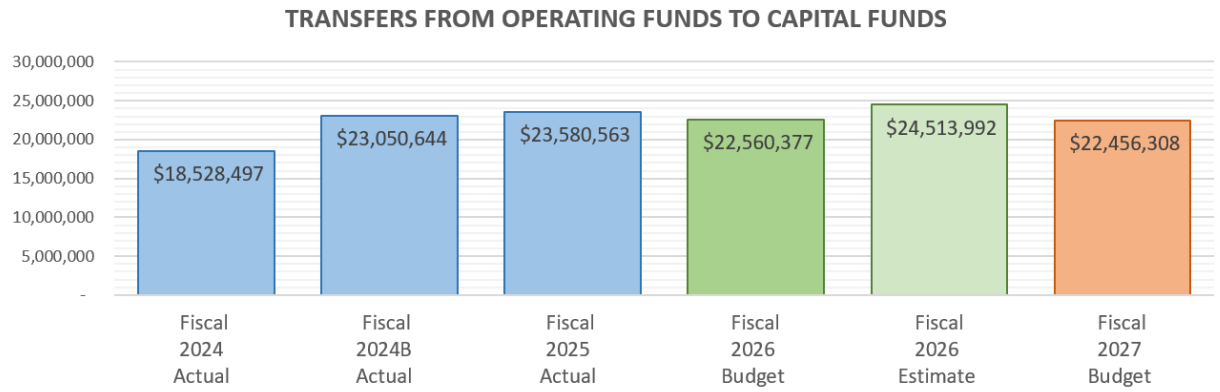
Fund	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget
Expenditures*						
General Fund	$ 31,257,647	$ 24,141,640	$ 34,870,262	$ 39,207,082	$ 37,588,357	41,262,941
Raue Building Fund	-	-	-	175,000	275,000	175,000
Restricted Police Funds	118,675	31,493	181,933	464,116	397,952	158,250
Fire Rescue Fund	11,684,190	8,157,596	12,656,207	14,112,555	13,548,419	15,606,618
Road/Vehicle License Fund	40,821	-	-	-	-	-
School Crossing Guard Fund	126,834	77,465	151,417	166,397	155,889	168,830
IMRF/FICA Fund	1,345,982	911,360	1,558,343	1,877,893	1,836,955	1,926,514
Motor Fuel Tax Fund	697,127	161,349	388,547	650,000	405,000	650,000
Commuter Parking Fund	166,446	121,552	188,958	238,738	234,598	243,788
Debt Service Funds	1,303,557	1,002,417	1,124,218	1,131,600	1,131,105	1,131,400
TIF Funds	40,144	23,376	13,935	526,190	125,502	502,790
Capital Replacement Fund	13,878,861	11,442,392	11,502,656	17,429,540	12,847,706	11,965,495
Vehicle Replacement Fund	-	1,358,482	3,181,821	9,122,740	1,574,757	9,974,174
Congress Capital Fund	-		-	-	4,200,000	3,580,000
Water & Sewer Funds	19,250,715	19,138,137	29,229,338	32,279,800	25,952,505	43,964,176
Group Insurance Fund	5,759,765	3,883,023	6,374,890	7,830,557	7,385,664	9,040,893
Police Pension Fund	4,790,559	3,098,946	4,952,809	5,030,746	5,147,756	5,250,507
Fire Pension Fund	2,823,804	2,003,902	3,185,030	3,277,648	3,339,233	3,888,900
Library Funds	4,936,081	3,241,791	5,035,881	7,428,071	5,347,272	7,721,597
Total - All Funds	**98,221,208**	**78,794,919**	**$ 114,596,245**	**$ 140,948,673**	**$ 121,493,670**	**157,211,873**
Total - All Funds	$ 98,221,208	$ 78,794,919	$ 114,596,245	$ 140,948,673	$ 121,493,670	157,211,873
Less Internal Service Charges	(5,124,229)	(3,486,829)	(6,374,890)	(7,830,557)	(7,385,664)	(9,040,893)
Less Capitalized Lease Costs	(284,255)	-	-	-	-	-
All Other Expenditures	$ 92,812,724	$ 75,308,091	$ 108,221,355	$ 133,118,116	$ 114,108,006	148,170,980

* (Excludes transfers between funds)

INTERFUND TRANSFERS - ALL FUNDS

Transfer From:	Transfer To:	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget
General Fund	Capital Replacement Fund	6,000,000	8,320,000	10,050,000	2,200,000	8,400,000	3,000,000
General Fund	Vehicle Replacement Fund	4,000,000	4,000,000	3,200,000	1,200,000	3,200,000	3,500,000
General Fund	Raue Building Fund	-	-	100,000	175,000	175,000	175,000
General Fund	Commuter Parking Fund	-	-	-	50,000	-	45,000
General Fund	Three Oaks Debt Service Fund	935,096	876,203	972,437	977,495	930,810	926,115
General Fund	W&S Capital Fund	-	158,484	518,540	500,000	500,000	1,000,000
Capital Replacement Fund	Congress Capital Fund	-	-	-	-	4,200,000	1,660,000
Restricted Police Fund	Vehicle Replacement Fund	-	27,100	48,860	-		-
Restricted Police Fund	Capital Replacement Fund	-	-	-	-	250,000	-
Fire Rescue Fund	Capital Replacement Fund	-	909,088	69,129	1,512,101	1,402,707	107,000
Fire Rescue Fund	Vehicle Replacement Fund	-	231,159	116,663	6,386,918	212,049	7,520,028
Road/Vehicle License Fund	Capital Replacement Fund	572,350	450,160	500,000	645,701	642,089	501,059
Motor Fuel Tax Fund	Capital Replacement Fund	2,940,466	3,821,357	1,257,179	2,955,657	2,492,250	1,777,705
Three Oaks Develop. Fund	W&S Capital Fund	98,720	1,004,800	2,758,821	-	-	-
Main Street TIF	Capital Replacement Fund	-	118,091	-	60,000	39,897	100,000
Virginia Street TIF	General Fund	150,200	202,603	243,812	249,105	273,510	279,070
Vulcan Lakes TIF	Three Oaks Debt Service Fund	87,691	126,214	151,780	154,105	200,295	205,285
W&S Operating Fund	W&S Debt Service Fund	3,695,542	3,713,229	3,581,108	3,837,736	3,078,011	3,491,705
W&S Operating Fund	W&S Capital Fund	3,000,000	3,000,000	4,500,000	4,000,000	4,500,000	4,250,000
W&S Debt Service Fund	W&S Capital Fund	1,916,962	1,010,405	561,371	3,100,000	2,875,000	700,516
W&S 2019 Project Fund	W&S Capital Fund	726,782	1,768,241	188,692	-	-	-
W&S 2019 Project Fund	W&S Debt Service Fund	-	-	33,226	-	-	-
W&S 2025 Project Fund	W&S Capital Fund	-	-	7,499,236	3,789,000	2,711,376	-
Library - Mulitple Funds	Library - Mulitple Funds	245,144	970,922	-	-	-	92,853
Total - All Funds		24,368,952	30,708,056	36,350,854	31,792,818	36,082,994	29,331,336

The chart below illustrated the history of operating transfers to capital funds, as well as the anticipated transfer for FY 2027. As the capital funds have limited direct revenues (utility taxes, grants, grocery tax starting in 2026, packaged liquor tax in 2027 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 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
Revenues & Other Sources								
General Fund	$ 44,793,137	$ 35,913,444	$ 54,276,465	$ 46,964,349	$ 51,548,760	$ 51,139,615	$ 4,175,266	8.9%
Raue Building Fund	-	-	100,000	175,000	175,150	175,000	-	0.0%
Restricted Police Funds	201,535	189,571	239,592	137,750	213,803	121,000	(16,750)	-12.2%
Fire Rescue Fund	12,728,353	14,424,221	15,441,630	15,072,152	15,832,582	15,649,147	576,995	3.8%
Road/Vehicle License Fund	645,212	495,505	510,087	510,000	504,658	501,059	(8,941)	-1.8%
School Crossing Guard Fund	135,390	114,564	162,678	163,885	160,418	158,866	(5,019)	-3.1%
IMRF/FICA Fund	1,265,437	1,272,116	1,351,755	1,391,540	1,391,366	1,426,384	34,844	2.5%
Motor Fuel Tax Fund	2,053,811	1,589,050	2,136,032	1,863,464	1,915,952	1,892,980	29,516	1.6%
Commuter Parking Fund	207,287	112,440	200,613	220,000	180,015	225,000	5,000	2.3%
Three Oaks Development	609,539	281,476	227,706	300	201,000	300	-	0.0%
Debt Service Funds	1,018,181	1,002,417	1,124,218	1,131,600	1,131,105	1,131,400	(200)	0.0%
TIF Funds	320,363	447,303	745,368	1,005,000	1,086,949	1,386,215	381,215	37.9%
Capital Replacement Fund	10,424,316	14,635,884	12,570,724	10,718,632	16,335,748	8,888,196	(1,830,436)	-17.1%
Vehicle Replacement Fund	4,000,000	4,479,747	3,863,521	7,586,918	3,687,087	11,020,028	3,433,110	45.3%
Congress Capital fund	-	-	-	-	4,200,000	3,580,000	3,580,000	N/A
Water & Sewer Funds	32,058,316	27,666,682	53,671,988	35,404,548	34,541,862	43,831,418	8,426,870	23.8%
Group Insurance Fund	6,318,970	4,433,596	6,828,340	7,831,557	7,867,362	9,041,893	1,210,336	15.5%
Police Pension Fund	9,419,162	8,481,036	15,205,559	5,901,136	15,589,009	6,175,383	274,247	4.6%
Fire Pension Fund	8,376,863	7,836,437	13,978,817	4,543,022	11,618,868	4,902,024	359,002	7.9%
Library Funds	6,334,365	5,596,918	5,973,868	6,171,070	6,064,873	7,233,554	1,062,484	17.2%
Total - All Funds	$ 140,910,238	$ 128,972,406	$ 188,608,961	$ 146,791,923	$ 174,246,567	$ 168,479,462	$ 21,687,539	14.8%

EXPENDITURES & OTHER FINANCING USES – ALL FUNDS

Fund	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
Expenditures & Other Uses								
General Fund	$ 42,192,743	$ 37,496,327	$49,711,239	$44,309,577	$50,794,167	$ 49,909,056	$ 5,599,479	12.6%
Raue Building Fund	-	-	-	175,000	275,000	175,000	-	0.0%
Restricted Police Funds	118,675	58,593	246,809	464,116	647,952	158,250	(305,866)	-65.9%
Fire Rescue Fund	11,684,190	9,297,843	12,841,999	22,011,574	15,163,175	23,233,646	1,222,072	5.6%
Road/Vehicle License Fund	613,171	450,160	500,000	645,701	642,089	501,059	(144,642)	-22.4%
School Crossing Guard Fund	126,834	77,465	151,417	166,397	155,889	168,830	2,433	1.5%
IMRF/FICA Fund	1,345,982	911,360	1,558,343	1,877,893	1,836,955	1,926,514	48,621	2.6%
Motor Fuel Tax Fund	3,637,593	3,982,706	1,645,726	3,605,657	2,897,250	2,427,705	(1,177,952)	-32.7%
Commuter Parking Fund	166,446	121,552	188,958	238,738	234,598	243,788	5,050	2.1%
Three Oaks Development	98,720	1,004,800	2,758,821	-	-	-	-	N/A
Debt Service Funds	1,347,236	1,002,417	1,124,218	1,131,600	1,131,105	1,131,400	(200)	0.0%
TIF Funds	278,035	470,283	409,527	989,400	639,204	1,087,145	97,745	9.9%
Capital Replacement Fund	13,878,861	11,442,392	11,502,656	17,429,540	17,047,706	13,625,495	(3,804,045)	-21.8%
Vehicle Replacement Fund	-	1,358,482	3,181,821	9,122,740	1,574,757	9,974,174	851,434	9.3%
Congress Capital Fund	-	-	-	-	4,200,000	3,580,000	3,580,000	N/A
Water & Sewer Funds	28,590,002	28,630,011	45,592,972	47,006,536	39,116,892	52,406,397	5,399,861	11.5%
Group Insurance Fund	5,759,765	3,883,023	6,374,890	7,830,557	7,385,664	9,040,893	1,210,336	15.5%
Police Pension Fund	4,790,559	3,098,946	4,952,809	5,030,746	5,147,756	5,250,507	219,761	4.4%
Fire Pension Fund	2,823,804	2,003,902	3,185,030	3,277,648	3,339,233	3,888,900	611,252	18.6%
Library Funds	5,443,696	3,241,791	5,035,881	7,428,071	5,347,272	7,814,450	386,379	5.2%
Total - All Funds	122,896,310	108,532,052	$ 150,963,116	$ 172,741,491	$ 157,576,664	$ 186,543,209	$ 13,801,718	8.0%

REVENUES & EXPENDITURES BY TYPE - ALL FUNDS

Type	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
Revenues and Other Sources:								
Property taxes	$ 15,247,445	$ 15,749,746	$ 16,680,600	$ 17,342,532	$ 17,420,395	$ 18,344,496	$ 1,001,964	5.8%
Intergovernmental	27,097,493	21,320,017	28,957,639	24,288,601	26,375,472	26,500,763	2,212,162	9.1%
Licenses and permits	1,420,681	807,285	1,018,524	884,500	1,006,000	861,000	(23,500)	-2.7%
Other taxes	11,968,191	10,591,724	18,309,695	19,656,159	21,452,622	22,523,755	2,867,596	14.6%
Fines and forfeits	595,639	354,082	523,830	485,000	500,000	490,000	5,000	1.0%
Charges for services	23,265,610	19,438,263	27,249,136	26,545,688	27,305,887	27,487,075	941,387	3.5%
Interest	13,118,503	12,286,744	25,564,152	2,627,264	20,945,551	2,619,944	(7,320)	-0.3%
Miscellaneous	11,299,664	8,892,055	11,058,165	10,090,941	10,350,509	11,398,685	1,307,744	13.0%
Internal service charges	5,124,229	3,486,829	5,437,663	6,407,350	6,475,389	7,476,707	1,069,357	16.7%
Internal transfers	24,123,914	29,737,133	36,350,855	31,792,818	36,082,994	29,238,483	(2,554,335)	-8.0%
Library	6,334,365	5,596,918	5,973,868	6,171,071	6,064,873	7,233,554	1,062,483	17.2%
Other sources	1,314,502	711,610	11,484,835	500,000	266,875	14,305,000	13,805,000	N/A
Total	140,910,238	128,972,406	188,608,961	146,791,924	174,246,567	168,479,462	21,687,538	14.8%
Expenditures and Other Uses:								
General government	8,433,213	5,726,424	8,974,534	11,193,615	9,911,331	11,406,843	213,228	1.9%
Public safety	37,083,570	27,683,008	40,587,888	44,349,819	43,531,615	47,383,845	3,034,026	6.8%
Highways and streets	6,902,024	4,574,826	7,648,574	9,245,413	8,688,982	9,950,447	705,034	7.6%
Waterworks and sewerage	15,284,568	5,899,564	9,487,680	11,177,013	10,474,704	11,470,035	293,022	2.6%
Culture and recreation	5,741,467	3,892,980	5,888,240	8,103,809	6,142,700	7,550,948	(552,861)	-6.8%
Capital outlay	13,228,753	21,279,267	30,646,782	43,877,911	30,304,724	55,696,822	11,818,911	26.9%
Debt service	4,903,618	4,772,152	4,797,350	5,020,816	5,020,121	4,675,261	(345,555)	-6.9%
Lease payments	884,008	1,083,676	190,307	149,720	33,829	36,779	(112,941)	N/A
Internal service charges	5,759,765	3,883,023	6,374,890	7,830,557	7,385,664	9,040,893	1,210,336	15.5%
Internal transfers	24,631,529	29,737,133	36,350,854	31,792,818	36,082,994	29,331,336	(2,461,482)	-7.7%
Total	122,852,514	108,532,052	150,963,116	172,741,491	157,576,664	186,543,209	13,801,718	8.0%
Revenues & Other Sources in Excess of Expenditures & Other Uses	18,057,724	20,440,353	37,645,845	(25,949,567)	16,669,903	(18,063,747)		
Beginning Balance*	192,946,356	209,728,722	224,628,475	238,820,702	261,100,273	277,770,176		
Change in Receiv/Pay	(1,791,944)	(5,540,600)	(1,174,047)	-	-	-		
Ending Balance	$ 209,212,135	$ 224,628,475	$ 261,100,273	$ 212,871,135	$ 277,770,176	$ 259,706,429		

**Restated for prior period adjustment*

FUND BALANCE:
HISTORY AND BUDGETARY CHANGES – ALL FUNDS

Fund	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Estimate	2027 Revenues & Other Sources	2027 Expenditures & Other Uses	Fiscal 2027 Estimate	$ Change	% Change
GENERAL FUND									
General Fund	$ 23,687,988	$ 22,104,883	$ 26,670,110	$ 27,424,703	$ 51,139,615	$ 49,909,056	$ 28,655,262	$ 1,230,559	4.5%
FIRE RESCUE FUND									
Fire Rescue Fund	8,681,811	13,808,189	16,407,820	17,077,227	15,649,147	23,233,646	9,492,728	(7,584,499)	-44.4%
OTHER FUNDS									
Raue Building Fund	-	-	100,000	150	175,000	175,000	150	-	0.0%
Restricted Police Funds	785,580	916,557	909,341	475,192	121,000	158,250	437,942	(37,250)	-7.8%
Road/Vehicle License Fund	101,999	147,344	157,431	20,000	501,059	501,059	20,000	-	N/A
School Crossing Guard Fund	120,539	157,638	168,900	173,429	158,866	168,830	163,465	(9,964)	-5.7%
IMRF/FICA Fund	1,064,479	1,425,235	1,218,646	773,057	1,426,384	1,926,514	272,927	(500,130)	-64.7%
Motor Fuel Tax Fund	6,533,554	4,139,898	4,630,204	3,648,906	1,892,980	2,427,705	3,114,181	(534,725)	-14.7%
Commuter Parking Fund	72,771	63,659	75,314	20,731	225,000	243,788	1,943	(18,788)	-90.6%
Three Oaks Develop. Fund	1,996,142	1,272,817	(1,258,298)	(1,057,298)	300	-	(1,056,998)	300	0.0%
Group Insurance Fund	1,991,635	2,542,207	2,995,657	3,477,355	9,041,893	9,040,893	3,478,355	1,000	0.0%
Police Pension Fund	53,915,969	59,298,059	69,550,809	79,992,062	6,175,383	5,250,507	80,916,938	924,876	1.2%
Fire Pension Fund	56,338,408	62,170,943	72,964,730	81,244,365	4,902,024	3,888,900	82,257,489	1,013,124	1.2%
DEBT SERVICE FUNDS									
2009 Bonds (Three Oaks)	-	-	-	-	1,131,400	1,131,400	-	-	N/A
TIF FUNDS									
Main Street TIF Fund	85,572	32,220	259,278	614,610	400,000	100,930	913,680	299,070	48.7%
Virginia Street TIF Fund	-	-	-	-	280,000	280,000	-	-	N/A
Vulcan Lakes TIF Fund	-	-	-	-	206,215	206,215	-	-	N/A
Waters Edge TIF Fund	(186,773)	(156,400)	(47,618)	44,795	500,000	500,000	44,795	-	0.0%
WATER & SEWER OPERATING FUNDS									
W&S Operating Fund	13,275,567.00	12,332,462	13,706,102	13,574,097	17,370,545	19,210,540	11,734,102	(1,839,995)	N/A
W&S Debt Service Fund	5,378,244.20	4,588,683	4,244,241	700,516	3,491,705	4,192,221	-	(700,516)	-100.0%
W&S 2019 Project Fund	1,917,816.77	216,251.79	-	-	-	-	-	-	N/A
W&S 2025 Project Fund	-	-	2,663,476.34	-	-	-	-	-	N/A
GOVERNMENTAL CAPITAL FUNDS									
Capital Replacement Fund	16,095,099	19,805,404	20,873,471	20,161,513	8,888,196	13,625,495	15,424,214	(4,737,299)	-23.5%
Vehicle Replacement Fund	4,000,000	7,121,265	7,802,965	9,915,295	11,020,028	9,974,174	10,961,149	1,045,854	10.5%
Congress Capital Fund	-	-	-	-	3,580,000	3,580,000	-	-	N/A
WATER & SEWER CAPITAL FUNDS									
W&S Capital Fund	8,463,200	5,393,498	8,822,043	10,586,219	22,969,168	29,003,636	4,551,751	(6,034,468)	-57.0%
LIBRARY FUNDS									
Operating Fund	2,971,516	2,673,358	5,115,690	6,161,216	6,782,161	6,875,014	6,068,363	(92,853)	-1.5%
Construction & Repair	433,351	433,351	523,554	468,960	150,540	150,540	468,960	-	0.0%
Ames Trust	394,947	394,947	425,502	424,502	-	8,500	416,002	(8,500)	-2.0%
Gift & Memorial	15,851	15,851	21,579	19,654	-	58,396	(38,742)	(58,396)	-297.1%
Working Cash	54,240	51,492	-	-	-	-	-	-	N/A
Per Capita	59,068	59,068	-	-	-	-	-	-	N/A
Special Reserve	517,168	-	1,446,179	1,460,773	-	140,000	1,320,773	(140,000)	-9.6%
IMRF Fund	326,884	326,884	399,800	214,800	196,853	335,000	76,653	(138,147)	-64.3%
FICA Fund	119,510	119,510	253,348	153,348	104,000	247,000	10,348	(143,000)	-93.3%
TOTAL - ALL FUNDS	$ 209,212,135	$ 221,455,274	$ 261,100,273	$ 277,770,176	$ 168,479,462	$ 186,543,209	$ 259,706,429	($18,063,747)	-6.5%

Expenditures and Other Uses in excess of Revenues and Other Sources represent planned use of available balances to pay for capital equipment and replacement. 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

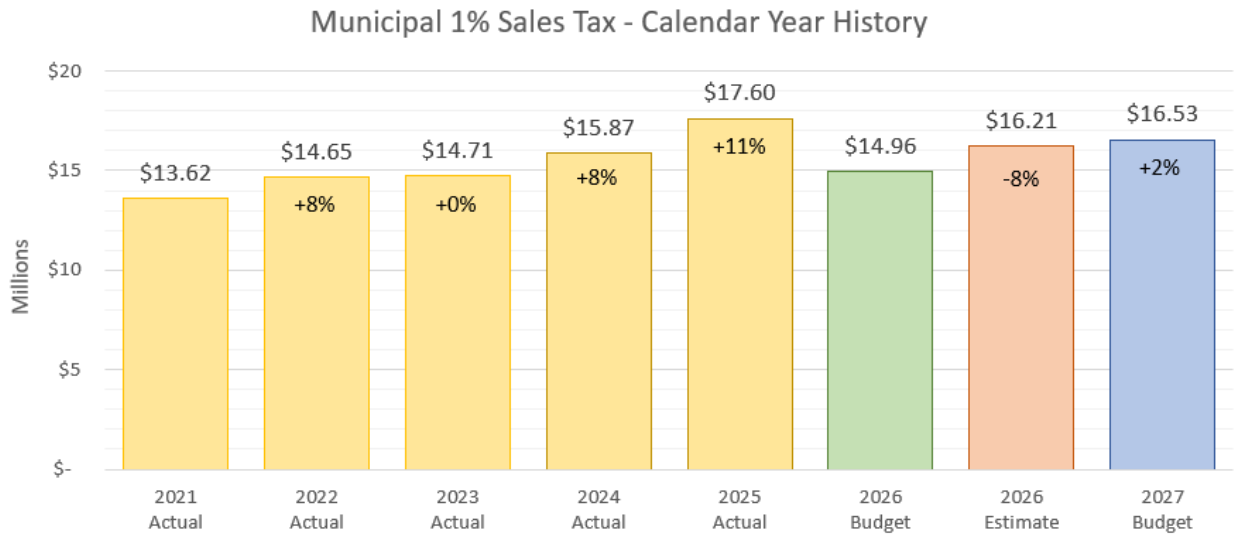
For discussion purposes, commentary on many major revenue sources included comparisons on a calendar year, not the City's former May to April fiscal years, as the 2025 budget transitioned the City into a full calendar fiscal year.

Property Taxes

Property taxes include amounts levied against all real estate in the City. Real property taxes that will be collected during 2027 are levied December 2026. 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.

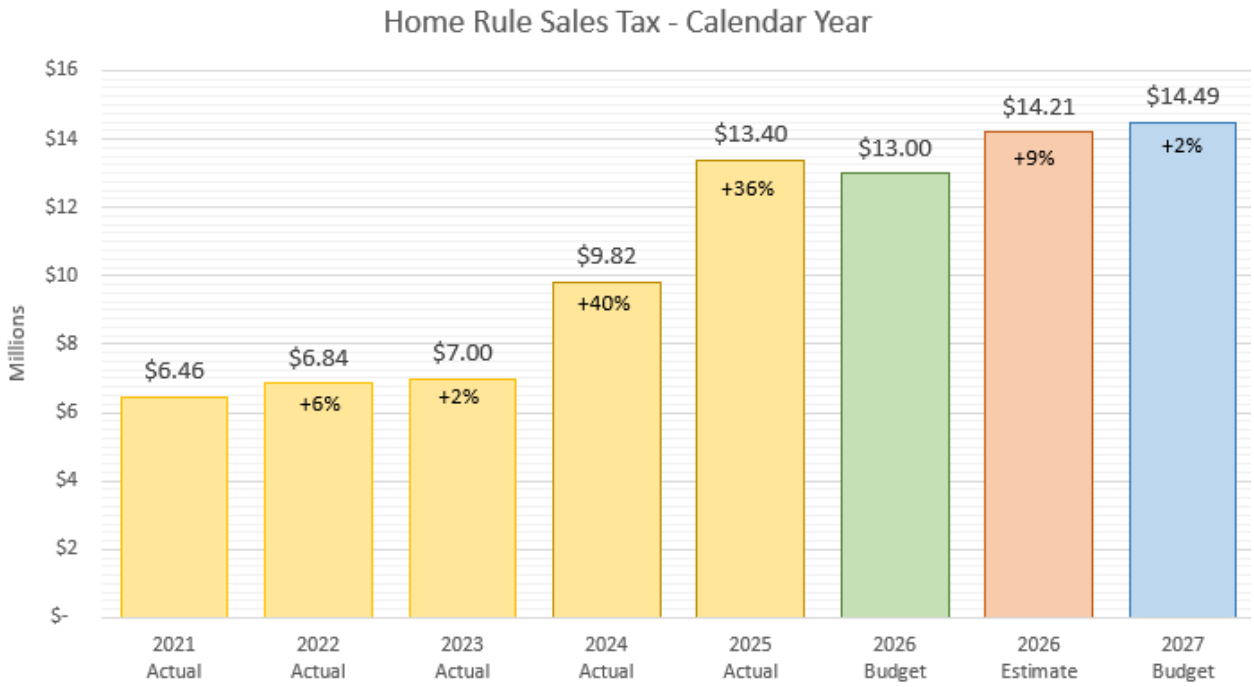
Municipal Sales Tax



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 reflected 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 is recorded separately as a revenue source of the Capital Replacement Fund starting in 2026. For fiscal year 2026, receipts of Sales Tax are anticipated to outperform estimate for the year at $16.21 million, 8% above the fiscal year budget of $14.96 million.

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.



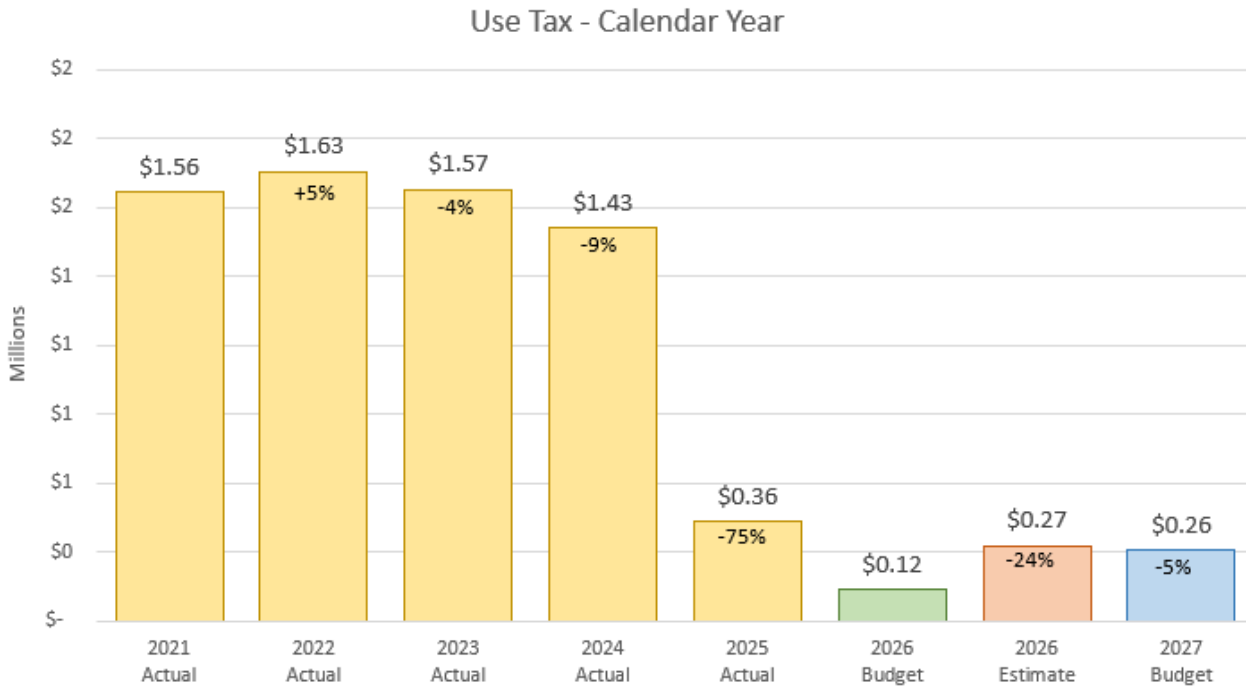
Starting July 2024, the Home Rule Sales Tax rate was increased from 0.75% to 1.25% in order to offset costs of increasing police patrol and firefighter/paramedic personnel, as well as funding for the road program and lead water service line replacements. The increase provided additional revenues to fund 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 2026 are trending above budgeted expectations. Fiscal year 2026 revenue is expected to end the year at $14.21 million, 9% above the fiscal year budget of $13 million. Budgetary projections for FY 2027 reflect a 2% increase in Home Rule Sales Tax receipts when compared to receipts/estimates.

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.

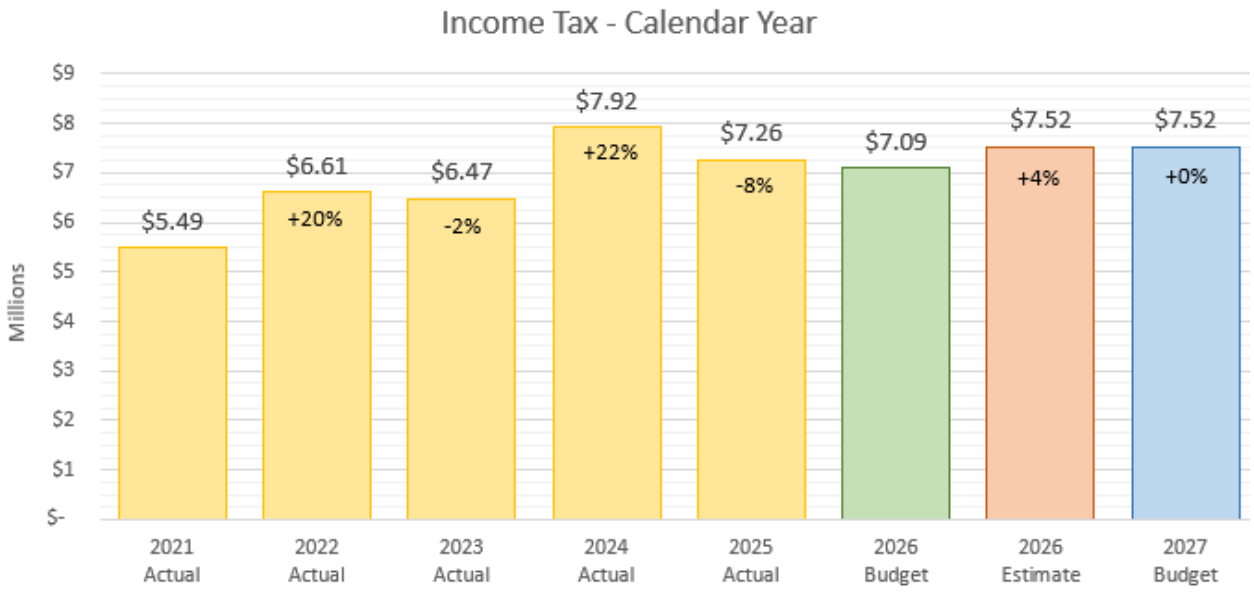
Starting in January 2025, the State reclassified additional internet sales transactions as Municipal Sales Tax instead of State Use Tax. This has caused a dramatic drop in State Use Tax receipts but contributes to the Sales Tax increase mentioned above. A further decline is anticipated in 2027. The remaining Use Tax still collected is distributed on a per capita basis.



Current FY 2026 receipts are anticipated to end the at $273 thousand, above the FY 2026 budget of $115 thousand. FY2027 receipts are budgeted for $259 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.



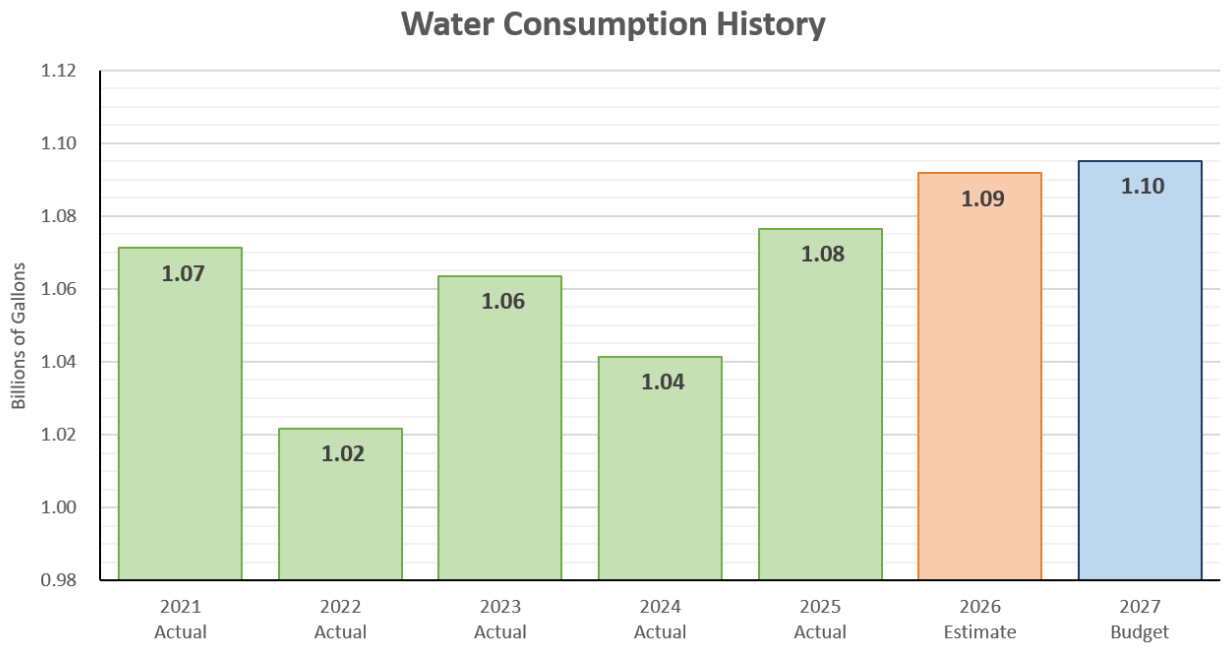
Of continual concern is the future impact of the State of Illinois on City finances. Local Government Distributive Fund (LGDF) continues to be at risk of reduction as the State of Illinois reviews their own dire budget situation. The State previously shared 10% of collections but reduced the sharing 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 State FY 2026/27 budget does not include any reductions to the LGDF, the Governor's proposed budget had included a reduction to municipalities, reinforcing the concern of future reductions as shown by history.

Receipts of State Income Tax are anticipated to end the year at $7.52 million or 6% above the FY 2026 budget of $7.09 million. Based on a recommendation from the Illinois Municipal League citing economic factors and conservative adjustments, the amount of State Income Tax for FY 2027 has been budgeted to remain flat at $7.52 million.

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. 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 1.091 billion gallons, 1.4% higher in comparison to the 1.076 billion gallons during 2025. While homes are being equipped with more water conservation devices, new customers have been added due to recent growth in the community. The City has also completed the water meter change out project, measuring additional consumption that was being lost due to slow and aging meters. This is a sign of water conservation throughout the community. The chart below demonstrates the variability in water consumption from year to year.



The 2027 budget includes a modest 3% increase to water and/or sewer rates. No increase was implemented for 2026. 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 93% 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 organizations. Both are subject to limitations of the Property Tax Extension Limitation Law.

For fiscal year 2026, the City invoiced $3,086,555 for these services. In fiscal year 2027, the City anticipates receiving $3,245,099. This projection includes the assumption that both agencies will experience small growth in their EAV for the 2026 levy.

PERSONNEL SUMMARY - ALL FUNDS

Position	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget
City Administration	14.00	14.00	13.00	14.00	14.00	14.00
Administrative Adjudication	0.50	0.50	0.50	0.50	0.50	0.50
Information Technology	1.00	1.00	2.00	4.00	4.00	4.00
Police	78.70	88.70	88.50	89.40	89.40	89.40
Community Development	15.00	15.00	16.00	16.00	16.00	16.00
Public Works Administration	4.50	4.50	4.50	4.50	4.50	4.50
Engineering	8.00	8.00	8.00	9.00	9.00	9.00
Streets	15.00	15.00	15.00	16.00	16.00	16.00
Fleet Services	5.00	5.00	5.00	5.00	5.00	5.00
Facility Services	3.00	2.00	3.00	3.00	3.00	3.00
Three Oaks Recreation Area	0.00	0.00	0.00	0.00	0.00	1.00
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	68.00	80.00	81.00	81.00	81.00	82.00
Total FTE	241.70	262.70	265.50	271.40	271.40	273.40
Change from PY	1.70	21.00	2.80	6.70	5.90	2.00
% Change	0.71%	8.69%	1.07%	2.53%	2.22%	0.74%

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 two new positions across two departments. These include an Operations Supervisor for Three Oaks Recreation Area and a Fire Alarm Inspector/Technician in the Fire Rescue Department. Additionally, the part-time Legal & Transparency Compliance Coordinator in the Police Department will move to full-time while an administrative assistant position will become part-time. These changes result in an increase to authorized FTE's for the FY 2027 budget of 2 FTEs.

Overall, since 2010, the City has only increased staffing by 4.90 full-time equivalents (FTE).

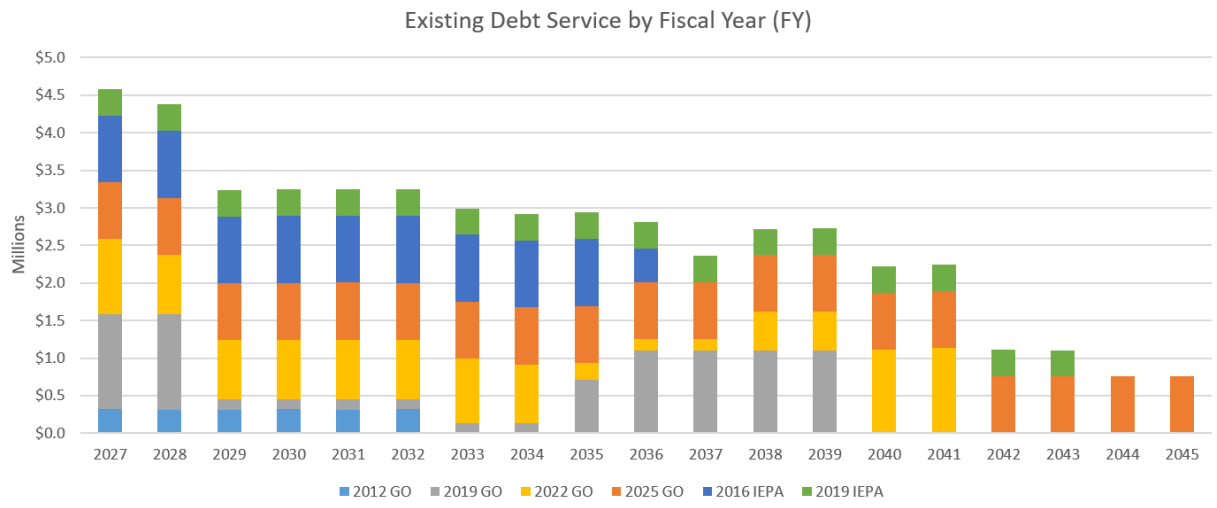
Position	Fiscal 2010 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
City Administration	16.50	14.00	14.00	(2.50)	-15.2%
Administrative Adjudication	1.00	0.50	0.50	(0.50)	-50.0%
Information Technology	3.00	4.00	4.00	1.00	33.3%
Police	81.25	89.40	89.40	8.15	10.0%
Community Development	17.00	16.00	16.00	(1.00)	-5.9%
Public Works	81.25	66.50	66.50	(14.75)	-18.2%
Three Oaks Recreation Area	0.00	0.00	1.00	1.00	N/A
Fire Rescue	67.50	81.00	82.00	14.50	21.5%
Total FTE	267.50	271.40	273.40	5.90	2.2%

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

On December 31, 2026, the City will have a number of debt issues outstanding. Balance outstanding on general obligation bonds of $26,475,000 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. On December 31, 2026, the remaining balance for both IEPA loans will be $15,466,043. 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 2026:

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
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	**$ 1,745,000**	**$ 6,790,000**	**$ 8,335,000**	**$ 9,605,000**	**$ 7,526,950**	**$ 5,317,837**	**$ 39,319,788**

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
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	**$ 1,900,619**	**$ 8,486,350**	**$ 10,382,135**	**$ 14,359,356**	**$ 8,478,607**	**$ 5,969,229**	**$ 49,576,296**

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 four capital funds: Capital Replacement Fund, Vehicle Replacement Fund, the new Congress Capital Fund and the 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 199 and in the Capital Plan Highlights section on page 223.

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CITY OF CRYSTAL LAKE

ANNUAL BUDGET

FISCAL YEAR 2027

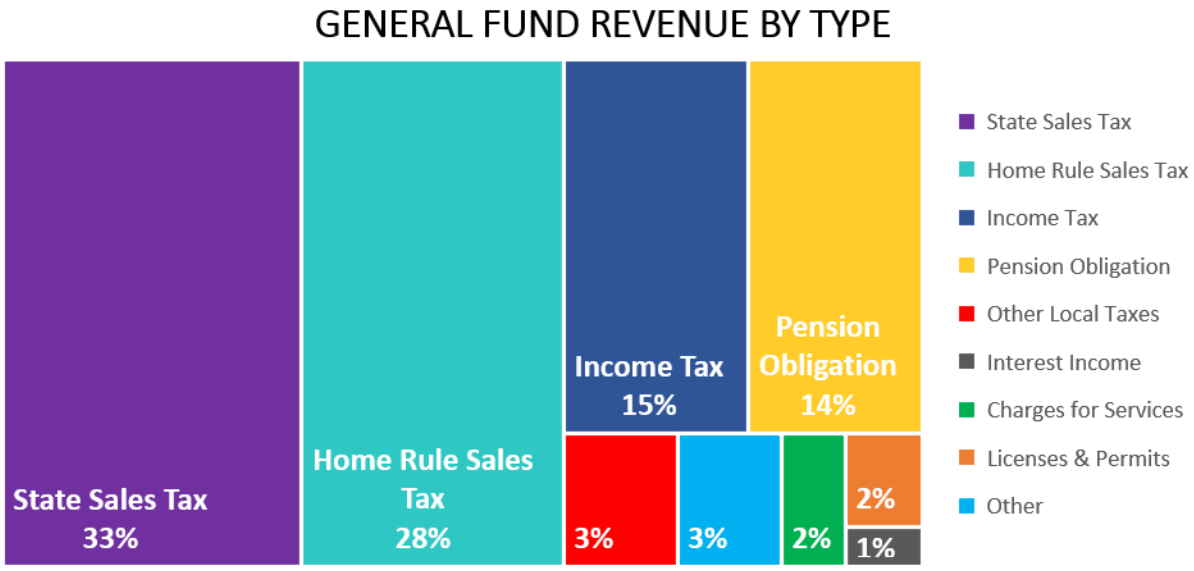
GENERAL FUND

ANNUAL BUDGET SUMMARY

	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
40030. Property Tax - Police Pension	$ 3,482,254	$ 3,612,536	$ 3,993,777	$ 4,012,787	$ 4,012,787	4,233,950	$ 221,163	5.5%
40035. Property Tax - Fire Pension	2,286,134	2,285,640	2,317,989	2,618,873	2,618,873	2,869,789	250,916	9.6%
Total Property Taxes	5,768,388	5,898,176	6,311,766	6,631,660	6,631,660	7,103,739	472,079	7.1%
41020. Personal Property RT- State	331,006	151,053	189,919	170,421	206,074	212,255	41,834	24.5%
41025. Personal Property RT- Township	45,345	27,359	22,834	16,065	27,667	28,198	12,133	75.5%
41030. Sales Tax - II	15,169,052	11,051,870	17,600,399	14,956,350	16,208,364	16,532,533	1,576,183	10.5%
41040. Income Tax - II	6,592,621	4,569,869	7,262,285	7,090,180	7,522,514	7,522,514	432,334	6.1%
41045. Use Tax - II	1,518,838	957,269	361,258	115,371	272,930	259,283	143,912	124.7%
41700. Grant Proceeds - State of IL	48,290	26,998	36,155	2,000	-	-	(2,000)	-100.0%
41800. Grant Proceeds - Federal	23,516	17,638	32,087	17,000	15,000	15,000	(2,000)	-11.8%
41850. Grant Proceeds - Other Govt	38,874	-	51,273	-	57,632	-	-	N/A
41900. Grant Proceeds - Other	4,500	4,084	-	-	6,000	-	-	N/A
Total Intergovernmental Revenue	23,772,041	16,806,139	25,556,211	22,367,387	24,316,181	24,569,783	2,202,396	9.8%
42050. Liquor Licenses	147,399	139,627	157,170	140,000	160,000	165,000	25,000	17.9%
42090. Miscellaneous Licenses	17,375	15,625	14,830	15,500	16,000	16,000	500	3.2%
42210. Building Permits	1,101,302	582,895	764,524	650,000	750,000	600,000	(50,000)	-7.7%
Total Licenses and Permits	1,266,076	738,147	936,524	805,500	926,000	781,000	(24,500)	-3.0%
43032. Home Rule Sales Tax	7,179,057	7,614,329	13,400,568	12,999,364	14,208,040	14,492,200	1,492,836	11.5%
43035. Auto Rental Tax - II	58,694	46,878	57,141	56,365	65,692	55,088	(1,277)	-2.3%
43040. Local Cannabis Tax	324,664	209,507	223,761	238,554	295,844	260,772	22,218	9.3%
43200. Hotel Tax	352,400	389,252	529,067	440,000	527,112	523,288	83,288	18.9%
43300. Telecommunications Tax	528,630	353,276	528,858	521,747	487,024	477,282	(44,465)	-8.5%
43500. Franchise Fees - Cable	543,973	304,973	431,295	352,664	391,450	337,154	(15,510)	-4.4%
Total Other Taxes	8,987,418	8,918,217	15,170,689	14,608,694	15,975,162	16,145,784	1,537,090	10.5%
44300. Police Fines	331,697	177,630	249,613	255,000	260,000	255,000	-	0.0%
44310. Police Towing Fines	91,500	90,000	108,000	95,000	105,000	100,000	5,000	5.3%
44320. Police False Alarms	21,000	6,450	13,125	10,000	10,000	10,000	-	0.0%
44510. Adjudication Fines	54,495	41,313	77,017	55,000	55,000	55,000	-	0.0%
Total Fines and Forfeits	498,692	315,392	447,755	415,000	430,000	420,000	5,000	1.2%
45105. Rent - Three Oaks Boats	163,130	132,159	119,845	140,000	115,000	140,000	-	0.0%
45110. Rent - Three Oaks Pavillions	21,966	21,170	22,725	20,000	20,000	20,000	-	0.0%
45115. Rent - Three Oaks Beach Chairs	2,165	3,409	2,045	2,000	2,420	2,000	-	0.0%
45120. Rent - Three Oaks Concessions	71,259	68,139	72,995	70,000	73,000	70,000	-	0.0%
45150. Parking - Three Oaks	124,201	99,648	99,404	120,000	112,460	120,000	-	0.0%
45160. Beach Admission - Three Oaks	217,202	226,390	200,112	195,000	195,114	195,000	-	0.0%
45165. Instruction - Three Oaks	17,240	13,469	7,225	15,000	3,990	5,000	(10,000)	-66.7%
45170. Season Pass - Three Oaks	3,570	1,450	2,125	3,000	3,400	3,300	300	10.0%
45210. Plan Review Fees	232,698	143,576	178,346	180,000	195,000	138,000	(42,000)	-23.3%
45270. Inspection Fees	4,238	20,910	24,489	9,000	17,000	10,000	1,000	11.1%
45400. Police Detail	86,828	88,775	149,314	85,000	85,000	85,000	-	0.0%
45700. Rental Income - City Facilities	135,249	88,419	149,772	134,789	134,789	141,045	6,256	4.6%
Total Charges for Services	1,079,745	907,515	1,028,397	973,789	957,173	929,345	(44,444)	-4.6%
47010. Interest Income	970,287	896,376	1,741,280	300,000	1,200,000	300,000	-	0.0%
47020. Interest Income Leases	35,899	27,485	65,878	39,964	39,964	37,644	(2,320)	-5.8%
47990. Unrealized Gain/Loss on Invest	617,625	377,980	876,366	-	-	-	-	N/A
Total Interest Income	1,623,812	1,301,842	2,683,524	339,964	1,239,964	337,644	(2,320)	-0.7%

ANNUAL BUDGET SUMMARY (CONTINUED)

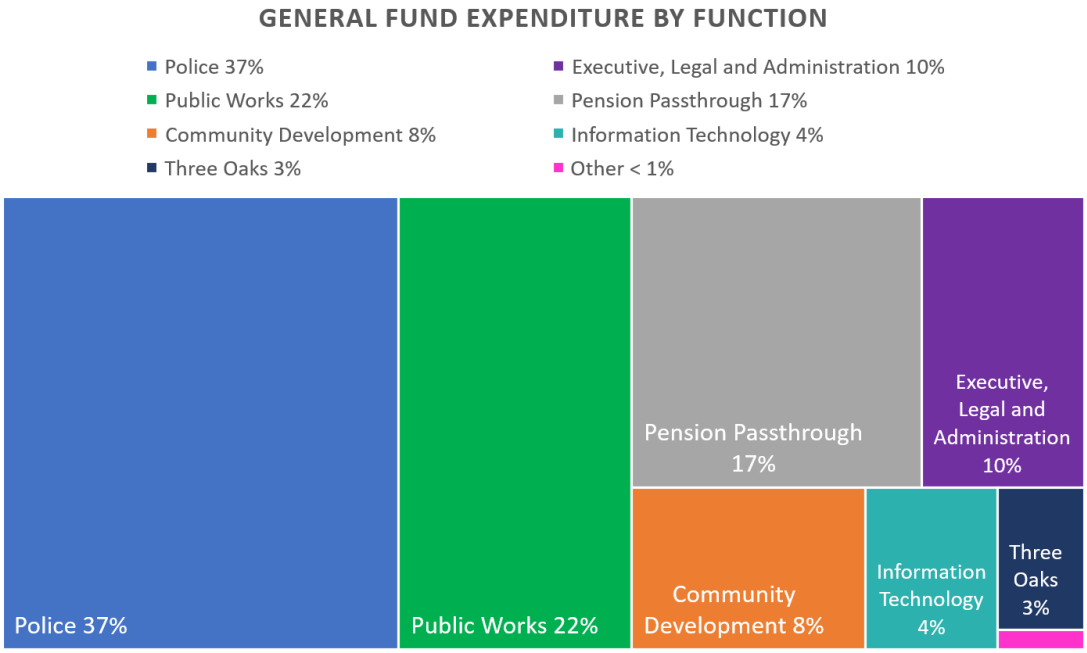
	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
REVENUES (Continued)								
48170. Consumables - Three Oaks	2,969	2,589	2,230	2,500	1,910	2,500	-	0.0%
48650. Historical Preservation Services	8,002	8,379	10,722	7,000	11,102	7,000	-	0.0%
48660. Arts Council	-	-	-	-	5,220	-	-	N/A
48800. Host Fees	434,477	331,488	9,000	400,000	400,000	400,000	-	0.0%
48820. Capital Facility Fees	281,447	148,080	479,415	60,000	200,000	60,000	-	0.0%
48930. Electrical Civic Contribution	-	-	130,403	-	-	-	-	N/A
48940. EV Charging Station	260	317	247	250	275	150	(100)	0.0%
48950. Reimbursements	188,015	48,213	188,834	53,500	130,603	53,600	100	0.2%
48990. Miscellaneous Income	669,301	473,007	1,040,142	50,000	50,000	50,000	-	0.0%
Total Miscellaneous	1,584,470	1,012,073	1,860,993	573,250	799,110	573,250	-	0.0%
Total Revenues	44,580,643	35,897,501	53,995,859	46,715,244	51,275,250	50,860,545	4,145,301	8.9%



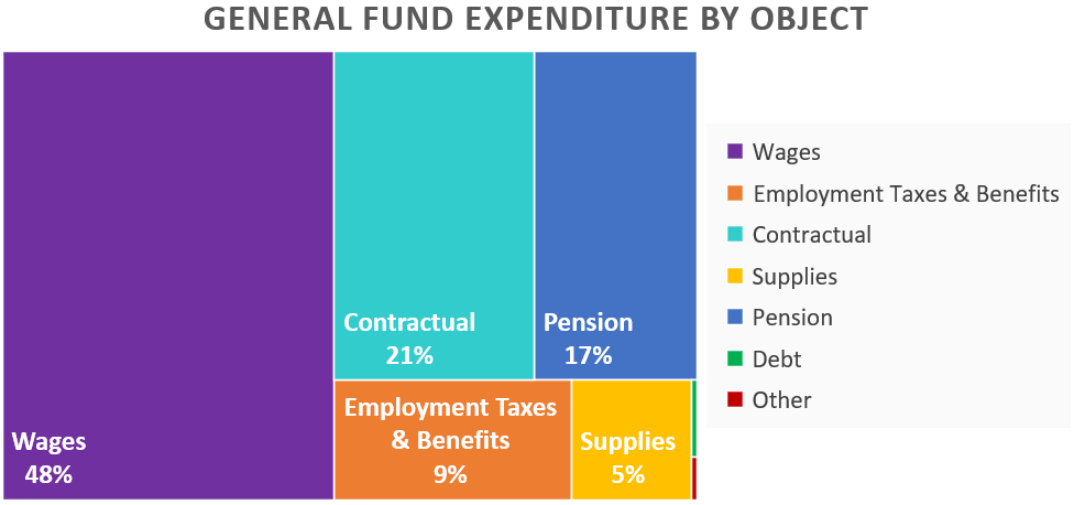
ANNUAL BUDGET SUMMARY (CONTINUED)

	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
EXPENDITURES								
Executive Department	500,425	410,284	507,582	498,260	480,395	435,891	(62,369)	-12.5%
Legal Department	717,292	484,218	843,230	763,200	713,200	763,200	-	0.0%
City Administration Department								
Administration	2,017,658	1,437,459	2,206,750	2,607,580	2,456,905	2,722,681	115,101	4.4%
Information Technology	1,286,190	1,062,518	1,614,926	1,783,502	1,707,927	1,807,237	23,735	1.3%
Administrative Adjudication	47,665	33,901	43,664	67,378	54,067	69,899	2,521	3.7%
Police Department	11,562,137	8,257,327	12,867,308	14,331,846	13,980,620	15,117,036	785,190	5.5%
Community Development Department	2,197,087	1,363,068	2,185,887	3,067,412	2,535,180	3,178,631	111,219	3.6%
Public Works Department								
Streets	3,522,913	2,540,542	4,242,406	4,728,654	4,568,874	5,019,687	291,033	6.2%
Engineering	1,272,323	897,595	1,366,874	1,637,692	1,547,743	1,723,859	86,167	5.3%
Fleet Services	712,481	494,896	711,863	850,762	794,313	891,871	41,109	4.8%
Facility Services	656,358	480,444	938,883	1,203,305	1,098,052	1,246,242	42,937	3.6%
Three Oaks Recreation Area	901,246	691,098	883,133	886,038	870,453	1,039,647	153,609	17.3%
Fire & Police Commission	42,538	36,551	92,460	96,113	95,488	89,965	(6,148)	-6.4%
Pension Obligation	5,768,388	5,898,176	6,311,766	6,631,660	6,631,660	7,103,739	472,079	7.1%
Debt Service	52,723	53,563	53,529	53,680	53,480	53,356	(324)	-0.6%
Total Expenditures	31,257,424	24,141,640	34,870,262	39,207,082	37,588,357	41,262,941	2,055,859	5.2%
Revenues Over (Under) Expenditures	13,323,219	11,755,861	19,125,598	7,508,162	13,686,893	9,597,604		
OTHER FINANCING SOURCES (USES)								
Transfer In								
Virginia Street TIF Fund	150,200	202,603	243,812	249,105	273,510	279,070		
Other								
SSA & SA Funds	106	(186,659)	-	-	-			
Gain/Loss on Leased Assets	60,974	-	-	-	-			
Gain/Loss on Sale of Assets	1,214	-	-	-	-			
SBITA	-	-	36,794	-	-			
Transfer Out								
Capital Replacement Fund	(3,000,000)	(1,620,000)	(1,750,000)	(2,200,000)	(2,200,000)	(3,000,000)		
Capital Replacement Fund - Advance	(3,000,000)	(6,700,000)	(8,300,000)	-	(6,200,000)	-		
Commuter Parking Fund	-	-	-	(50,000)	-	(45,000)		
Raue Center Building Fund	-	-	(100,000)	(175,000)	(175,000)	(175,000)		
Three Oaks Debt Service	(935,096)	(876,203)	(972,437)	(977,495)	(930,810)	(926,115)		
Vehicle Replacement Fund	(4,000,000)	(4,000,000)	(3,200,000)	(1,200,000)	(3,200,000)	(3,500,000)		
Water & Sewer Capital Fund	-	(158,484)	(518,540)	(500,000)	(500,000)	(1,000,000)		
Total Other Financing Sources (Uses)	(10,722,602)	(13,338,743)	(14,560,371)	(4,853,390)	(12,932,300)	(8,367,045)		
Net Change in Fund Balance	2,600,617	(1,582,882)	4,565,227	2,654,772	754,593	1,230,559		
Beginning Fund Balance	21,087,371	23,687,765	22,104,883	24,460,539	26,670,110	27,424,703		
Prior Period Adjustment	(223)	-	-	-	-	-		
Ending Fund Balance	23,687,765	22,104,883	26,670,110	27,115,311	27,424,703	28,655,262		
Restricted or Assigned Fund Balance	(8,101,493)	(6,680,512)	(7,708,774)	(6,818,338)	(6,592,703)	(6,665,460)		
Available Fund Balance	$ 15,586,273	$ 15,424,371	$ 18,961,335	$ 20,296,973	$ 20,832,000	21,989,802		

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, 74% of the expenditures in the General Fund relate to personnel services (wages, pensions, taxes and benefits). The second largest is contractual services at 21%. Supplies and debt services, as well as other smaller categories make up the remaining 5%.

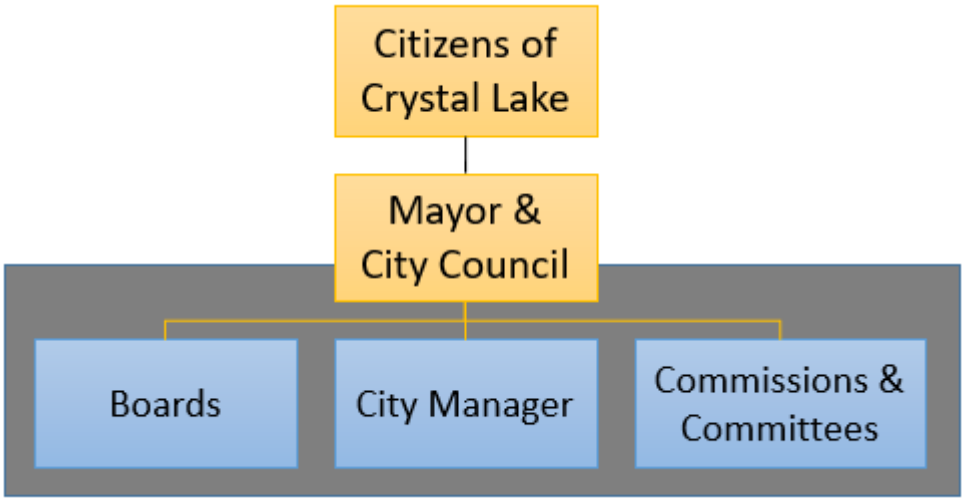


EXECUTIVE DEPARTMENT

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

Executive	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
54110. Wages-Full Time	$ 22,800	$ 15,200	$ 20,450	$ 19,200	$ 19,200	$ 19,200	$ -	0.0%
Personnel Services	22,800	15,200	20,450	19,200	19,200	19,200	-	0.0%
55200. Training	3,803	2,974	2,326	8,380	5,660	8,380	-	0.0%
55220. Dues and Subscriptions	17,794	13,298	18,571	24,729	24,635	25,360	631	2.6%
55240. Insurance Services	12,049	7,225	12,272	13,351	12,029	10,351	(3,000)	-22.5%
55760. Community Events	104,739	40,968	99,909	112,600	101,894	72,600	(40,000)	-35.5%
55900. Hotel Tax Program	339,240	330,620	343,683	300,000	301,477	280,000	(20,000)	-6.7%
58900. Miscellaneous	-	-	10,370	20,000	15,500	20,000	-	0.0%
Contractual Services	477,625	395,084	487,132	479,060	461,195	416,691	(62,369)	-13.0%
Total - Executive	$ 500,425	$ 410,284	$ 507,582	$ 498,260	$ 480,395	$ 435,891	$ (62,369)	-12.5%

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.

- Funds budgeted in the Hotel Tax Program (55900) account represent distributions of hotel/motel tax to non-profit agencies that sponsor programs aimed at attracting tourism to the City of Crystal Lake. The budget amount for 2026 was set slightly higher to account for potential timing issues as the hotel/motel tax program was transitioned to a calendar year basis. The funding level for 2027 has been set to match anticipated distributions.
- 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.
- In 2026, the annual fireworks display was increased in honor of America's 250th semiquincentennial celebration. The amount was also amended to reflect a donation made for the fireworks display. The Community Events (55760) amount has been reduced to reflect the City's normal fireworks expenditure.

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, to conduct real estate transactions for the City, and to perform prosecutorial services.

ANNUAL BUDGET

Legal	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
55010. Professional Services	$ 4,424	$ 11,379	$ 8,449	$ 13,200	$ 13,200	$ 13,200	$ -	0.0%
55030. Legal Services	712,868	472,839	834,781	750,000	700,000	750,000	-	0.0%
Contractual Services	717,292	484,218	843,230	763,200	713,200	763,200	-	0.0%
Total - Legal	$ 717,292	$ 484,218	$ 843,230	$ 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

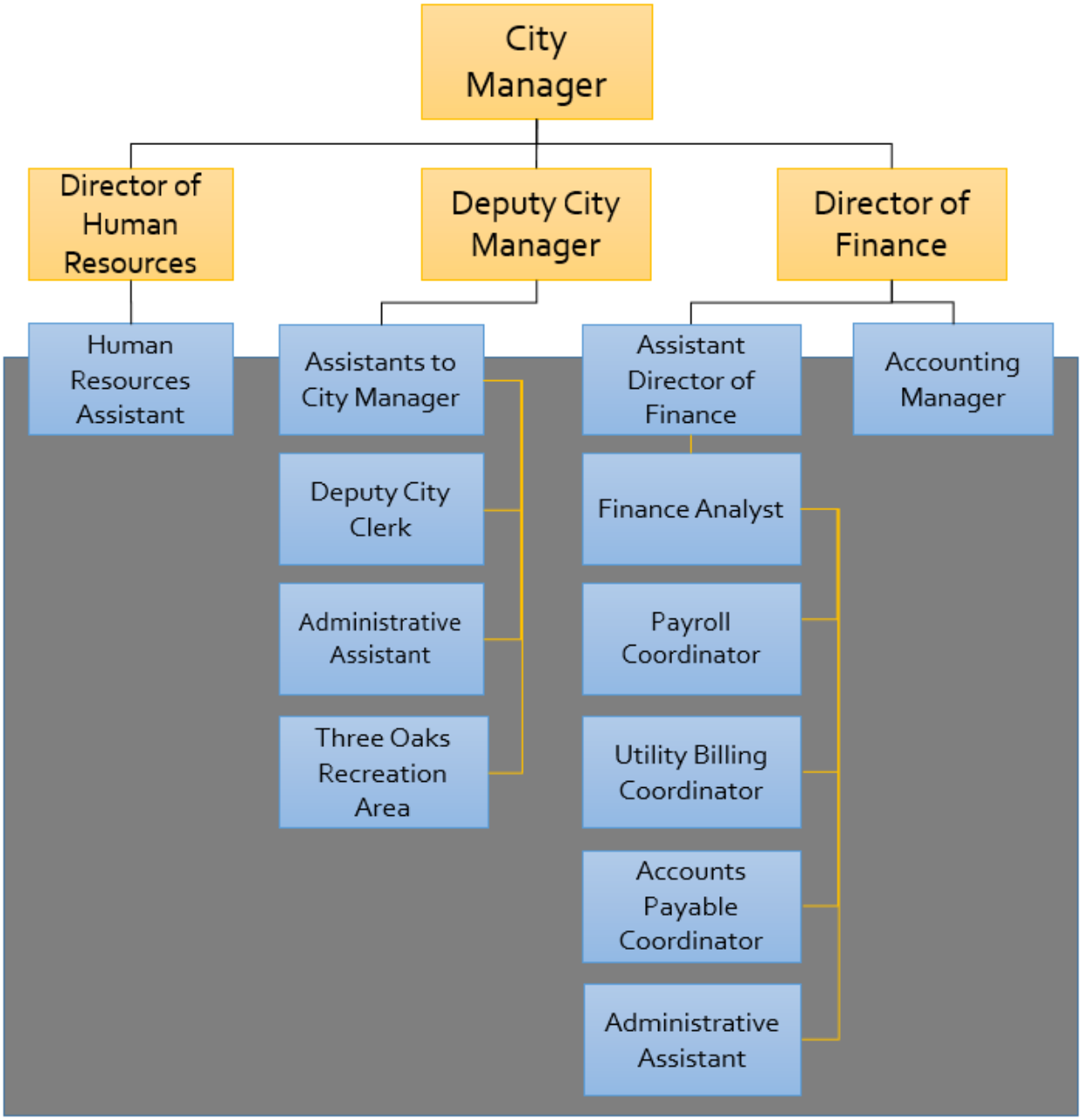
The Finance Department is responsible for maintaining the integrity of all financial systems, records and functions of the City in accordance with applicable laws, ordinances, policies and procedures. These activities include the recording and reporting of all financial transactions, billing and collection 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 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 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget
City Manager	1.00	1.00	1.00	1.00	1.00	1.00
Deputy City Manager	0.00	1.00	1.00	1.00	1.00	1.00
Assistant City Manager	1.00	0.00	0.00	0.00	0.00	0.00
Assistant to the City Manager	1.00	1.00	1.00	2.00	2.00	2.00
Management Analyst	1.00	1.00	0.00	0.00	0.00	0.00
Deputy City Clerk	0.00	0.00	0.00	1.00	1.00	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	0.00	0.00	0.00
Human Resources Generalist	0.00	0.00	0.00	0.00	0.00	1.00
Human Resources Assistant	1.00	1.00	1.00	1.00	1.00	0.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00	1.00
Accounting Manager	1.00	1.00	1.00	1.00	1.00	1.00
Finance Analyst	1.00	1.00	1.00	1.00	1.00	1.00
Payroll Coordinator	1.00	1.00	1.00	1.00	1.00	1.00
Accounts Payable Coordinator	1.00	1.00	1.00	1.00	1.00	1.00
Total FTE	14.00	14.00	13.00	14.00	14.00	14.00

ACCOMPLISHMENTS

The City Manager's Office had the following objectives:

- Pursue online licensing features, including liquor licensing, video gaming, and massage licenses through the City's online permitting software, Accela.

  On track. City Manager's Office staff utilized Accela for the spring 2026 license renewal period for liquor, commercial refuse, and tobacco licenses.

- 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.

  Ongoing. The City continues to utilize the expertise of the Arts Commission to enhance the aesthetics of the City. The Commission implemented artistic benches in the Downtown area and mural panels in Water's Edge. The City Council will be reviewing the mural program in late 2026. The roundabout sculpture is being created at this time.

- 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.

  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.

- 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.

  Ongoing. The 2025-2026 Youth Commission successfully held its first civic engagement forum to improve voter turnout for 18- to 24-year-olds and to educate youth on the importance of local government.

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

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

- 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.

  On track. The new website is being created at this time with an estimated live date in December of 2026.

- Begin discussions with the Rural Fire Protection District to execute a new service agreement.

  Completed. The service agreement with the Rural Fire Protection District was completed in 2026.

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

- Begin negotiations with Local 150 for a successor Public Works collective bargaining agreement.

  Ongoing.

- Begin negotiations with IAFF for a successor Fire collective bargaining agreement.

  Ongoing.

- Begin negotiations with Police Sergeants for a new collective bargaining agreement.

  Ongoing.

- Redesign the employee performance evaluation form to improve clarity, relevance, and effectiveness.

  Ongoing.

- Evaluate electronic timekeeping solutions for City staff.

  Withdrawn. The project has been put on hold to reevaluate departmental timekeeping needs.

The Human Resources Department achieved the following additional accomplishments during fiscal year 2026:

- The City completed NIMS emergency management certification requirements.

The City's Finance Department had 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.

  Completed. The City and its contractor have upgraded nearly all of its 14,200 water meters with smart meters which connect to a new digital network. The new meters will ensure accurate water meter readings, allow for electronic readings, and provide additional resources to customers.

- Explore software options for capital planning, financial reporting, and transparency.

  Held. Project will be revisited in 2027.

- Research and implement a purchasing card program.

  On track. Staff has met researched and met with potential purchasing card providers. A questionnaire and follow-up interviews are planned to narrow down and select the best providers for the City's needs.

- Create a Unified Fee Schedule that would consolidate the various fees throughout the City Code into a single, comprehensive fee schedule.

  On track. Staff is preparing a unified fee schedule for consideration.

The Finance Department achieved the following additional accomplishments during fiscal year 2026:

- Received the Certificate of Achievement for the City's FY2024B Annual Comprehensive Financial Report. This is the thirty-sixth year that the City has received the award for the ACFR.
- Received the Distinguished Budget Presentation Award from the GFOA for the FY2026 budget document. This is the nineteenth year the City has received the budget award.
- Received the Certificate of Achievement for the City's FY2024B Popular Annual Finance Report. This is the fifth 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 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, and hosting an arts event.
- 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 proposing teen spaces in Crystal Lake, promoting civic engagement, and hosting civic engagement sessions.
- Research the back scanning needs of the CMO, Finance, and Fire Rescue Departments and continue the plan to back scan documents into the City's document management system.
- Evaluate workers' compensation trends in coordination with the Human Resources Department and develop training to address trending issues.
- Implement a standard operating procedure for Depot Park events, including event scheduling and after-event review procedures.
- Provide quarterly training opportunities for all staff utilizing experienced employees and outside resources.
- Evaluate the raffle license and ice cream license procedures to streamline application and approval processes.

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

- Continue negotiations with Local 150 for a successor Public Works collective bargaining agreement.
- Continue negotiations with IAFF for a successor Fire collective bargaining agreement.
- Continue negotiations with Police Sergeants for a new collective bargaining agreement.
- Redesign the employee performance evaluation form to improve clarity, relevance, and effectiveness.
- Research and evaluate employee wellness initiatives that may improve employee health and help mitigate the rising cost of health insurance.
- Conduct a classification and compensation study to ensure employee roles and pay are equitable, competitive, and aligned with market standards, supporting employee retention and responsible budget management.

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

- Streamline the approval process to more efficiently distribute impact fees to the requesting taxing bodies.
- Explore options to streamline the work order process for utility accounts and make the process paperless.
- Promote the WaterSmart system to increase customer use and encourage water conservation.
- Explore software options for capital planning, financial reporting, and transparency.

ANNUAL BUDGET

City Administration	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
54110. Wages-Full Time Employees	$ 1,419,285	$ 1,013,694	$ 1,601,123	$ 1,825,549	$ 1,771,106	$ 1,901,539	$ 75,990	4.2%
54115. Wages-Part Time Employees	59,412	32,512	32,979	59,240	44,640	59,240	-	0.0%
54150. Wages-Overtime	310	1,427	2,428	2,500	842	2,500	-	0.0%
54200. Group Insurance	220,487	162,696	223,288	316,669	316,669	350,936	34,267	10.8%
Personnel Services	1,699,494	1,210,328	1,859,819	2,203,958	2,133,257	2,314,215	110,257	5.0%
55010. Professional Services	62,546	41,384	120,071	74,815	78,754	77,515	2,700	3.6%
55040. Annual Audit Services	18,740	27,975	23,563	27,965	26,170	26,453	(1,512)	-5.4%
55140. Publishing Services	4,314	3,838	4,309	5,800	4,027	5,800	-	0.0%
55160. Postage & Freight	33,687	23,387	32,527	41,000	38,900	43,000	2,000	4.9%
55200. Training	13,193	10,074	8,062	11,650	3,472	11,650	-	0.0%
55220. Dues and Subscriptions	14,294	8,542	13,978	13,648	13,011	14,671	1,023	7.5%
55240. Insurance and Bonding Services	44,900	24,690	39,260	51,705	43,214	51,705	-	0.0%
55310. Examinations	6,038	4,877	5,958	5,100	6,000	6,000	900	17.6%
55340. Maintenance Services-Office Equip.	1,517	422	1,688	2,039	1,697	1,697	(342)	-16.8%
55550. Employee Programs Services	42,128	24,568	25,353	73,600	31,715	73,600	-	0.0%
Contractual Services	241,356	169,755	274,770	307,322	246,960	312,091	4,769	1.6%
					-	-		
56000. Office Supplies	12,669	7,098	10,980	10,000	10,000	10,000	-	0.0%
56040. Motor Fuel & Lubricants	104	131	156	400	300	400	-	0.0%
56050. Computer Hardware & Software	6,510	3,399	4,680	5,850	4,200	5,850	-	0.0%
56060. Small Tools and Equipment	2,995	2,351	813	2,200	-	2,200	-	0.0%
56070. Automotive Supplies	109	-	1,041	1,100	400	1,100	-	0.0%
56950. Stationery and Printing	47,126	37,272	48,013	66,750	55,780	66,825	75	0.1%
Materials & Supplies	69,513	50,251	65,682	86,300	70,680	86,375	75	0.1%
58900. Miscellaneous	7,295	7,124	6,479	10,000	6,008	10,000	-	0.0%
Other Expenses	7,295	7,124	6,479	10,000	6,008	10,000	-	0.0%
Total - City Administration	$ 2,017,658	$ 1,437,459	$ 2,206,750	$ 2,607,580	$ 2,456,905	$ 2,722,681	$ 115,101	4.4%

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.

- Professional Services (55010) has a projected increase due to investment manager fees which are based on the amounts of funds invested.
- Market trends indicate a projected increase to Group Insurance (54200) in 2026.
- The budget for Postage & Freight (55160) has increased to account for postage rates projected for FY 2027.

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 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget
Administrative Assistant	0.50	0.50	0.50	0.50	0.50	0.50
Total FTE	0.50	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 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
54110. Wages-Full Time Employees	$ 25,909	$ 19,452	$ 23,792	$ 33,516	$ 30,772	$ 34,826	$ 1,310	3.9%
54200. Group Insurance	3,502	2,513	3,812	4,362	4,362	4,973	611	14.0%
Personnel Services	29,411	21,965	27,604	37,878	35,134	39,799	1,921	5.1%
55010. Professional Services	17,456	11,410	14,725	28,500	16,440	28,500	-	0.0%
55160. Postage & Freight	799	527	1,004	900	1,507	1,500	600	66.7%
Contractual Services	18,254	11,936	15,728	29,400	17,947	30,000	600	2.0%
56000. Office Supplies	-	-	-	100	-	100	-	0.0%
56050. Computer Hardward & Software	-	-	332	-	986	-	-	N/A
Materials & Supplies	-	-	332	100	986	100	-	0.0%
Total - Administrative Adjudication	$ 47,665	$ 33,901	$ 43,664	$ 67,378	$ 54,067	$ 69,899	$ 2,521	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.

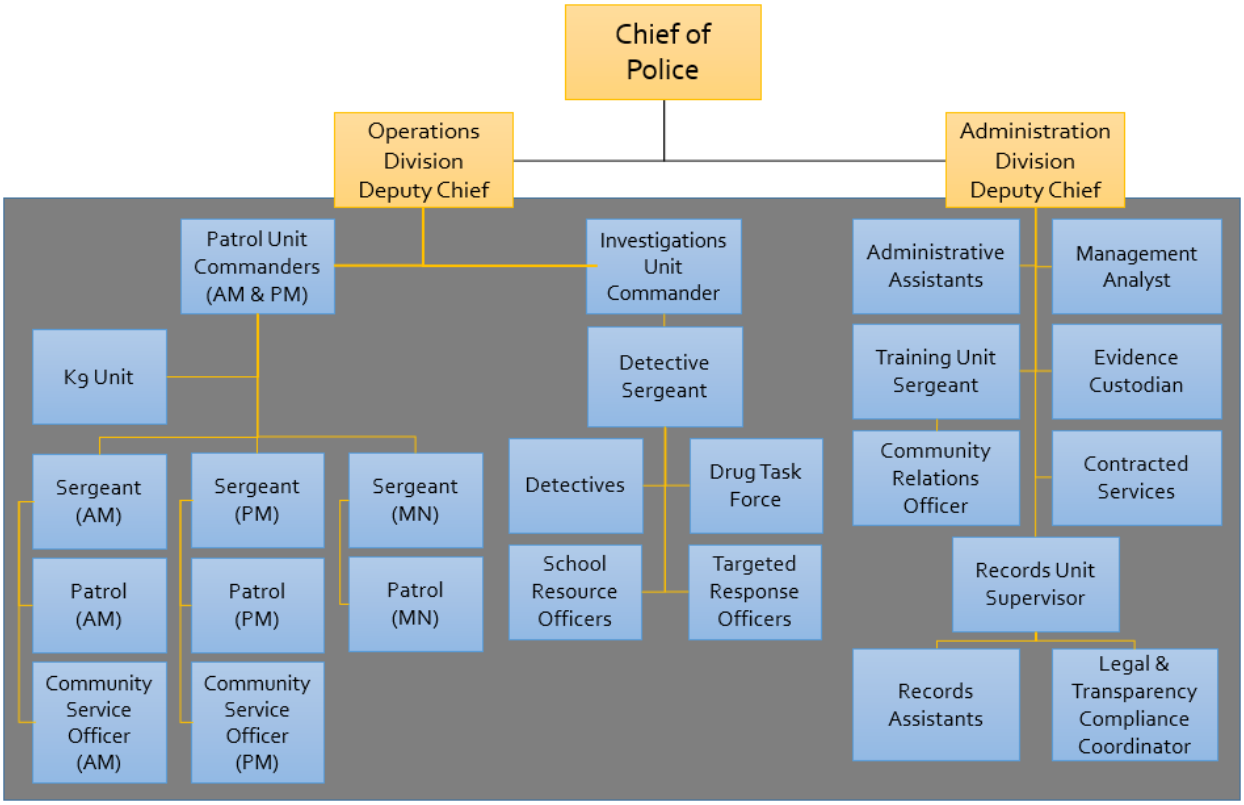
- The increase in Postage & Freight (55160) best reflects the anticipated costs for required notices.

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 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 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	60.00	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	2.00	2.00	1.70	1.70
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	0.70	1.00	1.00
Police Records Assistant	4.00	4.00	3.50	3.70	3.70	3.70
Total FTE	78.70	88.70	88.50	89.40	89.40	89.40

The Legal & Transparency Compliance Coordinator position has been moved from part-time to full-time to better handle the increase in FOIA requests. Additionally, an administrative assistant position has been changed from full-time to part-time.

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, reducing the occurrences of crash-related injuries.

  Completed. Continue to educate motorists and enforce traffic laws in an effort to reduce the number of traffic crashes.

- Newly appointed supervisors will be provided with introductory training.

  Completed. A Sergeant completed introductory training while transitioning to the Training Coordinator position.

- Police supervisors will practice their skills in a simulated environment by participating in two scenario-based training opportunities.

  Completed. Supervisors participated in Active Shooter Incident Management (ASIM) & School Safety and Violent Incident Management (SSAVIEM) Training

- 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.

Completed. In addition to the Coffee with the Chief presentations, the Community Relations Officer completed seven presentations.

- 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.

  On track. Each shift has residential and business foot patrols attached to their individual Shift Expectations, requiring patrol officers to complete foot patrols daily.

- Police Department staff will produce six brief Public Safety Announcement videos for social media, covering various topics relevant to community concerns.

  On track. At least six videos will be completed and disseminated.

- At least three sex offender compliance checks will be conducted.

  On track. A check was completed in March and July. Another is scheduled for October.

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

  On track. A compliance check is scheduled for this time period.

- Provide one Sergeant training at Northwestern University Center for Public Safety Staff and Command.

  Completed. Three Sergeants attended Leadership for Front Line Supervisors. A Sergeant attended Performance Evaluations and Mentoring Law Enforcement and Extreme Ownership-Leadership in Action. A Sergeant attended Understanding Role of Supervisor through strong leadership.

- The Department will submit all necessary evidence of compliance to CALEA.

  On track. The Department anticipates a successful completion of its third year of the four-year cycle on October 15.

- Focus efforts on impaired driving, distracted driving, and speeding violations during the IDOT Traffic Enforcement Grant Program.

  On track. Efforts continue to be focused on these factors, with the Department continuously exceeding grant objectives. It should be noted, as of October 2026 IDOT has changed their requirements to strict High Visibility enforcement. There is no longer a strict enforcement objective of DD, Speeding, OP, etc.

- Staff each IDOT Traffic Safety campaign fully with officers to ensure grant funds are spent as outlined in the grant.

On track. Each traffic safety campaign will meet this requirement.

- Ensure minimum production standards for enforcement efforts are adhered to as specified in the IDOT Enforcement Grant.

  On track. Minimum production standards have been adhered to and/or exceeded during the grant program.

- Complete IDOT 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.

  On track. All reports have been 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 has received timely reimbursement based upon the submitted reports. All financial campaign reports were submitted to the City's Finance Department at the same time as 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.

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

OBJECTIVES

- 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, reducing the occurrences of crash-related injuries.
- Focus efforts on impaired driving, distracted driving, and speeding violations.
- Staff each IDOT Traffic Enforcement 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 IDOT grant.
- Complete IDOT 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.
- 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.
- The Department will conduct a minimum of three community presentations during the fiscal year to inform residents about current crime trends impacting the community.
- Staff will conduct quarterly meetings with appropriate business owners to discuss crime prevention strategies.
- Police Department staff will produce six brief Public Safety Announcement videos for social media, covering various topics relevant to community concerns.
- Three sex offender compliance checks will be conducted at a minimum. One check will be conducted within two weeks prior to Halloween.
- 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.
- The Department will submit all necessary evidence of compliance to CALEA.

ANNUAL BUDGET

Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
54110. Wages-Full Time Employees	$ 7,866,819	$ 5,535,928	8,758,866	$ 9,638,147	$ 9,439,845	$ 10,214,112	$ 575,965	6.0%
54115. Wages-Part Time Employees	81,212	51,022	79,775	132,437	132,350	136,441	4,004	3.0%
54150. Wages-Overtime	503,957	397,006	508,632	623,500	467,458	623,500	-	0.0%
54200. Group Insurance	1,309,387	960,002	1,496,073	1,856,157	1,856,157	2,092,790	236,633	12.7%
Personnel Services	9,761,375	6,943,958	10,843,347	12,250,241	11,895,810	13,066,843	816,602	6.7%
55010. Professional Services	924,883	669,043	1,011,677	1,051,845	1,048,679	1,074,320	22,475	2.1%
55140. Publishing Services	114	103	378	155	-	155	-	0.0%
55160. Postage & Freight	4,157	4,284	6,351	6,000	8,500	6,500	500	8.3%
55200. Training	66,628	71,548	92,992	88,830	84,673	92,452	3,622	4.1%
55220. Dues and Subscriptions	61,544	96,833	120,756	194,339	195,945	127,251	(67,088)	-34.5%
55240. Insurance and Bonding Services	315,720	143,797	287,044	289,433	335,519	289,433	-	0.0%
55310. Examinations	3,230	1,956	1,341	8,500	2,279	7,000	(1,500)	-17.6%
55320. Maintenance Services-Oper. Equip.	44,947	27,488	57,516	24,785	26,943	17,700	(7,085)	-28.6%
55340. Maintenance Services-Office Equip.	3,110	1,256	2,791	1,500	336	1,000	(500)	-33.3%
55360. Radio Equipment Services	5,772	2,886	1,519	2,000	3,163	2,000	-	0.0%
55760. Community Events	400	170	0	300	300	300	-	0.0%
Contractual Services	1,430,507	1,019,365	1,582,365	1,667,687	1,706,337	1,618,111	(49,576)	-3.0%
56000. Office Supplies	10,806	6,426	9,510	10,000	10,000	10,000	-	0.0%
56020. Cleaning Supplies	808	351	28	800	800	800	-	0.0%
56040. Motor Fuel & Lubricants	115,616	76,406	114,427	132,000	125,000	138,600	6,600	5.0%
56050. Computer Hardware & Software	30,446	24,247	39,193	44,028	58,255	54,171	10,143	23.0%
56060. Small Tools and Equipment	65,277	31,153	40,568	46,240	40,455	49,195	2,955	6.4%
56070. Automotive Supplies	69,933	41,312	84,248	58,500	50,000	58,500	-	0.0%
56120. Clothing	68,156	75,182	102,951	114,850	86,476	111,816	(3,034)	-2.6%
56950. Stationery and Printing	9,212	2,292	6,371	7,500	7,487	9,000	1,500	20.0%
Materials & Supplies	370,255	257,369	397,297	413,918	378,473	432,082	18,164	4.4%
581XX. Lease Hardware Debt Service	-	-	23,000	-	-	-	-	0.0%
581XX. SBITA Debt Service	-	-	21,299	-	-	-	-	0.0%
58900. Miscellaneous	-	36,635	-	-	-	-	-	0.0%
Other Expenses	-	36,635	44,299	-	-	-	-	0.0%
Total - Police	$ 11,562,137	$ 8,257,327	12,867,308	$ 14,331,846	$13,980,620	$ 15,117,036	$ 785,190	5.5%

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 (55010) account increased as a result of increased legal fees.
- The amount budgeted for Training (55200) has increased in anticipation of six employees attending the academy.
- Dues and Subscription (55220) account decreased due contract payments being moved to the Capital Fund.
- Operating Equipment (55320) account has decreased as no significant purchases are anticipated for FY2027.
- Motor Fuel and Lubricants (56040) account is increased due to the increasing fuel costs.
- Computer Hardware and Software (56050) account is increased due to increasing contractual costs for TRAK Alerts and TRAX as well as Cradlepoint licensing for squad video.
- The increase in Small Tools and Equipment (56060) is due to the planned acquisition of equipment essential to the operation of AEDs.
- The increase in Stationery and Printing (56950) is due to a planned update of award plaques featured in main hallway.

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 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
55010. Professional Services	$ 94	$ -	$ -	$ 500	$ 500	$ 500	$ -	0.0%
55140. Publishing Services	2,587	1,575	1,345	1,500	1,500	1,500	-	0.0%
55160. Postage & Freight	99	22	60	250	250	250	-	0.0%
55200. Training	-	-	-	1,000	-	1,000	-	0.0%
55220. Dues and Subscriptions	-	-	-	375	-	375	-	0.0%
55240. Insurance and Bonding Services	1,624	941	1,662	2,280	1,900	2,280	-	0.0%
55310. Examinations	38,134	34,014	89,393	90,208	91,338	84,060	(6,148)	-6.8%
Contractual Services	42,538	36,551	92,460	96,113	95,488	89,965	(6,148)	-6.4%
Total - Fire & Police Commission	$ 42,538	$ 36,551	$ 92,460	$ 96,113	$ 95,488	$ 89,965	$ (6,148)	-6.4%

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.

- The decrease in Examinations (55310) is due to the promotion processes for Police Sergeants and Fire Lieutenants being completed in FY 2026.

COMMUNITY DEVELOPMENT DEPARTMENT

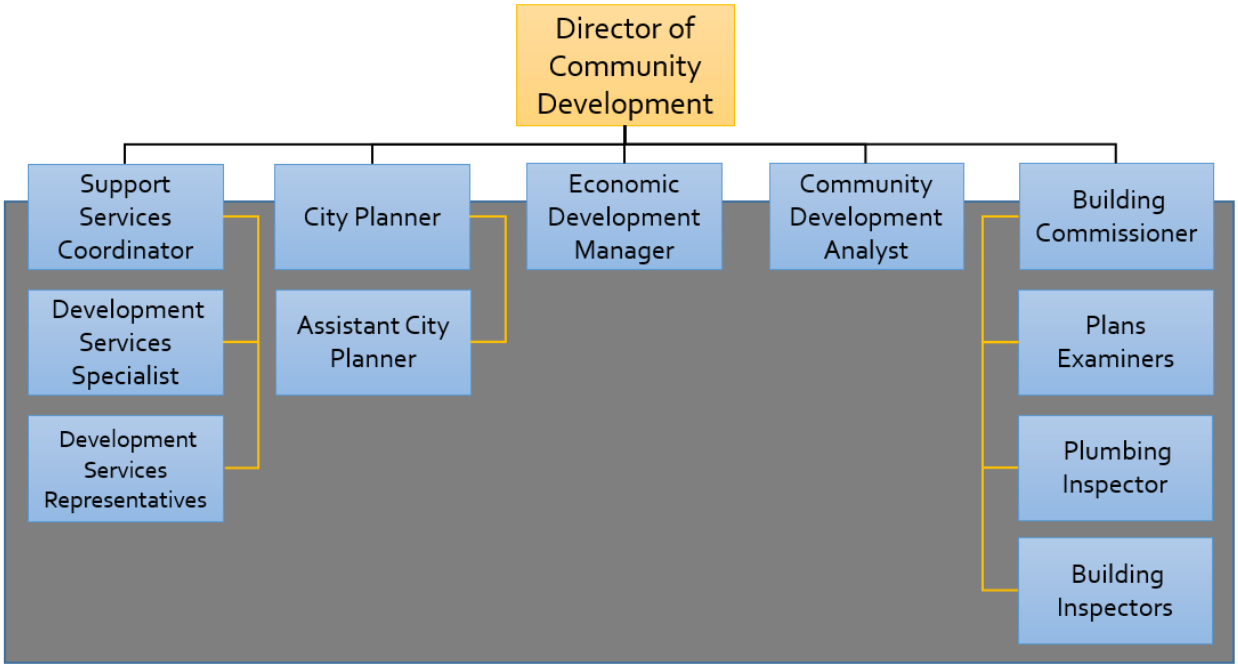
STATEMENT OF ACTIVITIES

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 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 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	1.00	1.00	1.00	1.00
Development Services Specialist	0.00	0.00	0.00	1.00	0.00	1.00
Development Services Representative	3.00	3.00	3.00	2.00	3.00	2.00
Total FTE	15.00	15.00	16.00	16.00	16.00	16.00

ACCOMPLISHMENTS

Department Wide:

- Work with the implementation consultant to implement massage licensing and food vendor permit processes in Accela.

  On track. The department has worked with our consultant to implement message licensing to Accela Land Management Software.

- 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.

  On track. Staff have participated in multiple cross-trainings. The Building Division has hosted trainings on plan reviews and made changes to the process to make it easier for customers to read plan review comments.

- 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.

  On track. Staff is working to implement better website pages for Planning and Building Permits in the new website that will be launched in December.

- Pursue grant funding from outside agencies.

  On track. Staff worked with other departments to apply for various grants and provided grant opportunities to Downtown Crystal Lake for holiday lights.

- Train Development Services Representative(s) on planning terms and how to answer minor questions.

  On track. A long-term vacancy in the Development Services Representative position delayed this goal, but training of the Development Services Specialist has continued. Staff has attended PZC meetings in order to take minutes.

Building Division:

- Bring completed code updates to City Council for adoption of 2024 ICC Codes by end of January 2026.

  Held. After reviewing the 2024 code changes it was determined to wait until the 2027 codes are release at the end of 2026 for adoption in January of 2027. This will ensure the City is compliant with state law on being with 3 code cycles of the most recent adopted code.

- 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. Building division staff wrote articles for the business newsletter and providing informational material to the public for Building Safety Month.

- Review department handouts to ensure that they are current and match the adopted 2024 ICC codes.

  Held. Handouts will be updated to match the 2027 codes.

Planning and Economic Development Division:

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

  Completed. The business community has found the newsletter to be both informative and beneficial, and we continue to grow its reach and audience.

- Create a campaign to promote residents and individuals to get out in the business community.

  Completed. The goal was successfully met by developing and implementing two campaigns designed to encourage residents and visitors to get out and explore the Crystal Lake business community. Cup of Cocoa in Crystal Lake was held during the slower winter months of January and February. Cozy Up in Crystal Lake by the Campfire, Find the Campfire Cup, was rolled out for October and November.

- 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.

  Completed. 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.

- Utilize new role as Crystal Lake Chamber Ambassador to open ongoing communication and support with existing small businesses and new businesses in Crystal Lake.

Completed. The goal was successfully met through increased engagement and communication with both new and existing businesses in Crystal Lake. Serving as a Crystal Lake Chamber Ambassador provided additional opportunities to connect with businesses, better understand their needs, and offer ongoing support. This role has enhanced communication and strengthened relationships and partnerships with the local business community.

- UDO Text Amendments. Update the UDO to reflect current best practices.

  Completed. Four different UDO groupings of text amendments have been adopted by the City Council. Improvements to the UDO include a mural program, review classifications of streets, amend bypass lane requirements, amend criteria for commercial solar farms, parking requirements and more.

- Create a conceptual plan for the Beardsley and Ellsworth Streets parking lots to encourage thoughtful redevelopment in the area.

  Completed. A conceptual plan was created with the assistance of a consultant. The plan was shared with property owners and city staff continues to seek feedback from the owners. Developers are still expressing interest in development of the nearby parking lot.

- Comprehensive Plan Update, draft two sections of the updated plan with current best practices.

  On track. Two sections have been drafted. A new timeline has been created to help keep the progress of the new Comprehensive Plan going.

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

  Completed. 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 targeted publications. 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.

OBJECTIVES

Department Wide:

- Work with the implementation consultant to implement licensing and food vendor permit processes in Accela.
- Expand training opportunities for new employees by utilizing internal training and external training seminars.
- Pursue grant funding from outside agencies for Downtown improvements or planning projects.
- Review and create new reporting on department activities that will illustrate department successes throughout the year.
- Explore costs to create a connection between Accela Land Management and the document management software.

Building Division:

- Bring completed code updates to City Council for adoption of 2027 ICC Codes by end of February 2027.
- Review department handouts to ensure that they are current and match the adopted 2027 ICC codes.
- Review the new website pages and utilize new ways to provide information to the public.

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.
- Create a new City and EDC Business Recognition Program.
- Review planning applications to ensure they are accurate and easy for the public to use.
- Finalize neighborhood pattern books for the lake lots.
- Advance the Comprehensive Plan re-write forward.
- Promote and market development, redevelopment, and business occupancies in primary retail-commercial corridors and industrial parks.

ANNUAL BUDGET

Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
54110. Wages-Full Time Employees	$ 1,447,592	$ 971,248	$ 1,581,618	$ 1,746,376	$ 1,624,289	$ 1,796,374	$ 49,998	2.9%
54115. Wages-Part Time Employees	35,173	33,634	34,098	46,160	42,160	46,160	-	0.0%
54150. Wages-Overtime	-	492	-	1,000	800	1,000	-	0.0%
54200. Group Insurance	219,963	112,626	217,351	269,273	269,273	307,850	38,577	14.3%
Personnel Services	1,702,729	1,118,000	1,833,068	2,062,809	1,936,522	2,151,384	88,575	4.3%
55010. Professional Services	343,506	166,750	204,138	514,200	291,588	489,624	(24,576)	-4.8%
55140. Publishing Services	937	480	2,403	1,000	800	1,000	-	0.0%
55160. Postage & Freight	1,519	1,474	1,724	2,000	1,800	2,000	-	0.0%
55200. Training	7,941	4,467	14,084	13,500	10,500	13,500	-	0.0%
55220. Dues and Subscriptions	4,188	3,902	4,384	6,219	6,219	6,019	(200)	-3.2%
55240. Insurance and Bonding Services	68,293	39,039	68,830	94,404	77,607	94,404	-	0.0%
55310. Examinations	-	-	-	-	-	-	-	N/A
55650. Historic Preservation Services	6,130	1,383	5,034	7,000	7,000	7,000	-	0.0%
55660. Arts Council	-	-	5,176	5,000	2,000	5,000	-	0.0%
55910. Enhanced Sales Tax Incentive	40,235	18,468	27,389	335,000	181,466	385,000	50,000	14.9%
Contractual Services	472,748	235,962	333,163	978,323	578,980	1,003,547	25,224	2.6%
56000. Office Supplies	2,975	2,333	3,294	4,600	4,600	5,600	1,000	21.7%
56040. Motor Fuel & Lubricants	5,847	3,632	4,721	7,000	5,000	7,000	-	0.0%
56060. Small Tools and Equipment	324	-	4,040	5,280	3,878	1,500	(3,780)	-71.6%
56070. Automotive Supplies	10,653	2,554	5,004	6,000	3,500	6,200	200	3.3%
56120. Clothing	1,530	587	1,411	1,700	1,700	1,700	-	0.0%
56950. Stationery and Printing	281	-	1,136	1,700	1,000	1,700	-	0.0%
Materials & Supplies	21,610	9,106	19,606	26,280	19,678	23,700	(2,580)	-9.8%
58950. Bad Debt Expense	-	-	50	-	-	-	-	N/A
Total Other Expenses	-	-	50	-	-	-	-	N/A
Total - Community Development	$ 2,197,087	$ 1,363,068	$ 2,185,887	$ 3,067,412	$ 2,535,180	$ 3,178,631	$ 111,219	3.6%

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 Professional Services (55010) 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 (55910) 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

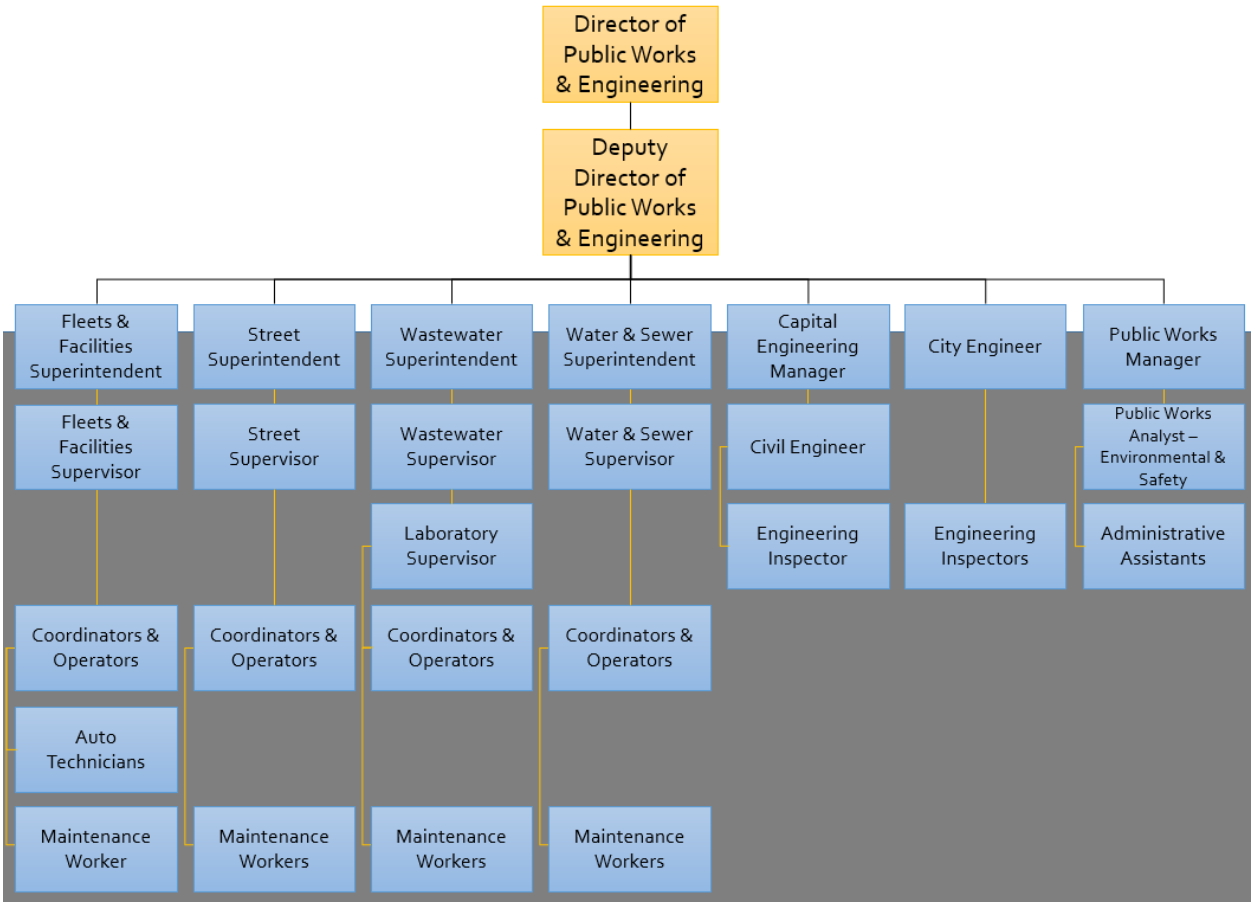
STATEMENT OF ACTIVITIES

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 conditions, 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 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget
Deputy Director of Public Works & Engineering	1.00	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	4.00	4.00	4.00
Public Works Analyst	1.00	1.00	1.00	1.00	1.00	1.00
Total FTE	8.00	8.00	8.00	9.00	9.00	9.00

In FY2026, an additional Engineering Inspector position was added.

ACCOMPLISHMENTS

- Complete Three Oaks Road/Lutter Drive/ Sands Road intersection project.

  On track. Three Oaks Rd./Lutter Dr./Sands Rd. construction is nearing completion.

- Complete Phase I engineering for Oak Street multi-use path, Main Street at Liberty Drive.

  Completed. Working on Phase II.

- Complete Phase I engineering for Oak Street multi-use path, Main Street at Liberty Drive.

  On track. The Engineering Division has continued to implement the sidewalk gap reduction program. The program filled gaps on Terra Cotta Road from Terra Cotta Avenue (176) to Seybrooke Lane, Brink Street from Walkup Avenue to Minnie Street, and a bike path was added on Three Oaks Road from Sands Road to Monticello Way.

- 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. Stormwater, HMA streets, Concrete Program, Sidewalk Gap Program, and others were completed.

- Start construction on the Re-establishment of Crystal Creek.

  On track. The construction phase of the Re-establishment of Crystal Creek has begun and will continue in 2027.

The Engineering Division achieved the following additional accomplishments during fiscal year 2026:

- Implemented design and provided construction oversite for the City lead service line replacement program.
- Provided engineering oversite for the construction of Depot Park.

OBJECTIVES

- Utilize the updated sidewalk and pavement scan data collected in 2026 to support the trip-hazard elimination program and inform the annual resurfacing schedule.
- Work with the Community Development Department to reduce sidewalk gaps and advance multi-use paths 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.
- Complete construction of the Re-establishment of Crystal Creek.

ANNUAL BUDGET

Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
54110. Wages-Full Time Employees	$ 890,507	$ 613,297	$ 947,798	$ 1,105,023	$ 1,024,781	$ 1,134,106	$ 29,083	2.6%
54115. Wages-Part Time Employees	8,112	9,240	18,598	25,600	25,600	25,600	-	0.0%
54150. Wages-Overtime	11,569	4,197	14,775	20,000	25,000	20,000	-	0.0%
54200. Group Insurance	149,992	92,886	168,672	208,272	208,272	247,803	39,531	19.0%
Personnel Services	1,060,180	719,620	1,149,844	1,358,895	1,283,653	1,427,509	68,614	5.0%
55010. Professional Services	73,602	44,517	86,954	102,000	102,000	117,000	15,000	14.7%
55080. Pest Control Services	108,272	108,022	95,611	139,000	126,000	139,000	-	0.0%
55140. Publishing Services	1,502	266	470	1,000	1,000	1,000	-	0.0%
55160. Postage & Freight	39	180	16	500	100	500	-	0.0%
55200. Training	1,397	1,147	1,717	5,100	4,900	5,100	-	0.0%
55220. Dues and Subscriptions	986	622	1,329	1,330	1,283	1,860	530	39.8%
Contractual Services	185,798	154,754	186,098	248,930	235,283	264,460	15,530	6.2%
56000. Office Supplies	319	577	302	700	400	700	-	0.0%
56040. Motor Fuel & Lubricants	6,761	5,302	6,222	6,850	7,850	7,900	1,050	15.3%
56050. Computer Hardware & Software	11,171	4,797	6,582	11,817	10,257	10,290	(1,527)	-12.9%
56060. Small Tools and Equipment	3,042	5,284	5,060	4,800	4,800	5,300	500	10.4%
56070. Automotive Supplies	3,649	6,078	10,456	4,500	4,500	4,500	-	0.0%
56120. Clothing	1,404	1,183	993	1,000	1,000	3,000	2,000	200.0%
56950. Stationery and Printing	-	-	-	200	-	200	-	0.0%
Materials & Supplies	26,345	23,221	29,615	29,867	28,807	31,890	2,023	6.8%
581XX. Lease Hardware Debt Service	-	-	1,318	-	-	-	-	N/A
Other Expenses	-	-	1,318	-	-	-	-	N/A
Total - Engineering Division	$ 1,272,323	$ 897,595	$1,366,874	$ 1,637,692	$ 1,547,743	$ 1,723,859	$ 86,167	5.3%

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.

- Funding for Professional Services (55010) has increased to support additional consulting services such as engineering studies and stormwater consulting services to allow the division to be responsive to community needs and regulatory requirements.

PUBLIC WORKS DEPARTMENT
STREETS DIVISION

STATEMENT OF ACTIVITIES

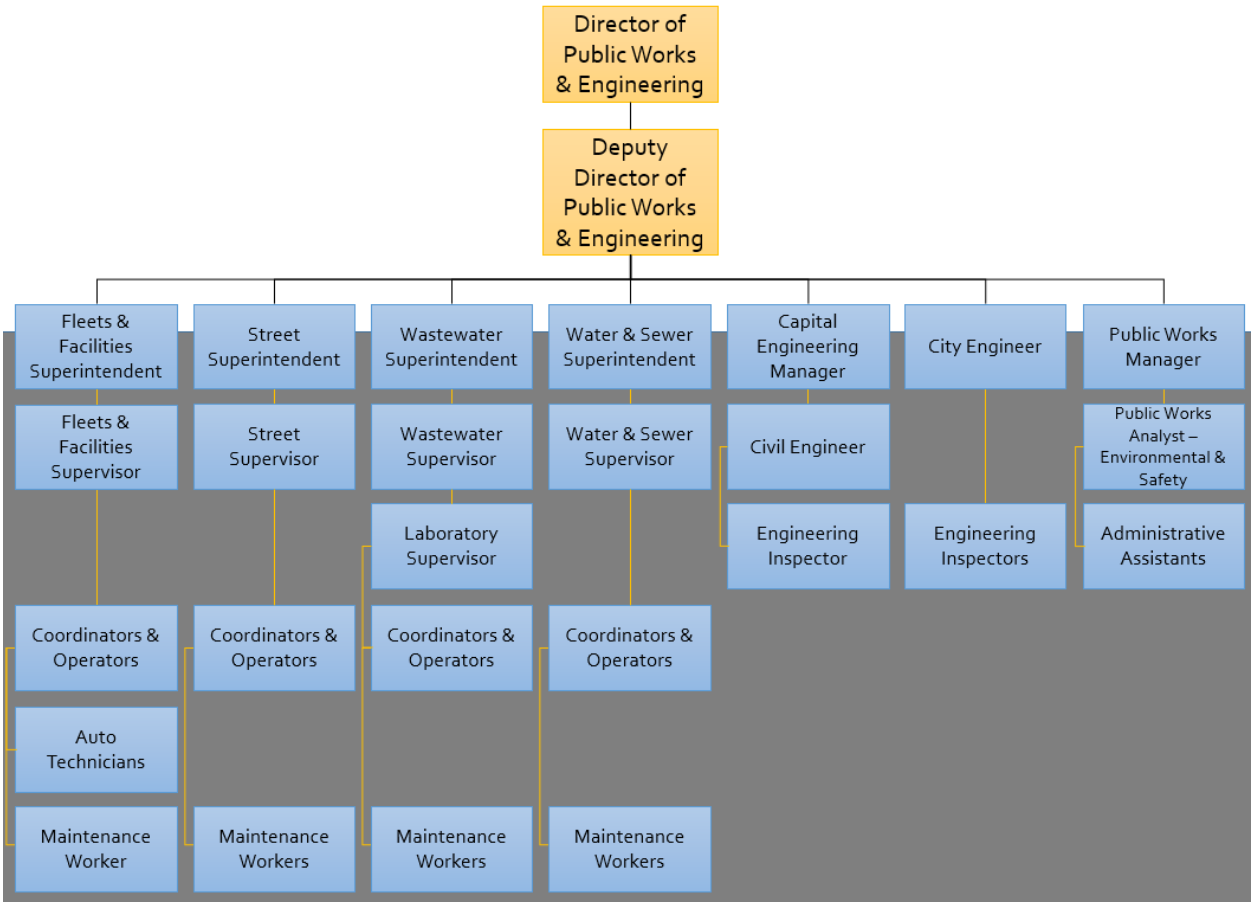
It is the responsibility of the Streets Division to manage and repair public streets, traffic control signs, parkways, parkway trees, public and municipal grounds in a manner consistent with City policy and regulatory agency requirements.

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 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 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	2.00	2.00	2.00	2.00
Maintenance Worker	8.00	8.00	9.00	10.00	10.00	10.00
Administrative Assistant	2.00	2.00	2.00	2.00	2.00	2.00
Total FTE	15.00	15.00	15.00	16.00	16.00	16.00

ACCOMPLISHMENTS

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

  Completed. The asset management system has been used to track a variety of indicators including tree removals and replacements, sign replacements, and roadway repairs.

- Complete at least 50 percent of night-time retro reflectivity sign replacements.

  On track. All programs are being implemented.

- Fully implement new sign fabrication system and software purchased in 2025.

  Completed. The new sign fabrication system is fully in use.

The Streets Division achieved the following additional accomplishments during fiscal year 2026:

- 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

- Manage City contractors to ensure proper completion of street sweeping, landscape mowing, ROW mowing, and landscaping.
- Continue evaluating the night-time retro reflectivity of signs within the City. Create quadrants for inspection.
- Establish a tree canopy maintenance schedule to meet a five-year tree-trimming cycle.

ANNUAL BUDGET

Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
54110. Wages-Full Time Employees	$ 1,211,449	$ 726,066	$ 1,154,530	$ 1,317,663	$ 1,244,484	$ 1,400,695	$ 83,032	6.3%
54115. Wages-Part Time Employees	35,571	35,608	60,083	90,250	66,045	90,240	(10)	0.0%
54150. Wages-Overtime	26,677	39,394	62,773	61,600	52,000	75,200	13,600	22.1%
54155. Wages-Snow Overtime	111,561	13,844	129,797	142,000	135,000	150,000	8,000	0.0%
54200. Group Insurance	301,028	173,441	289,804	306,989	306,989	364,847	57,858	18.8%
Personnel Services	1,686,286	988,354	1,696,987	1,918,502	1,804,518	2,080,982	162,480	8.5%
55010. Professional Services	730,342	854,824	1,145,885	1,254,668	1,294,025	1,387,700	133,032	10.6%
55140. Publishing Services	366	421	154	300	150	300	-	0.0%
55160. Postage & Freight	19	5	55	100	60	100	-	0.0%
55200. Training	6,485	3,474	7,054	11,521	9,579	11,683	162	1.4%
55220. Dues and Subscriptions	1,866	1,366	1,735	3,436	12,222	12,027	8,591	250.0%
55240. Insurance and Bonding Services	116,177	90,660	142,355	141,455	117,500	141,455	-	0.0%
55270. Animal Control Services	-	700	995	1,500	1,000	1,500	-	0.0%
55300. Maintenance Services-Buildings & O	116,041	35,970	4,869	70,000	45,000	45,000	(25,000)	-35.7%
55310. Examinations	2,155	1,448	3,098	2,270	3,280	3,280	1,010	44.5%
55320. Operating Equipment Maintenance	71	-	195	2,000	1,000	2,000	-	0.0%
55340. Office Equipment Maintenance	-	-	-	13,250	250	13,250	-	0.0%
55360. Radio Equipment Services	-	-	-	500	1,038	1,200	700	140.0%
55410. Street Lights Services	577,830	392,378	804,204	851,000	851,000	860,550	9,550	1.1%
55640. Tree Removal Services	12,830	-	-	-	-	-	-	N/A
55680. Rent - Buildings and Equipment	802	-	320	2,400	2,392	2,600	200	8.3%
Contractual Services	1,564,985	1,381,246	2,110,917	2,354,400	2,338,496	2,482,645	128,245	5.4%
56000. Office Supplies	2,263	2,232	419	1,500	1,500	1,500	-	0.0%
56020. Cleaning Supplies	2,787	1,839	2,770	4,300	5,300	5,300	1,000	23.3%
56030. Landscape Materials	2,491	4,695	8,030	5,300	8,000	8,500	3,200	60.4%
56040. Motor Fuel & Lubricants	78,326	34,816	67,807	72,000	72,000	82,500	10,500	14.6%
56050. Computer Hardware & Software	12,628	741	21,197	39,302	40,610	34,610	(4,692)	-11.9%
56060. Small Tools and Equipment	19,156	13,013	20,760	25,300	25,300	25,500	200	0.8%
56070. Automotive Supplies	95,983	54,688	178,558	95,000	115,000	120,000	25,000	26.3%
56080. Public Works Materials	25,574	36,679	57,725	165,200	80,000	110,000	(55,200)	-33.4%
56120. Clothing	11,238	10,783	13,411	12,150	12,150	12,150	-	0.0%
56230. Street Signs	21,195	11,255	43,851	34,700	65,000	55,000	20,300	58.5%
56950. Stationery and Printing	-	200	-	1,000	1,000	1,000	-	0.0%
Materials & Supplies	271,643	170,941	414,528	455,752	425,860	456,060	308	0.1%
581XX. Lease Hardware Debt Service	-	-	10,224	-	-	-	-	0.0%
581XX. SBITA Debt Service	-	-	9,750	-	-	-	-	0.0%
Other Expenses	-	-	19,974	-	-	-	-	0.0%
Total - Streets	$ 3,522,913	$2,540,542	$4,242,406	$ 4,728,654	$ 4,568,874	$ 5,019,687	$ 291,033	6.2%

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.

- Funding for Professional Services (55010) for maintenance items—such as mowing, snow removal services, and landscape maintenance—has increased as the City has added additional areas for maintenance, including the new Depot Park, and contractor costs have increased.
- Costs for diesel fuel (56040) have increased significantly over the past year. The majority of the Street Department's trucks use diesel fuel to operate, including the division's fleet of snowplows.
- The Streets budget for street sign replacement (56230) has increased to continue maintaining compliance with street sign retro reflectivity requirements.
- Funding for Maintenance Services-Buildings & Offices (55300) has been decreased to offset increases in other categories.
- The Public Works Materials (56080) budget was decreased by reducing funding for de-icing liquids used in snow fighting operations, based on historical usage trends.

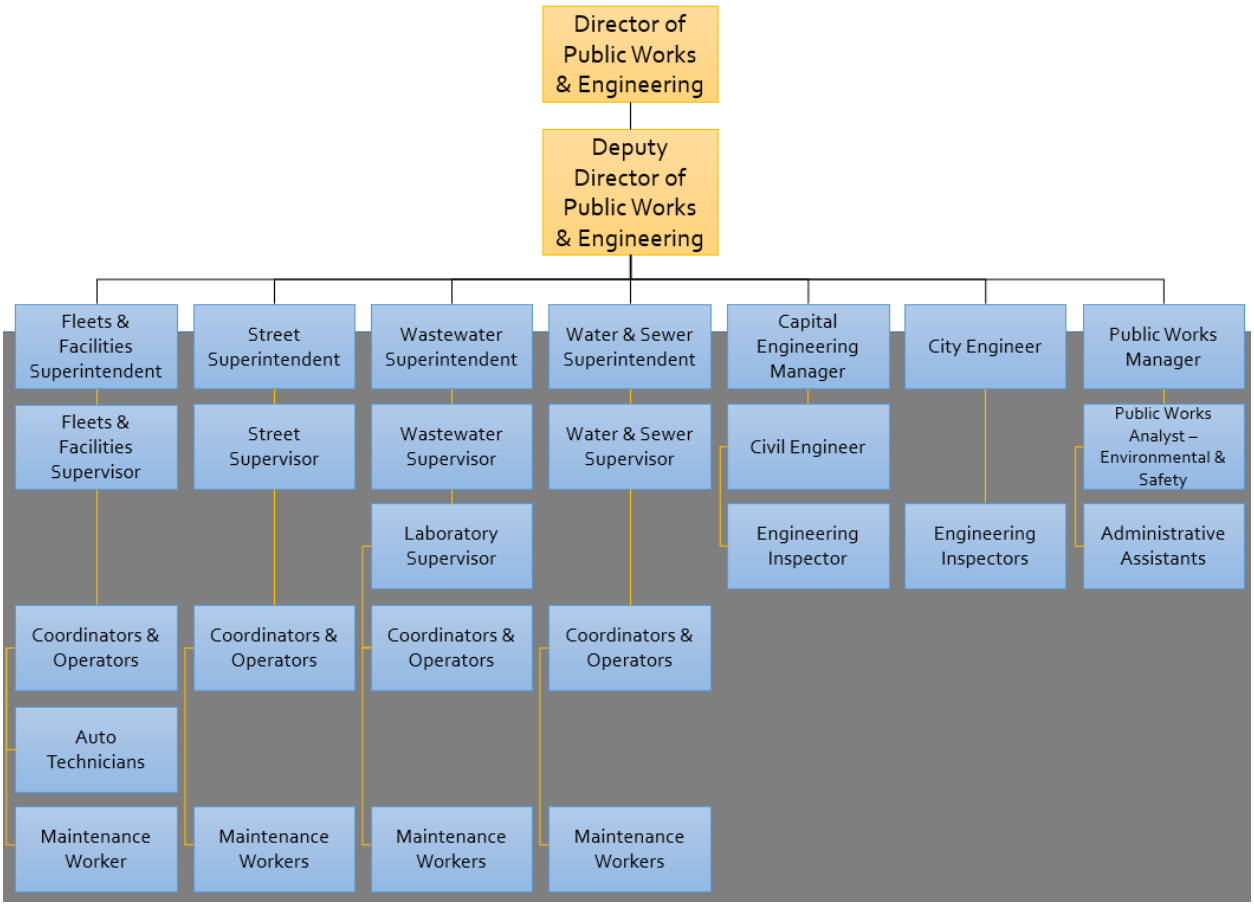
PUBLIC WORKS DEPARTMENT
FLEET SERVICES DIVISION

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 auctions.

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 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget
Superintendent	1.00	1.00	1.00	1.00	1.00	1.00
Automotive Technician	4.00	4.00	4.00	4.00	4.00	4.00
Total FTE	5.00	5.00	5.00	5.00	5.00	5.00

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 days 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 2026:

- Placed orders for all budgeted vehicles within the first half of the year, with the goal of receiving the vehicles during the fiscal year.
- Continued to provide opportunities for staff to obtain Automotive Service Excellence and Emergency Vehicle Technician certifications.

OBJECTIVES

- Complete repair requests from internal customers within the promised timeframe.
- Evaluate the integrated supply procurement system to assess if the current arrangement is the most effective system and most fiscally advantageous to the City.
- Complete requests for assistance in developing bid specifications for new vehicles to meet bidding and budget deadlines

ANNUAL BUDGET

Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
54110. Wages-Full Time Employees	$ 470,269	$ 356,162	$ 483,313	$ 590,923	$ 532,431	$ 604,100	$ 13,177	2.2%
54115. Wages-Part Time Employees	-	-	-	-	-	-	-	N/A
54150. Wages-Overtime	2,174	3,462	2,662	3,500	2,800	3,500	-	0.0%
54200. Group Insurance	99,938	65,840	107,461	103,763	103,763	119,088	15,325	14.8%
Personnel Services	572,382	425,465	593,436	698,186	638,994	726,688	28,502	4.1%
55010. Professional Services	85,569	47,696	73,914	91,000	93,465	96,404	5,404	5.9%
55140. Publishing Services	56	-	53	250	-	250	-	0.0%
55160. Postage & Freight	103	12	30	200	50	200	-	0.0%
55200. Training	4,044	521	4,097	9,967	8,489	12,527	2,560	25.7%
55220. Dues and Subscriptions	790	358	865	2,083	1,833	1,795	(288)	-13.8%
55240. Insurance and Bonding Services	14,201	-	-	-	-	-	-	N/A
55260. Utilities	2,614	-	-	-	-	-	-	N/A
55300. Maintenance Services-Bldgs & Office	1,014	921	-	-	-	-	-	N/A
55310. Examinations	935	294	1,449	905	1,370	1,470	565	62.4%
55320. Maintenance Services-Operating Eq	2,542	917	5,313	6,600	11,475	7,900	1,300	19.7%
55350. Rent - Clothing	3,424	952	1,387	1,400	1,400	1,500	100	7.1%
55360. Radio Equipment Services	-	-	-	1,550	-	500	(1,050)	-67.7%
Contractual Services	115,291	51,670	87,108	113,955	118,082	122,546	8,591	7.5%
56000. Office Supplies	200	402	761	850	850	850	-	0.0%
56020. Cleaning Supplies	511	418	349	1,000	500	500	(500)	-50.0%
56040. Motor Fuel & Lubricants	2,283	1,984	2,583	2,325	2,525	3,925	1,600	68.8%
56050. Computer Hardware & Software	7,779	5,969	9,105	10,304	10,662	10,662	358	3.5%
56060. Small Tools and Equipment	8,155	1,930	9,291	15,000	15,000	19,000	4,000	26.7%
56070. Automotive Supplies	1,573	2,428	2,515	2,000	2,000	2,000	-	0.0%
56120. Clothing	2,178	3,795	5,114	4,700	4,700	4,700	-	0.0%
56320. Operating Supplies	2,129	835	941	2,400	1,000	1,000	(1,400)	-58.3%
56950. Stationery and Printing	-	-	-	42	-	-	(42)	0.0%
Materials & Supplies	24,808	17,761	30,659	38,621	37,237	42,637	4,016	10.4%
581XX. Lease Hardware Debt Service	-	-	660	-	-	-	-	N/A
Other Expenses	-	-	660	-	-	-	-	N/A
Total - Fleet Services	$ 712,481	$ 494,896	$ 711,863	$ 850,762	$ 794,313	$ 891,871	$ 41,109	4.8%

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 (55010) has increased due to a contractual increase in the NAPA Services contract.
- The increase in Training (55200) reflects the need to prepare new staff as experienced employees retire, as well as the ongoing need for certification training and renewals necessary to maintain an effective and well-qualified workforce.
- Small Tools and Equipment (56060) has increased in order to procure the necessary tools and tool replacements for fleet maintenance.

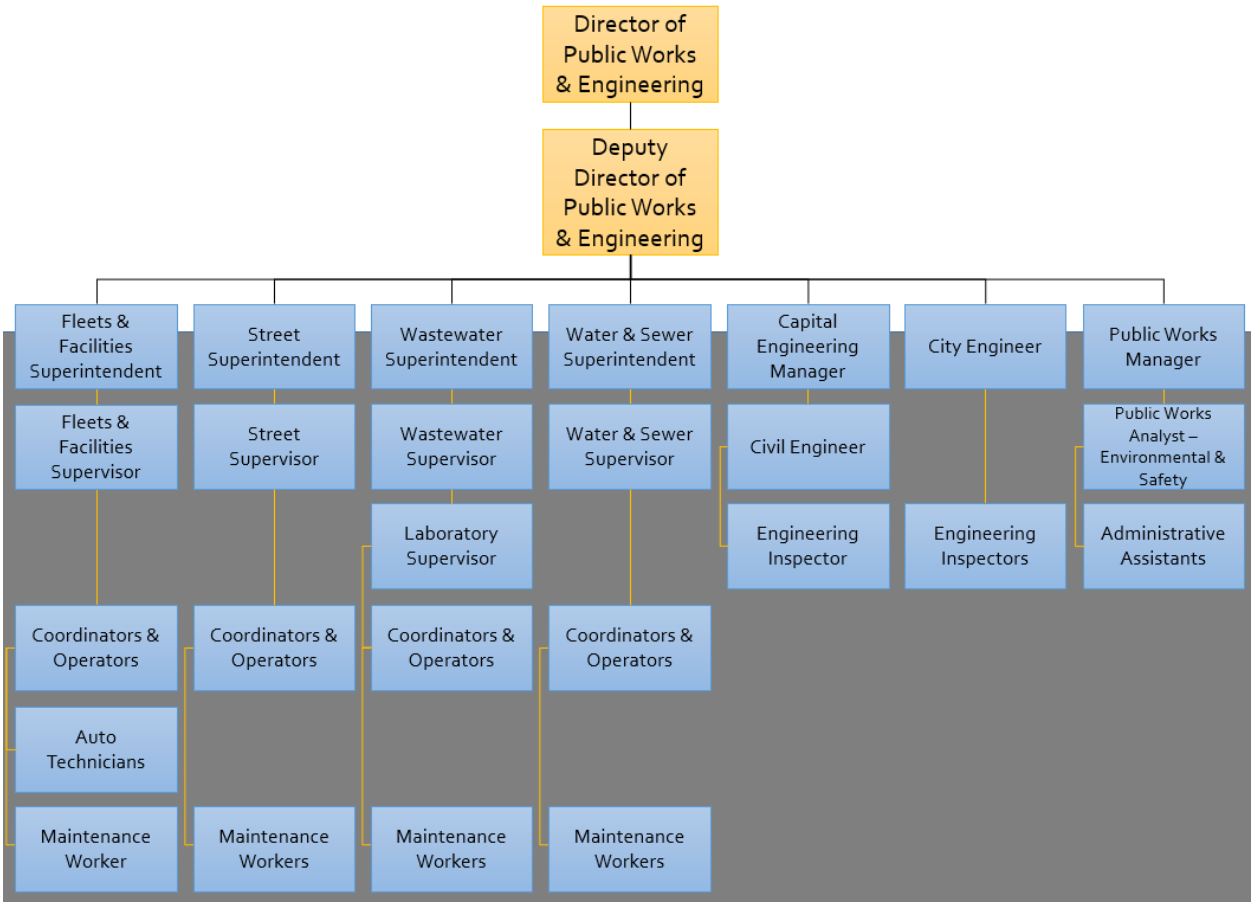
PUBLIC WORKS DEPARTMENT
FACILITY SERVICES DIVISION

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 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget
Supervisor	1.00	0.00	1.00	1.00	1.00	1.00
Program Coordinator	1.00	1.00	1.00	2.00	1.00	2.00
Maintenance Worker	1.00	1.00	1.00	0.00	1.00	0.00
Total FTE	3.00	2.00	3.00	3.00	3.00	3.00

ACCOMPLISHMENTS

- Close out HVAC related construction projects for City Hall, Police Department, Fire Department, and Fleets garage.

  Completed. HVAC project has been completed. Occasional warranty work has been required.

- Assist staff in completing Facility Operator Level I certification. Train both facility staff members on Building Automation System (BAS).

  On track. One Facility staff successfully completed Building Operator Level I and is working on Building Operator Level II (class begins Fall of 2026).

- Utilize new asset management system to develop KPI's for Division (request completion time, etc.).

  Held. The City utilizes GovQA for tracking citizen requests as well as staff service requests. Public Works utilizes Elements XS for tracking work orders. City staff is considering moving citizen requests to the Elements XS based format. If the City continues with GovQA, Facilities may not transfer to Elements XS.

The Facility Services Division achieved the following additional accomplishment during fiscal year 2026:

- Completed the renovation of the Police Department lunchroom using in-house staff.
- Initiated the Admin Bathroom Rehab and Skylight Removal project with completion planned in 2026.
- Added a Women's Locker Room to the Public Works and Community Development area using in-house staff.

OBJECTIVES

- Complete Phase IV of the garage floor replacement in the PW garage, and complete design of Phase V.
- Assist staff in completing the Facility Operator Level II certification.
- Complete flooring replacements in the Council Chambers and Police wing.

ANNUAL BUDGET

Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
54110. Wages-Full Time Employees	$ 172,524	$ 116,882	$ 259,752	$ 318,076	$ 297,771	$ 331,065	$ 12,989	4.1%
54115. Wages-Part Time Employees	6,176	7,905	10,075	14,000	14,000	14,000	-	0.0%
54150. Wages-Overtime	31,208	8,175	9,648	18,500	9,000	18,500	-	0.0%
54200. Group Insurance	44,840	30,247	72,217	82,445	82,445	94,593	12,148	14.7%
Personnel Services	254,749	163,209	351,692	433,021	403,216	458,158	25,137	5.8%
55010. Professional Services	-	-	13,164	50,000	75,000	80,000	30,000	60.0%
55140. Publishing Services	593	269	302	650	300	650	-	0.0%
55160. Postage & Freight	67	31	-	140	50	140	-	0.0%
55200. Training	747	2,023	739	4,260	2,171	4,288	28	0.7%
55220. Dues and Subscriptions	60	-	106	1,145	324	324	(821)	-71.7%
55240. Insurance and Bonding Services	6,289	12,267	21,474	28,090	24,352	28,090	-	0.0%
55260. Utilities	13,051	7,505	12,992	63,000	13,000	43,000	(20,000)	-31.7%
55300. Maintenance Services-Buildings & Offic	378,340	287,707	503,876	589,905	550,937	593,590	3,685	0.6%
55310. Examinations	80	-	-	320	320	320	-	0.0%
Contractual Services	399,227	309,802	552,654	737,510	666,454	750,402	12,892	1.7%
56040. Motor Fuel & Lubricants	384	275	519	700	1,000	1,000	300	42.9%
56050. Computer Hardware & Software	-	143	20,730	11,804	11,862	11,862	58	0.5%
56060. Small Tools and Equipment	141	819	899	1,000	1,350	5,500	4,500	450.0%
56070. Automotive Supplies	399	4,866	623	2,000	2,000	2,000	-	0.0%
56120. Clothing	1,442	1,229	1,943	2,170	2,170	2,220	50	2.3%
56320. Operating Supplies	17	-	75	15,000	10,000	15,000	-	0.0%
56950. Stationery and Printing	-	100	-	100	-	100	-	0.0%
Materials & Supplies	2,383	7,432	24,788	32,774	28,382	37,682	4,908	15.0%
581XX. SBITA Debt Service	-	-	9,750	-	-	-	-	N/A
Other Expenses	-	-	9,750	-	-	-	-	N/A
Total - Facility Services	$ 656,358	$ 480,444	$ 938,883	$ 1,203,305	$ 1,098,052	$ 1,246,242	$ 42,937	3.6%

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.

- Professional Services (55010) has increased to account for additional Building Automation Services contract to provide maintenance of the new HVAC system at the Municipal Complex installed last year and to ensure prompt service responses using the control platform associated with it.
- The Utilities (55260) budget for Facilities was decreased by reducing the allocation for natural gas based on historical usage trends.
- Building and Grounds Maintenance (55300) was increased to account for contractual increases in building cleaning services.
- Small Tools and Equipment (56060) was increased to allow for the purchase of necessary tools for facility maintenance as facility needs continue to grow.

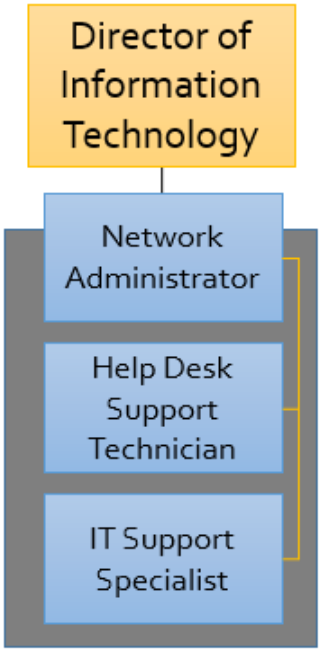
INFORMATION TECHNOLOGY DEPARTMENT

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 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget
Information Technology Director	1.00	1.00	1.00	1.00	1.00	1.00
Network Administrator	0.00	0.00	1.00	1.00	1.00	1.00
Help Desk Support Technician	0.00	0.00	0.00	1.00	1.00	1.00
IT Support Specialist	0.00	0.00	0.00	1.00	1.00	1.00
Total FTE	1.00	1.00	2.00	4.00	4.00	4.00

ACCOMPLISHMENTS

- Build project management strategy for integrated surveillance and building access control system by December 31, 2026.

  On track. Project scope and funding are established in the FY2027-2028 capital plan at $810,000. Consultant selection and RFP development are underway in 2026, with installation scheduled for 2027 and 2028. Addresses Technology Strategic Plan Objectives 1.2 and 5.2, whose 2024 cost projections are superseded by the capital plan.

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

  Ongoing. Ongoing objective. Staff continues to review existing technology policies and develop new policies where gaps are identified.

- Upgrade City's aging network infrastructure by December 31, 2026.

  On track. The City's core firewalls were replaced in 2026, improving perimeter security and redundancy. The ongoing replacement cycle for network equipment that has reached the end of its useful life continues.

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

  On track. Twenty-nine of the thirty objectives in the 2024-2028 Technology Strategic Plan begin in year 1 (2024) or year 2 (2025). Cloud email (Obj. 1.1), disaster recovery planning (Obj. 3.4) and single sign-on consolidation (Obj. 6.3) advanced during 2026. Threat detection and response (Obj. 4.5) is carried into 2027, and telephony replacement (Obj. 5.3) is budgeted for 2027.

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

  Ongoing. Ongoing objective.

- Complete vendor selection and migration of the City's websites, crystallake.org and clearlycrystallake.com, to a new platform by December 31, 2026.

  On track. A request for quotation was issued and CivicPlus was selected as the City's website provider. Migration of crystallake.org and clearlycrystallake.com to the CivicPlus platform is underway. Addresses Technology Strategic Plan Objective 3.3, which called for the City's website to be made more interactive for staff and customers.

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

  Ongoing. The City's FileBound agreement expires in September 2027; staff is evaluating migration to a cloud document management platform in FY2027.

- Complete an assessment of the City's existing telephone system, issue a request for quotation for a replacement unified communications platform and select a vendor by December 31, 2026.

  On track. The existing on-premise Mitel/ShoreTel system supports approximately 300 users and has reached the end of its supported life. A request for quotation for a cloud unified communications platform has been completed, with vendor selection targeted for late 2026, implementation funded at $125,000 in the FY2027 capital plan, and migration off the existing system by July 1, 2027. Addresses Technology Strategic Plan Objective 5.3.

The Information Technology Division achieved the following additional accomplishments during fiscal year 2026:

- Completed the migration of the City's email and Microsoft 365 environment and implemented single sign-on for City cloud services including BS&A, Verkada, Barracuda and others.
- Replaced the City's core firewalls, upgraded the City Hall panic alarm system and installed two Verkada quad-sensor 360-degree cameras on poles in Depot Park.
- Transitioned contracted IT positions to in-house staff, improving service continuity and reducing reliance on outside vendors (Technology Strategic Plan Objective 2.2).
- Migrated the City's employee intranet to a new SharePoint platform and extended City network to three water plants. Made several disaster recovery improvements like off-site server replication, M365 backup and backup of key computers.

OBJECTIVES

- Replace the City's on-premise phone system with a cloud-based unified communications platform by December 31, 2027.

- Complete design and begin installation of the integrated surveillance and building access control system by December 31, 2027.
- Migrate the City's document management system to a cloud platform prior to contract expiration in September 2027.
- Replace end-of-life servers, personal computers, firewalls, network switches, wireless access points, UPS battery backups and power distribution units by December 31, 2027.
- Strengthen the City's cybersecurity posture by procuring an independent network penetration test, strengthening internal cyber security controls and implementing a managed detection and response (SIEM) service by December 31, 2027.
- Upgrade the City Hall to McCormick water tower point-to-point wireless link for water SCADA communications by December 31, 2027.
- Continue to implement the objectives of the 2024-2028 Technology Strategic Plan.
- Continue to maintain the City's network infrastructure with little or no downtime during normal City Hall operating hours.

ANNUAL BUDGET

Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
54110. Wages-Full Time Employees	$ 168,158	$ 116,139	$ 142,339	$ 423,975	$ 431,574	$ 468,632	$ 44,657	10.5%
54200. Group Insurance	25,200	16,938	26,029	120,174	120,174	77,491	(42,683)	-35.5%
Personnel Services	193,358	133,077	168,368	544,149	551,748	546,123	1,974	0.4%
55010. Professional Services	386,032	406,791	565,804	248,500	277,131	233,975	(14,525)	-5.8%
55160. Postage & Freight	1	-	-	-	-	-	-	N/A
55200. Training	5,531	6,686	12,840	14,860	14,000	14,000	(860)	-5.8%
55220. Dues and Subscriptions	350	175	525	400	400	400	-	0.0%
55240. Insurance and Bonding Services	6,115	3,546	6,262	8,633	7,097	8,633	-	0.0%
55260. Utilities	201,188	151,464	176,398	194,782	230,182	271,162	76,380	39.2%
55300. Building & Office Maintenance	13,392	7,951	18,322	31,500	26,100	22,024	(9,476)	-30.1%
Contractual Services	612,608	576,613	780,151	498,675	554,910	550,194	51,519	10.3%
56000. Office Supplies	6,049	2,285	5,114	10,200	10,200	10,575	375	3.7%
56050. Computer Hardware & Software	473,953	350,543	587,397	729,878	590,469	699,745	(30,133)	-4.1%
56060. Small Tools and Equipment	223	-		600	600	600	-	0.0%
Materials & Supplies	480,224	352,828	592,511	740,678	601,269	710,920	(29,758)	-4.0%
581XX. SBITA Debt Service	-	-	73,896	-	-	-	-	N/A
Other Expenses	-	-	73,896	-	-	-	-	N/A
Total - Information Technology	$1,286,190	$1,062,518	$1,614,926	$1,783,502	$ 1,707,927	$ 1,807,237	$ 23,735	1.3%

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 (54110) account increased due to the continued transition of contracted staff to salaried staff as budgeted salary estimates in 2026 varied from actual salaries.
- Professional Services (55010) decreased as managed services were brought in-house.
- The Utilities (55260) account increased due to the transfer of the City's fiber lease from Computer Hardware and Software, and the addition of a hosted cloud telephone service in anticipation of replacing the City's on-premise phone system during the fiscal year.
- The Computer Hardware and Software (56050) account decreased due to the transfer of the fiber lease to Utilities and the elimination of duplicate and discontinued software subscriptions, offset in part by the addition of a managed detection and response security service.
- The Professional Services (55010) account includes the addition of an independent network penetration test, offset by the reduction of managed services.
- The Building and Office Maintenance (55300) account decreased as the City anticipates migrating off its existing telephone system during the fiscal year, reducing legacy maintenance costs.

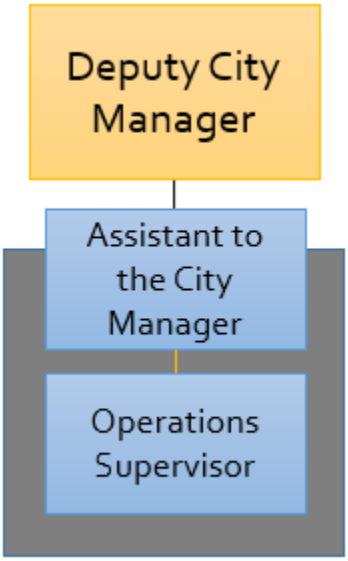
ADMINISTRATION DEPARTMENT
THREE OAKS RECREATION AREA

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.

ORGANIZATIONAL CHART



PERSONNEL SUMMARY

Position	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget
Operations Supervisor	0.00	0.00	0.00	0.00	0.00	1.00
Total FTE	0.00	0.00	0.00	0.00	0.00	1.00

A full-time Operations Supervisor position has been added for FY2026.

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.

      Ongoing. All lifeguards completed CPR certification. 50% of attendants and managers completed their CPR certifications.
- 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:
    - Replace watercraft that has reached the end of its useful life.

      On track. The City continues to replace watercraft that have reached the end of their useful life.
    - Complete the replacement of the splash pad concrete surface.

      Ongoing. Due to repairs to the splashpad, the resurfacing has been put on pause until the splash pad repairs are completed.

- 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.

- Upgrade the Point-of-Sale system to utilize the BS&A software.

  Completed. The City completed its first year with BS&A software for the Point-of-Sale system.

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 vehicles and equipment that have reached the end of their useful life.
  - Complete the replacement of landscaping as part of the park beautification.
- 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.
- Identify a new system to track boats using drivers licenses.
- Utilize Elements XS to create an inventory of all Three Oaks equipment to create a replacement/repair cycle.

ANNUAL BUDGET

Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
54110. Wages-Full Time Employees	$ -	$ -	$ -	$ -	$ -	$ 86,000	$ 86,000	N/A
54115. Wages-Part Time Employees	400,951	408,376	462,357	455,260	465,060	466,660	11,400	3%
54200. Group Health Insurance	-	-	-	-	-	34,412	34,412	N/A
54301. Employer's Social Security	30,360	31,708	35,393	34,828	35,578	42,280	7,452	21.4%
54302. Employer's IMRF	3,395	2,305	4,045	5,418	4,208	13,520	8,102	149.5%
Personnel Services	434,706	442,390	501,795	495,506	504,846	642,872	147,366	29.7%
55010. Professional Services	81,632	53,809	86,244	88,697	86,951	92,840	4,143	4.7%
55140. Publishing Services	412	-	364	1,150	650	1,150	-	0.0%
55200. Training	3,565	4,387	4,888	6,950	4,800	6,950	-	0.0%
55240. Insurance and Bonding Services	21,272	5,225	7,875	6,685	5,496	6,685	-	0.0%
55260. Utilities	30,008	17,890	33,380	28,800	30,000	32,300	3,500	12.2%
55300. Building & Grounds Maint	128,152	104,629	138,504	139,050	143,936	145,750	6,700	4.8%
55310. Examinations	22,670	6,373	19,877	17,500	19,685	19,500	2,000	11.4%
55420. Plant Maintenance	3,680	-	-	-	-	-	-	N/A
Contractual Services	291,392	192,311	291,132	288,832	291,518	305,175	16,343	5.7%
56000. Office Supplies	1,498	512	737	1,000	1,500	1,000	-	0.0%
56020. Cleaning Supplies	4,621	4,072	4,595	4,500	4,000	4,500	-	0.0%
56040. Motor Fuel & Lubricant	2,987	2,487	2,483	3,000	3,000	3,150	150	5.0%
56050. Computer Hardware & Software	13,616	5,730	16,888	17,800	9,265	12,000	(5,800)	-32.6%
56060. Small Tools and Equipment	39,660	24,001	36,523	45,650	28,594	38,950	(6,700)	-14.7%
56070. Automotive Supplies	3,462	6,693	10,098	4,500	8,000	9,000	4,500	100.0%
56120. Clothing	8,503	3,464	6,945	7,700	7,298	8,200	500	6.5%
56320. Operating Supplies	12,011	9,439	11,936	17,550	12,432	14,800	(2,750)	-15.7%
Materials & Supplies	86,357	56,398	90,206	101,700	74,089	91,600	(10,100)	-9.9%
58950. Bad Debt Expense	88,791	-	-	-	-	-		N/A
Other Expenses	88,791	-	-	-	-	-	-	N/A
Total - Three Oaks Recreation Area	$ 901,246	$ 691,098	883,133	$ 886,038	$ 870,453	$ 1,039,647	$ 153,609	17.3%

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 employee wages (54110) have increased due to an additional Park Supervisor position in the department.
- Increased costs for goose prevention services are projected for FY 2027 in the Professional Services (55010) account.
- Building and Grounds Maintenance (55300) has increased due to added natural areas maintenance services and increased maintenance for the lake loop trail.
- Computer Hardware and Software (56050) is projected to decrease due to the completion of pavilion rental software implementation.
- The budget for Small Tools and Equipment (56060) is projected to decrease due to the completion of patio umbrella replacements in FY 2026.

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 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
54305. ER Contribution Police Pension	$3,482,254	$3,612,536	$3,993,777	$4,012,787	$ 4,012,787	$ 4,233,950	$221,163	5.51%
54306. ER Contribution Fire Pension	2,286,134	2,285,640	2,317,989	2,618,873	2,618,873	2,869,789	250,916	9.58%
Personnel Services	5,768,388	5,898,176	6,311,766	6,631,660	6,631,660	7,103,739	472,079	7.12%
Total - Pension Obligation	$5,768,388	$5,898,176	$6,311,766	$6,631,660	$6,631,660	$7,103,739	$472,079	7.12%

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 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
55015. Paying Agent Fees	$ -	$ -	$ -	$ 200	$ -	$ -	$ (200)	-100.00%
Contractual Services	-	-	-	200	-	-	(200)	-100.00%
58100. Debt Service - Principal	41,996	43,676	44,516	45,356	45,356	46,196	840	1.85%
58110. Debt Service - Interest	10,727	9,887	9,013	8,124	8,124	7,160	(964)	-11.87%
Debt Service	52,723	53,563	53,529	53,480	53,480	53,356	(124)	-0.23%
Total - Debt Service	$ 52,723	$ 53,563	$ 53,529	$ 53,680	$ 53,480	$ 53,356	$ (324)	-0.60%

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CITY OF CRYSTAL LAKE

ANNUAL BUDGET

FISCAL YEAR 2027

WATER & SEWER FUNDS

WATER AND SEWER FUNDS

OVERVIEW

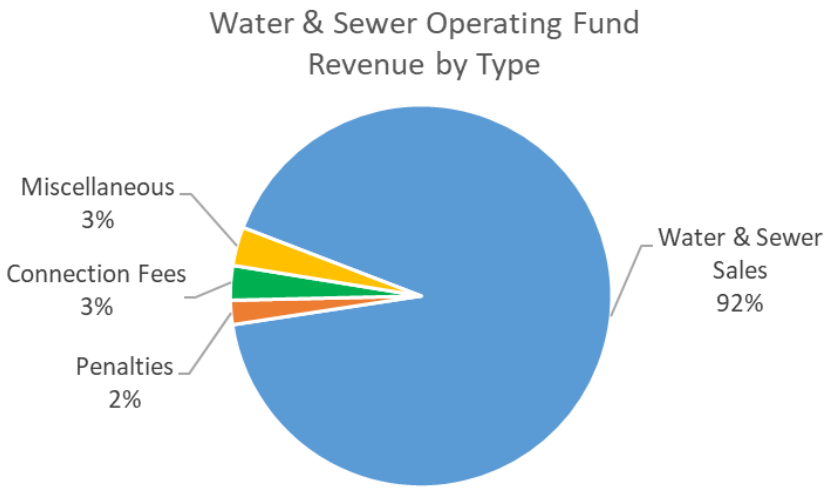
Water and sewer activities are accounted for in proprietary funds of the City. In order to best track these activities, the City maintains four (4) separate funds relating to water and sewer. Budget information is provided separately for each of the funds in the pages that follow and in the Capital Replacement (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 2025 G. O. Project Fund
- Water and Sewer Capital and Equipment Replacement Fund

WATER AND SEWER OPERATING FUND

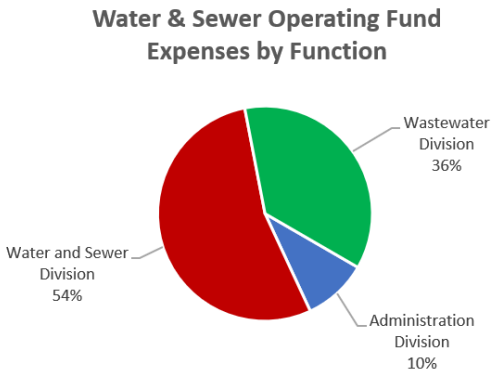
ANNUAL BUDGET SUMMARY

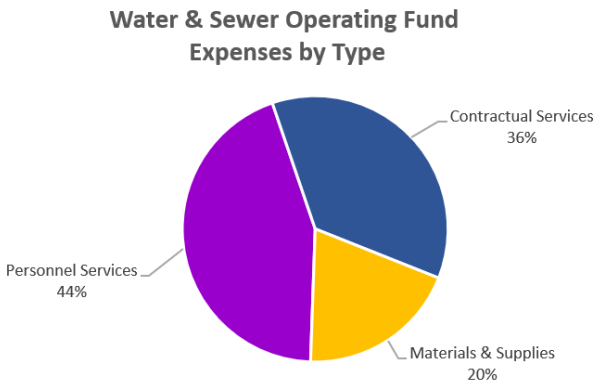
Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
REVENUES								
41900. Grant Proceeds - Other	$ -	$ -	$ -	$ -	$ 2,500	$ -	$ -	N/A
Total Intergovernmental Revenue	-	-	-	-	2,500	-	-	0.0%
45700. Rental Income-City Property	303,920	118,349	268,965	368,902	304,561	318,805	(50,097)	-13.6%
Total	303,920	118,349	268,965	368,902	304,561	318,805	(50,097)	-13.6%
46010. Water Sales	7,308,999	5,190,786	7,991,148	7,920,746	7,860,400	8,136,195	215,449	2.7%
46015. Water Penalties	290,660	201,484	297,983	300,000	300,000	300,000	-	0.0%
46020. Sewer Sales	6,991,688	4,929,536	7,643,881	7,608,237	7,510,365	7,820,545	212,308	2.8%
46300. Water Meter Sales	119,168	64,326	79,877	70,000	80,000	70,000	-	0.0%
46305. Meter Rental Fees	20,147	14,690	18,527	5,000	7,500	5,000	-	0.0%
46480. Water Turn On Fee	14,448	7,950	13,001	10,000	13,000	10,000	-	0.0%
46485. Red Tag Fees	40,225	27,731	43,975	35,000	35,000	35,000	-	0.0%
46490. Meter Compliance Fee	-	-	25,700	5,000	153,000	-	(5,000)	N/A
46510. Connection Fees - Water	713,090	379,480	534,082	200,000	475,000	200,000	-	0.0%
46520. Connection Fees - Sewer	973,463	505,011	707,584	300,000	650,000	300,000	-	0.0%
Total User Fees	16,471,888	11,320,993	17,355,757	16,453,983	17,084,265	16,876,740	422,757	2.6%
47010. Interest Income	151,563	181,650	386,592	60,000	275,000	60,000	-	0.0%
47020. Interest Income Leases	86,149	55,163	78,848	-	70,000	60,000	60,000	N/A
Total Interest Income	325,680	390,720	588,990	60,000	345,000	120,000	60,000	100.0%
48820. Capital Facility Fees	144,234	78,327	69,467	30,000	102,284	30,000	-	0.0%
48950. Reimbursements	29,692	15,871	186,301	5,000	5,000	5,000	-	0.0%
48990. Miscellaneous Income	34,682	34,150	180,280	20,000	75,000	20,000	-	0.0%
Total Miscellaneous	208,609	128,948	436,048	55,000	182,284	55,000	-	0.0%
Total Revenues	17,310,096	11,959,009	18,649,759	16,937,885	17,918,610	17,370,545	432,660	2.6%



ANNUAL BUDGET SUMMARY (CONTINUED)

Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
EXPENSES								
Public Works Administration	908,768	567,277	963,352	1,059,265	1,002,563	1,116,609	57,344	5.4%
Water & Underground Operations	4,450,352	3,071,240	4,686,666	5,989,313	5,630,411	6,181,698	192,385	3.2%
Wastewater Treatment	3,453,554	2,260,051	3,522,880	4,122,435	3,839,630	4,170,528	48,093	1.2%
Total Expenditures	8,812,674	5,898,567	9,172,898	11,171,013	10,472,604	11,468,835	297,822	2.7%
Revenues Over (Under) Expenses before Other Financing Sources (Uses)	8,497,423	6,060,442	9,476,861	5,766,872	7,446,006	5,901,710		
OTHER FINANCING SOURCES (USES)								
Gain on Sale of Assets	(7,196)	-	-	-	-	-		
GASB - SBITA	-	-	55,404	-	-	-		
Transfer In	-	-	-	-	-	-		
Transfer Out								
Water & Sewer Debt Service Fund	(3,695,542)	(3,713,229)	(3,581,108)	(3,837,736)	(3,078,011)	(3,491,706)		
Water & Sewer Capital Replace. Fund	(3,000,000)	(3,000,000)	(4,500,000)	(4,000,000)	(4,500,000)	(4,250,000)		
Total Other Financing Sources (Uses)	(6,702,738)	(6,713,229)	(8,025,704)	(7,837,736)	(7,578,011)	(7,741,706)		
Change in Payables/Receivables	(262,987)	(290,318)	(77,517)	-	-	-		
Net Change in Cash	1,531,697	(943,105)	1,373,640	(2,070,864)	(132,005)	(1,839,996)		
Beginning Cash Balance	11,743,870	13,275,567	12,332,462	12,168,599	13,706,102	13,574,097		
Ending Cash Balance	$ 13,275,567	$ 12,332,462	$ 13,706,102	$ 10,097,735	$ 13,574,097	$ 11,734,101		





	Personnel Services	Contractual Services	Materials & Supplies	Grand Total
Administration Division	$757,153	$333,081	$26,375	$1,116,609
Water and Sewer Division	2,401,488	2,333,294	1,446,916	6,181,698
Wastewater Division	1,912,203	1,490,983	767,342	4,170,528
	$5,070,844	$4,157,358	$2,240,633	$11,468,835

PUBLIC WORKS ADMINISTRATION DIVISION

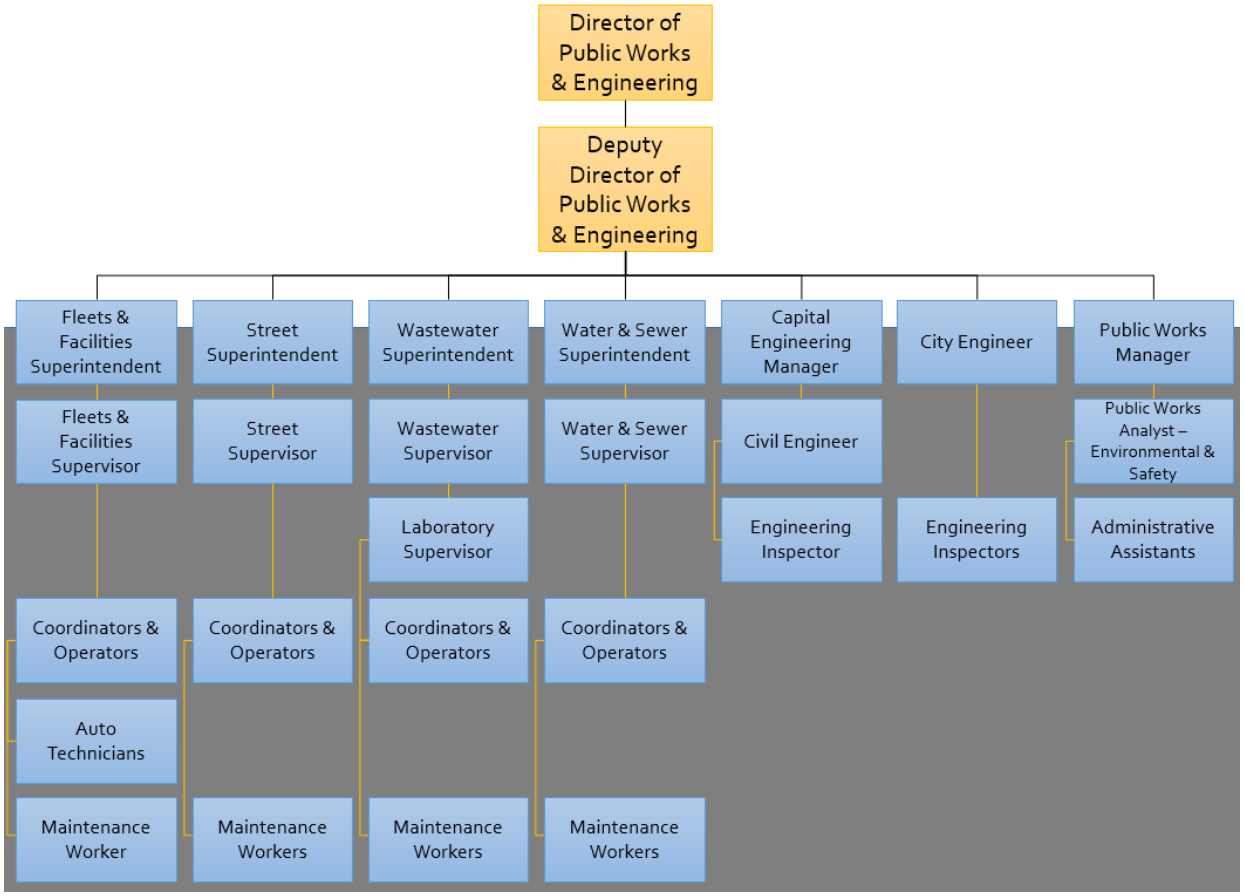
STATEMENT OF ACTIVITIES

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

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 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget
Director of Public Works & Engineering	1.00	1.00	1.00	1.00	1.00	1.00
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	1.00	1.00	1.00	1.00	1.00	1.00
Total FTE	4.50	4.50	4.50	4.50	4.50	4.50

The above chart shows staff assigned to the Public Works Administration Division in FY2027. No new positions are anticipated for the division.

ACCOMPLISHMENTS

- 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.

  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).

  Completed. Construction of this project has begun and will continue in 2027.

- 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.

  Completed. The property owner-initiated lead service line program has been very successful and the first year of the City lead service line replacement program is nearing completion.

- Start implementation of management level analyses tools of asset management software.

  On track. All divisions, except facilities, are currently utilizing the software for work orders and tracking assets. Facilities is working to transition to the new system.

- Review, and update, if necessary, ten (10) safety policies or Job Safety Analyses.

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

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

  On track. Each year as contracts come up for renewal or bidding, Public Works reviews and confirms cost effectiveness.

The Public Works Administration Division achieved the following additional accomplishments during fiscal year 2026:

- Further Improved contract tracking, processing, and review of insurance requirements (endorsements for COI).
- Improvements to Asset Management use 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.
- Expand the property owner-initiated lead service line replacement program and complete engineering in 2027 for second year (2028) 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 policies or Job Safety Analyses.
- Review alternatives programs to GovQA for internal and external service requests that would be incorporated into the new website and asset management program.

ANNUAL BUDGET

Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
54110. Wages-Full Time Employees	$ 444,243	$ 308,856	$ 470,548	$ 537,474	$ 542,331	$ 531,010	$ (6,464)	-1.2%
54150. Wages-Overtime	-	563	1,262	600	600	600	-	0.0%
54200. Group Insurance	72,638	48,568	74,545	85,718	85,718	132,616	46,898	54.7%
54301. Employer's FICA	30,270	28,014	32,708	41,117	41,535	40,669	(448)	-1.1%
54302. Employer's IMRF	40,492	20,602	49,206	55,912	56,722	52,258	(3,654)	-6.5%
Personnel Services	587,643	406,603	628,270	720,821	726,906	757,153	36,332	5.0%
55010. Professional Services	140,447	38,234	70,004	78,961	80,994	91,061	12,100	15.3%
55030. Legal Services	-	-	-	50,000	10,000	50,000	-	N/A
55040. Annual Audit Services	12,391	12,763	14,444	14,878	14,878	15,474	596	4.0%
55140. Publishing Services	50	50	48	250	250	250	-	0.0%
55160. Postage & Freight	87,276	61,262	99,842	104,600	101,065	108,500	3,900	3.7%
55200. Training	2,409	1,565	8,561	4,885	2,985	4,375	(510)	-10.4%
55220. Dues and Subscriptions	2,195	1,313	2,483	2,176	2,145	2,321	145	6.7%
55240. Insurance and Bonding Services	59,795	35,305	47,418	61,000	47,719	61,000	-	0.0%
55310. Examinations	35	-	-	-	-	-	-	0.0%
55340. Maintenance Services-Office Equip.	-	-	-	100	-	100	-	0.0%
Contractual Services	304,600	150,492	242,800	316,850	260,036	333,081	16,231	5.1%
56000. Office Supplies	861	439	1,226	1,000	500	1,000	-	0.0%
56040. Motor Fuel & Lubricant	-	80	53,765	-	-	-	-	
56050. Computer Hardware & Software	497	525	119	2,569	1,301	2,350	(219)	-8.5%
56060. Small Tools and Equipment	-	-	14,392	350	-	5,350	5,000	1428.6%
56070. Automotive Supplies	-	-	1,051	-	-	-	-	N/A
56950. Stationery and Printing	15,168	9,139	18,449	17,475	13,620	17,475	-	0.0%
58900. Miscellaneous	-	-	115	200	200	200	-	0.0%
Materials & Supplies	16,526	10,182	89,117	21,594	15,621	26,375	4,781	22.1%
58950. Bad Debt Expense	-	-	3,166	-	-	-	-	N/A
Total - Public Works Administration	$ 908,768	$ 567,277	$ 963,352	$ 1,059,265	$ 1,002,563	$ 1,116,609	$ 57,344	5.4%

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.

- Group health insurance (54200) has increased due to higher premium costs.
- The Illinois Municipal Retirement Fund (IMRF) is a defined benefit retirement plan that provides benefits to municipal government employees in Illinois. It is governed by Article 7 of the Illinois Pension Code. Employer contributions (54302) 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 2027 is 9.83% of covered payroll.
- The amount budgeted for Professional Services (55010) has increased based on actual expenses incurred.
- Small Tools and Equipment increased to allow for the purchase of replacement fit-testing equipment required for OSHA compliance.

WATER AND UNDERGROUND DIVISION

STATEMENT OF ACTIVITIES

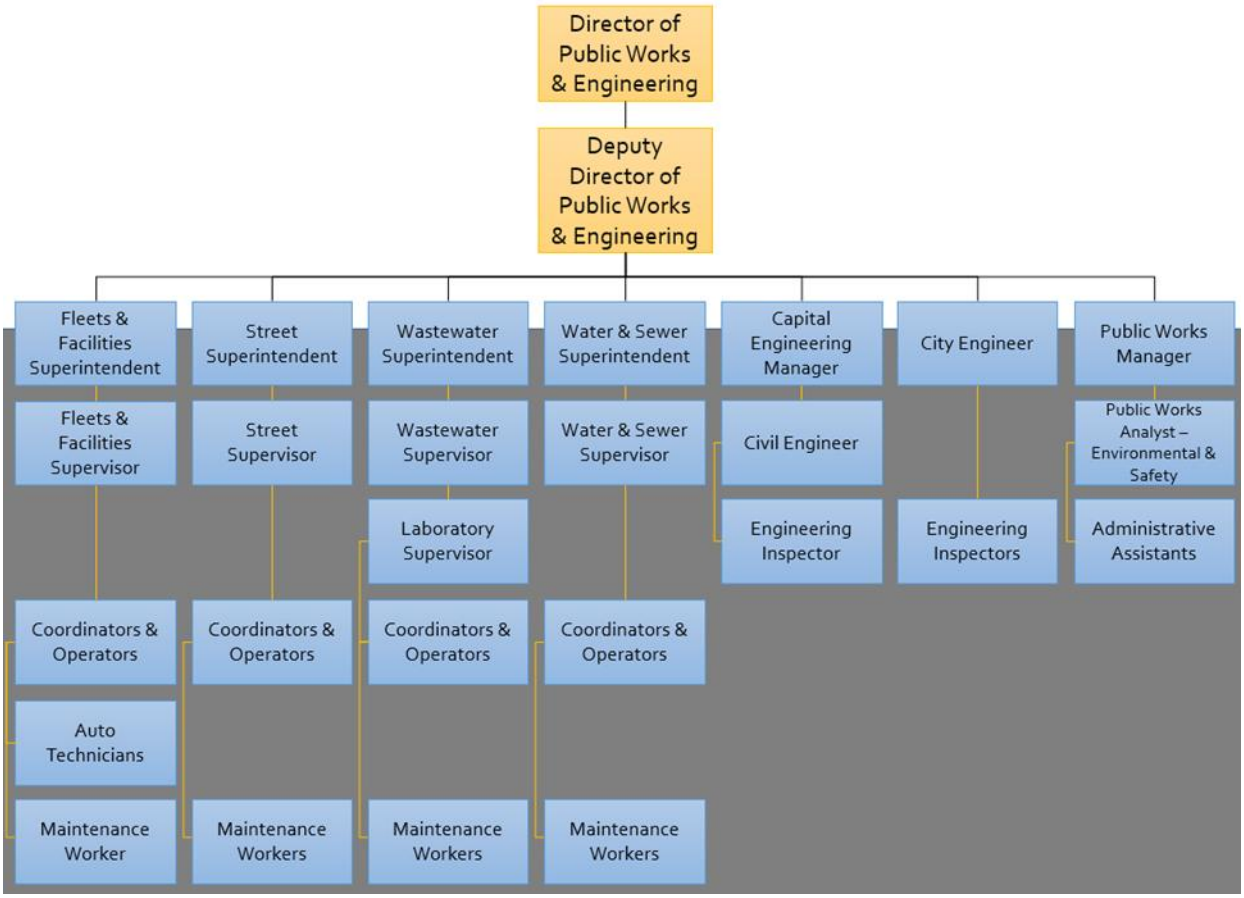
The Water and Sewer Division performs five primary functions:

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 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Estimate	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 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	0.00	0.00	0.00
Maintenance Worker	7.00	7.00	7.00	8.00	8.00	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 FY2027. No new positions are anticipated for the division.

ACCOMPLISHMENTS

- Complete engineering in 2026 for first year of city-funded lead service replacements (start construction in 2027).

  Completed. The City was able to start the city-funded lead service line replacement program a year before the mandate, thereby reducing the burden of the program and increasing its efficiency in later years. 70 lead service lines have been replaced in 2026.

- 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 training opportunities to meet CEU requirements for IEPA water certifications and for other 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.

- Expand property-owner initiated lead service line program to more buildings.

  On track. The property-owner initiated replacement program continues to grow.

The Public Works Water & Underground Division achieved the following additional accomplishments during fiscal year 2026:

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

OBJECTIVES

- Complete engineering for 2028 program and planned construction in 2027 for the city-funded lead service replacement program.
- Bid and complete work for Water Tank Painting/Coating at Water Treatment Plant 3. Complete the engineering for Water Tank Painting/Coating at an additional plant for bid and construction in 2028.
- Provide training opportunities to meet CEU requirements for IEPA water certifications and for other staff utilizing experienced employees and outside resources.

- Replace 50 lead service lines using the property-owner initiated lead service line replacement program.

ANNUAL BUDGET

Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
54110. Wages-Full Time Employees	$ 1,450,956	$ 1,018,152	$ 1,495,358	$ 1,577,927	$ 1,519,116	$ 1,605,302	$ 27,375	1.7%
54115. Wages-Part Time Employees	21,427	19,701	28,153	35,775	31,050	35,775	-	0.0%
54150. Wages-Overtime	80,703	55,746	120,652	120,000	120,000	130,000	10,000	8.3%
54200. Group Insurance	341,630	198,441	305,157	309,839	309,839	324,331	14,492	4.7%
54301. Employer's Social Security	114,666	79,576	122,129	132,628	127,768	135,490	2,862	2.2%
54302. Employer's IMRF	141,310	97,293	170,417	182,385	172,435	170,590	(11,795)	-6.5%
Personnel Services	2,150,691	1,468,910	2,241,866	2,358,554	2,280,208	2,401,488	42,934	1.8%
55010. Professional Services	53,824	61,784	58,899	308,400	209,400	341,400	33,000	10.7%
55140. Publishing Services	557	203	252	600	300	600	-	0.0%
55160. Postage & Freight	6,366	4,944	5,734	7,000	6,000	7,000	-	0.0%
55200. Training	10,562	5,268	9,759	17,799	15,373	15,483	(2,316)	-13.0%
55220. Dues and Subscriptions	11,194	740	10,784	13,275	14,998	15,208	1,933	14.6%
55240. Insurance and Bonding Services	89,758	43,389	91,649	90,953	84,229	90,953	-	0.0%
55260. Utilities	672,436	469,098	808,480	844,800	844,800	926,800	82,000	9.7%
55310. Examinations	2,033	2,035	2,754	2,690	2,770	2,770	80	3.0%
55320. Maintenance Services-Operating Equ	8,187	12,247	13,135	13,030	13,030	13,530	500	3.8%
55350. Rent - Clothing	1,947	1,385	1,992	2,000	2,000	-	(2,000)	-100.0%
55360. Radio Equipment Services	3,760	-	185	4,000	-	4,000	-	0.0%
55390. Sidewalk Maintenance & Repair	11,348	3,664	10,128	-	-	-	-	N/A
55400. Storm Sewer Services	14,976	27,137	1,284	60,500	60,500	60,500	-	0.0%
55420. Plant Maintenance Services	295,981	95,264	196,991	647,620	523,005	691,050	43,430	6.7%
55440. Lines and Systems Maintenance	18,185	63,465	105,084	185,500	139,500	159,500	(26,000)	-14.0%
55630. State Filing Fee	1,000	1,000	1,000	1,000	1,000	1,000	-	0.0%
55680. Rent - Buildings and Equipment	331	-	761	1,500	1,500	3,500	2,000	133.3%
Contractual Services	1,202,445	791,621	1,318,871	2,200,667	1,918,405	2,333,294	132,627	6.0%
56000. Office Supplies	1,656	344	1,653	2,350	1,600	2,000	(350)	-14.9%
56030. Landscape Materials	1,261	1,255	493	1,350	1,350	1,500	150	11.1%
56040. Motor Fuel & Lubricants	42,644	23,124	33,024	61,500	61,500	62,000	500	0.8%
56050. Computer Hardware & Software	22,877	11,682	48,304	140,110	144,873	138,171	(1,939)	-1.4%
56060. Small Tools and Equipment	42,937	11,872	43,199	38,690	36,383	42,300	3,610	9.3%
56070. Automotive Supplies	31,784	31,481	52,510	67,750	67,750	67,750	-	0.0%
56080. Public Works Materials	56,424	36,082	48,934	65,500	65,500	67,500	2,000	3.1%
56120. Clothing	11,785	10,405	11,334	14,650	14,650	14,650	-	0.0%
56140. Water Meter Parts	111,578	87,741	85,734	100,000	100,000	100,000	-	0.0%
56150. Fire Hydrants	32,993	34,507	20,322	35,000	35,000	35,000	-	0.0%
56160. Salt	428,903	323,573	436,801	550,000	550,000	567,000	17,000	3.1%
56170. Chemicals And Sealants	156,094	83,350	154,582	181,260	181,260	186,420	5,160	2.8%
56180. Laboratory Supplies	11,074	11,421	15,492	15,582	15,582	18,775	3,193	20.5%
56220. Water Tap Materials	23,139	17,956	28,071	23,500	23,500	26,000	2,500	10.6%
56320. Operating Supplies	8,277	3,058	9,176	9,700	9,700	9,700	-	0.0%
56420. Plant Maintenance Supplies	112,509	122,858	118,547	118,800	118,800	103,800	(15,000)	-12.6%
56950. Stationery and Printing	1,082	-	1,408	4,350	4,350	4,350	-	0.0%
Materials & Supplies	1,097,016	810,708	1,109,584	1,430,092	1,431,798	1,446,916	16,824	1.2%
581xx. GASB Debt Service	-	-	16,345	-	-	-	-	N/A
58900. Miscellaneous	200	-	-	-	-	-	-	N/A
Total - Water & Sewer Operations	$ 4,450,352	$ 3,071,240	$ 4,686,666	$ 5,989,313	$ 5,630,411	$ 6,181,698	$ 192,385	3.2%

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.

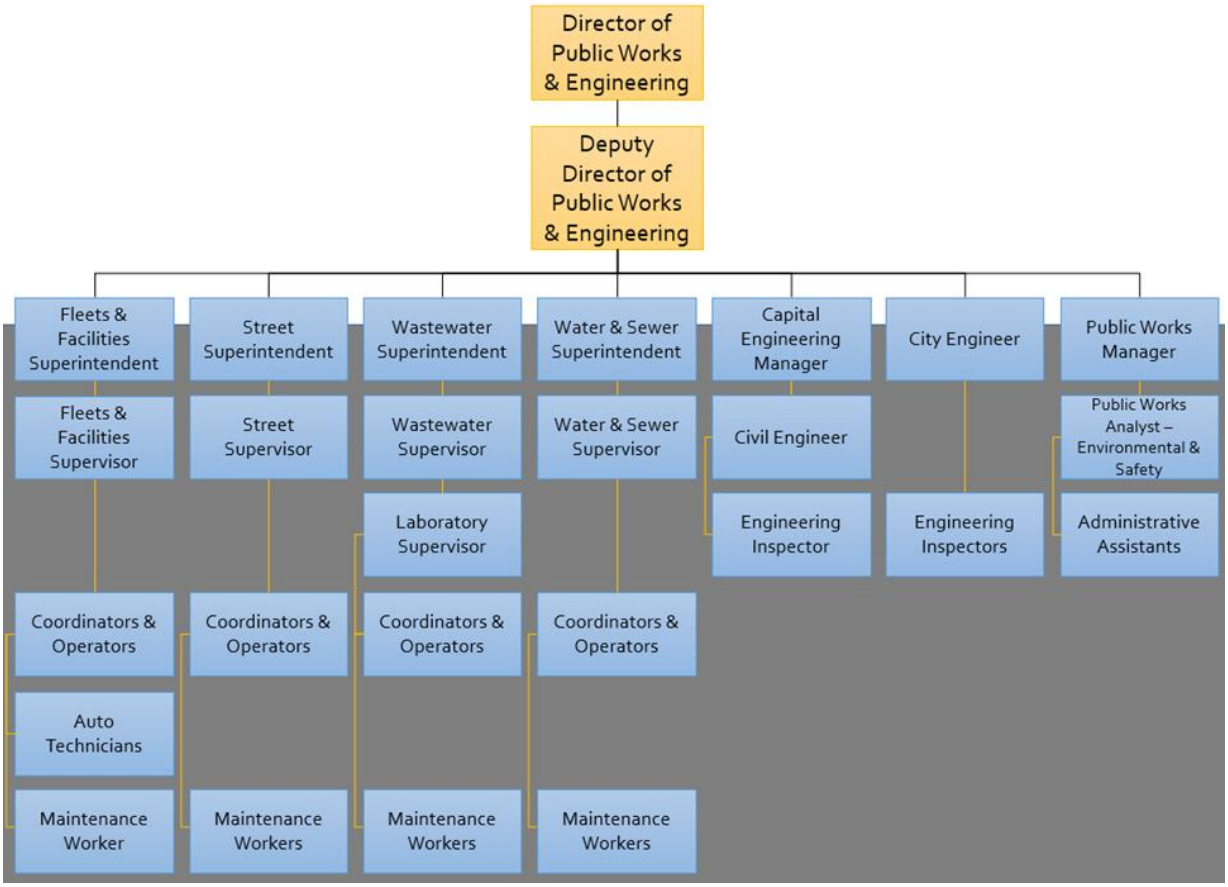
- The Illinois Municipal Retirement Fund (IMRF) is a defined benefit retirement plan that provides retirement, survivor, disability and death benefits to municipal government employees in Illinois. It is governed by Article 7 of the Illinois Pension Code. Employer contributions (54302) to the pension plan are calculated by the IMRF and fluctuate based on demographic changes and investment rate of return. The City's contribution rate for 2027 is 9.83% of covered payroll.
- The increase in Professional Services (55010) is due to additional funding for Hydrant Painting Services. This increase was made to maintain the annual hydrant painting schedule necessary to support an effective hydrant maintenance program. Additional funding was also included for Technologically Enhanced Naturally Occurring Radioactive Materials (TENORM) testing, which is EPA-mandated testing of drinking water treatment residuals produced during the water treatment process.
- Utilities (55260) best reflects anticipated increases in electricity as a result of electrical supplier increases.
- Cost increases for water treatment chemicals (56170) based on anticipated market prices.
- Plant Maintenance Services (55420) has increased to support additional required repairs and maintenance at the water treatment plants. This is being offset by reductions in other budget line items.
- The budget for Lines and Systems Maintenance (55440) was decreased by eliminating funding for large meter testing, as all meters were replaced in 2026 as part of the Water Meter Replacement Program. Additionally, funds for sanitary manhole rehabilitation were removed because this work is included in the annual Capital Maintenance Program for Sanitary Manhole Rehabilitation.
- The budget for Salt (56160), which is used in the drinking water treatment process, was increased in anticipation of higher material delivery costs due to rising diesel fuel prices.
- The Plant Maintenance Supplies (56420) budget was reduced as the prior year's budget included a one-time maintenance project for the installation of brine tank safety covers.

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 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 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 2027. No new positions are anticipated for the division.

ACCOMPLISHMENTS

- Acquire property/easement for relocation of Lift Station 6 (Keith) and bid project for construction.

  On track. Lift Station 6 engineering has been completed, and property acquisition is in process. Project bid anticipated early 2027.

- 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.

  On track. The Consultant and City staff have advanced this project. The City Council has approved the ordinance to submit for the IEPA loan.

- 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 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 2026:

- Completed replacement of several lift station electrical control panels utilizing in-house staff.

OBJECTIVES

- Bid the relocation construction of Lift Station 6 (Keith) project and schedule construction to avoid interference with school bus routes
- Apply for IEPA loan 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 provided the loan is awarded.
- Provide training opportunities to meet CEU requirements for IEPA water certifications and for other staff utilizing experienced employees and outside resources.
- Complete the bidding and construction of the generator replacements at Sanitary Pump Stations 24 and 26.

ANNUAL BUDGET

Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
54110. Wages-Full Time Employees	$ 1,032,398	$ 731,126	$ 1,059,942	$ 1,211,155	$ 1,068,571	$ 1,265,610	$ 54,455	4.5%
54115. Wages - Part Time Employees	-	-	-	21,600	2,700	32,400	10,800	N/A
54150. Wages-Overtime	30,590	37,268	45,957	48,488	45,000	54,336	5,848	12.1%
54200. Group Insurance	299,796	200,061	264,656	294,540	294,540	332,272	37,732	12.8%
54301. Employer's Social Security	77,485	69,748	81,156	98,016	85,395	100,995	2,979	3.0%
54302. Employer's IMRF	96,658	55,930	115,072	134,787	117,150	126,590	(8,197)	-6.1%
Personnel Services	1,536,927	1,094,133	1,566,783	1,808,586	1,613,356	1,912,203	103,617	5.7%
55010. Professional Services	114,991	125,260	125,400	140,638	140,638	144,048	3,410	2.4%
55080. Pest Control Services	3,152	1,226	3,096	3,500	3,500	3,500	-	0.0%
55140. Publishing Services	374	324	212	450	450	450	-	0.0%
55160. Postage & Freight	634	268	139	1,000	200	500	(500)	-50.0%
55200. Training	13,842	7,123	15,739	25,744	20,605	25,905	161	0.6%
55220. Dues and Subscriptions	22,717	12,569	16,514	23,559	18,113	18,199	(5,360)	-22.8%
55240. Insurance and Bonding Services	39,493	23,680	64,937	54,696	46,889	54,696	-	0.0%
55260. Utilities	400,122	251,942	462,915	483,900	485,000	515,000	31,100	6.4%
55310. Examinations	1,100	1,418	1,411	2,315	2,315	2,315	-	0.0%
55360. Radio Equipment Services	-	-	-	700	-	700	-	0.0%
55420. Plant Maintenance Services	555,511	252,027	453,378	605,740	606,540	663,320	57,580	9.5%
55630. State Filing Fee	47,500	47,500	50,000	48,500	48,500	48,500	-	0.0%
55680. Rent - Buildings and Equipment	7,719	5,395	8,187	13,250	13,850	13,850	600	4.5%
Contractual Services	1,207,154	728,733	1,201,928	1,403,992	1,386,600	1,490,983	86,991	6.2%
56000. Office Supplies	6,462	1,089	3,648	6,500	4,000	4,000	(2,500)	-38.5%
56030. Landscape Materials	506	652	1,324	2,500	1,500	2,500	-	0.0%
56040. Motor Fuel & Lubricant	23,032	14,387	18,559	23,850	23,850	23,900	50	0.2%
56050. Computer Hardware & Software	13,170	6,613	72,066	43,877	40,194	39,712	(4,165)	-9.5%
56060. Small Tools and Equipment	5,271	4,551	18,259	34,400	34,400	30,500	(3,900)	-11.3%
56070. Automotive Supplies	8,289	6,854	24,814	25,640	25,640	25,640	-	0.0%
56120. Clothing	13,830	11,356	12,413	14,050	14,050	14,050	-	0.0%
56170. Chemicals And Sealants	391,607	229,670	327,566	424,000	349,000	359,000	(65,000)	-15.3%
56180. Laboratory Supplies	22,049	18,598	19,819	21,540	21,540	26,040	4,500	20.9%
56420. Plant Maintenance Supplies	225,258	143,416	243,310	313,500	325,500	242,000	(71,500)	-22.8%
Materials & Supplies	709,473	437,185	741,779	909,857	839,674	767,342	(142,515)	-15.7%
581xx. GASB Debt service	-	-	12,390	-	-	-	-	N/A
Total - Wastewater Treatment	$ 3,453,554	$ 2,260,051	$ 3,522,880	$ 4,122,435	$ 3,839,630	$ 4,170,528	$ 48,093	1.2%

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 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 (54302) 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 2027 is 9.83% of covered payroll.
- Plant Maintenance Services (55420) has increased to support additional required repairs and maintenance at the wastewater treatment plants. This is being offset by reductions in other budget line items.
- Utilities (55260) reflects anticipated increases in electricity costs due to higher electrical supplier rates.
- The Laboratory Supplies and & Equipment (56180) budget has been increased to account for the pricing increase of lab operating materials.
- The budget for Chemicals and Sealants (56170) was decreased by reducing the allocation for Liquid Aluminum Sulfate based on historical usage trends.
- The Plant Maintenance Supplies (56420) budget decreased as the prior year's budget included several one-time maintenance projects at the wastewater treatment plants and lift stations.

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 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
REVENUES								
47010. Interest Income	$ 229,802	$ 215,070	$ 212,982	$ -	$ 90,000	$ -	$ -	N/A
Total Interest Income	229,802	215,070	212,982	-	90,000	-	-	N/A
Total Revenues	229,802	215,070	212,982	-	90,000	-	-	N/A
EXPENDITURES								
City Administration	-	-	-	2,200	1,200	1,200	(1,000)	-45.45%
Debt Service								
55010. Professional Services	9,278	3,487	6,436	7,200	7,200	6,000	(1,200)	-16.67%
58100. Principal	2,941,686	2,845,249	2,528,162	2,642,160	2,642,160	2,379,403	(262,757)	-9.94%
58110. Interest Expense	877,144	867,676	1,085,223	1,186,176	1,186,176	1,105,103	(81,073)	-6.83%
Total Expenditures	3,828,108	3,716,412	3,619,821	3,837,736	3,836,736	3,491,706	(346,030)	-9.02%
Revenues Over (Under) Expenses before Other Financing Sources (Uses)	(3,598,306)	(3,501,343)	(3,406,839)	(3,837,736)	(3,746,736)	(3,491,706)		
OTHER FINANCING SOURCES (USES)								
Bond Proceeds	-	-	-	-	-	-		
Bond Premium (Discount)	-	-	-	-	-	-		
Transfer In								
Water & Sewer Fund	3,695,542	3,713,229	3,581,108	3,837,736	3,078,011	3,491,706		
Water & Sewer 2019 Debt Fund	-	-	33,226	-	-	-		
Transfer Out								
Water & Sewer Capital Fund	(1,916,962)	(1,010,405)	(561,371)	(3,100,000)	(2,875,000)	(700,516)		
Total Other Financing Sources (Uses)	1,778,580	2,702,825	3,052,963	737,736	203,011	2,791,190		
Change in Payables/Receivables	16,653	8,957	9,434	-	-	-		
Net Change in Cash	(1,803,073)	(789,561)	(344,443)	(3,100,000)	(3,543,725)	(700,516)		
Beginning Cash Balance	7,181,317	5,378,244	4,588,683	4,650,993	4,244,241	700,516		
Ending Cash Balance	$ 5,378,244	$ 4,588,683	$ 4,244,241	$ 1,550,993	$ 700,516	$ (0)		

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 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
REVENUES								
47010. Interest Income	$ 135,645	$ 67,673	$ 5,826	$ -	$ -	$ -	$ -	0.00%
47990. Unrealized Gain/Loss on Invest	(11,971)	-	-	-	-	-	-	0.00%
Total Interest Income	123,674	67,673	5,826	-	-	-	-	0.00%
Total Revenues	123,674	67,673	5,826	-	-	-	-	0.00%
EXPENDITURES								
City Administration	2,472	997	160	-	-	-	-	0.00%
Total Expenditures	2,472	997	160	-	-	-	-	0.00%
Revenues Over (Under) Expenditures before Other Financing Sources (Uses)	121,202	66,676	5,666	-	-	-		
OTHER FINANCING SOURCES (USES)								
Transfer Out								
Water & Sewer Debt Service	-	-	(33,226)					
Water & Sewer Capital Fund	(726,782)	(1,768,241)	(188,692)	-	-			
Total Other Financing Sources (Uses)	(726,782)	(1,768,241)	(221,918)	-	-	-		
Net Change in Cash	(605,580)	(1,701,565)	(216,252)	-	-	-		
Beginning Cash Balance	2,523,396	1,917,817	216,252	-	-	-		
Ending Cash Balance	$ 1,917,817	$ 216,252	$ -	$ -	$ -	$ -		

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 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
REVENUES								
47010. Interest Income	$ -	$ -	$ 165,151	$ 25,000	$ 50,000	$ -	$ (25,000)	N/A
Total Interest Income	-	-	165,151	25,000	50,000	-	$ (25,000)	N/A
Total Revenues	-	-	165,151	25,000	50,000	-	$ (25,000)	N/A
EXPENDITURES								
City Administration	-	-	314,622	6,000	2,100	-	$ (6,000)	N/A
Total Expenditures	-	-	314,622	6,000	2,100	-	$ (6,000)	N/A
Revenues Over (Under) Expenditures before Other Financing Sources (Uses)	-	-	(149,470)	19,000	47,900	-		
OTHER FINANCING SOURCES (USES)								
2025 Bond Proceeds	-	-	10,312,183	-	-	-		
Transfer Out								
Water & Sewer Capital Fund	-	-	(7,499,236)	(3,789,000)	(2,711,376)	-		
Total Other Financing Sources (Uses)	-	-	2,812,947	(3,789,000)	(2,711,376)	-		
Change in Payables/Receivables	-	-	-	-	-	-		
Net Change in Cash	-	-	2,663,476	(3,770,000)	(2,663,476)	-		
Beginning Cash Balance	-	-	-	3,770,000	2,663,476	-		
Ending Cash Balance	$ -	$ -	$ 2,663,476	$ -	-	$ -		

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CITY OF CRYSTAL LAKE

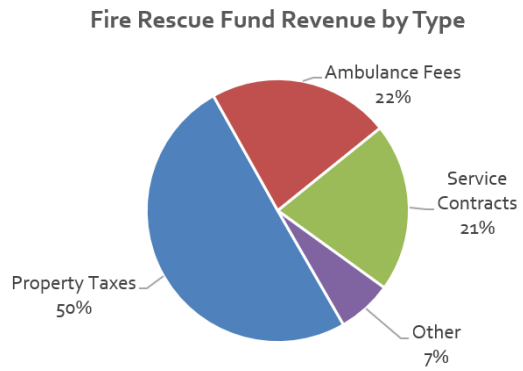
ANNUAL BUDGET

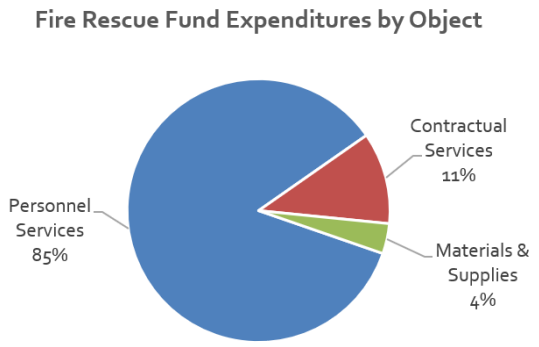
FISCAL YEAR 2027

FIRE RESCUE FUND

ANNUAL BUDGET SUMMARY

Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
REVENUES								
40050. Property Tax - Fire/Rescue	$ 7,338,820	$ 7,563,877	$ 7,682,616	$ 7,724,645	7,724,645	7,853,648	$ 129,003	1.7%
41700. Grant Proceeds - State of IL	-	-	6,537	-	6,961	-	-	N/A
41850. Grant Proceeds - Other Govt	27,858	-	33,047	-	36,714	-		N/A
45050. Alarm System Monitoring Fees	442,840	336,870	460,280	429,250	480,000	530,400	101,150	23.6%
45500. Ambulance Services	1,403,477	2,842,461	3,138,239	3,400,000	3,450,000	3,500,000	100,000	2.9%
45505. Ambulance GEMT	486,041	582,276	651,120	300,000	400,000	375,000	75,000	25.0%
45510. Fire Recovery Fees	15,641	69,508	67,266	50,000	55,000	50,000	-	0.0%
45550. Intergovernmental Services	2,647,739	2,430,077	2,916,300	3,073,257	3,086,555	3,245,099	171,842	5.6%
47010. Interest Income	131,989	139,317	205,367	40,000	250,000	40,000	-	0.0%
47990. Unrealized Gain/Loss	(74,006)	289,931	104,706	-	-	-	-	N/A
48820. Capital Facility Fees	283,799	151,608	132,458	50,000	195,250	50,000	-	0.0%
48825. Impact Fees	1,580	2,815	1,270	-	1,100	-	-	N/A
48950. Reimbursements	8,216	13,832	33,539	5,000	56,357	5,000	-	0.0%
48990. Miscellaneous Income	14,360	1,649	8,886	-	90,000	-	-	N/A
Total Revenues	12,728,353	14,424,221	15,441,630	15,072,152	15,832,582	15,649,147	576,995	3.8%
EXPENDITURES								
Fire Rescue	11,684,190	8,157,596	12,656,207	14,112,555	13,548,419	15,606,618	1,494,063	10.6%
Total Expenditures	11,684,190	8,157,596	12,656,207	14,112,555	13,548,419	15,606,618	1,494,063	10.6%
Revenues Over (Under) Expenditures before Other Financing Sources (Uses)	1,044,164	6,266,625	2,785,423	959,597	2,284,163	42,529		
OTHER FINANCING SOURCES (USES)								
Transfer In								
General Fund HR	-	-	-	-	-	-		
Transfer Out								
Capital Replacement Fund	-	(909,088)	(69,129)	(1,512,101)	(1,402,707)	(107,000)		
Vehicle Replacement Fund	-	(231,159)	(116,663)	(6,386,918)	(212,049)	(7,520,028)		
Total Other Financing Sources (Uses)	-	(1,140,247)	(185,791)	(7,899,019)	(1,614,756)	(7,627,028)		
Net Change in Fund Balance	1,044,164	5,126,378	2,599,631	(6,939,422)	669,407	(7,584,499)		
Beginning Fund Balance	7,637,647	8,681,811	13,808,189	16,051,713	16,407,820	17,077,227		
Ending Balance	8,681,811	13,808,189	16,407,820	9,112,291	17,077,227	9,492,728		
Restricted or Assigned Fund Balance	(1,032,586)	(1,273,429)	(1,406,346)	(140,000)	(9,187,195)	(5,811,980)		
Available Fund Balance	$ 7,649,225	$ 12,534,760	$ 15,001,474	$ 8,972,291	$ 7,890,032	$ 3,680,748		

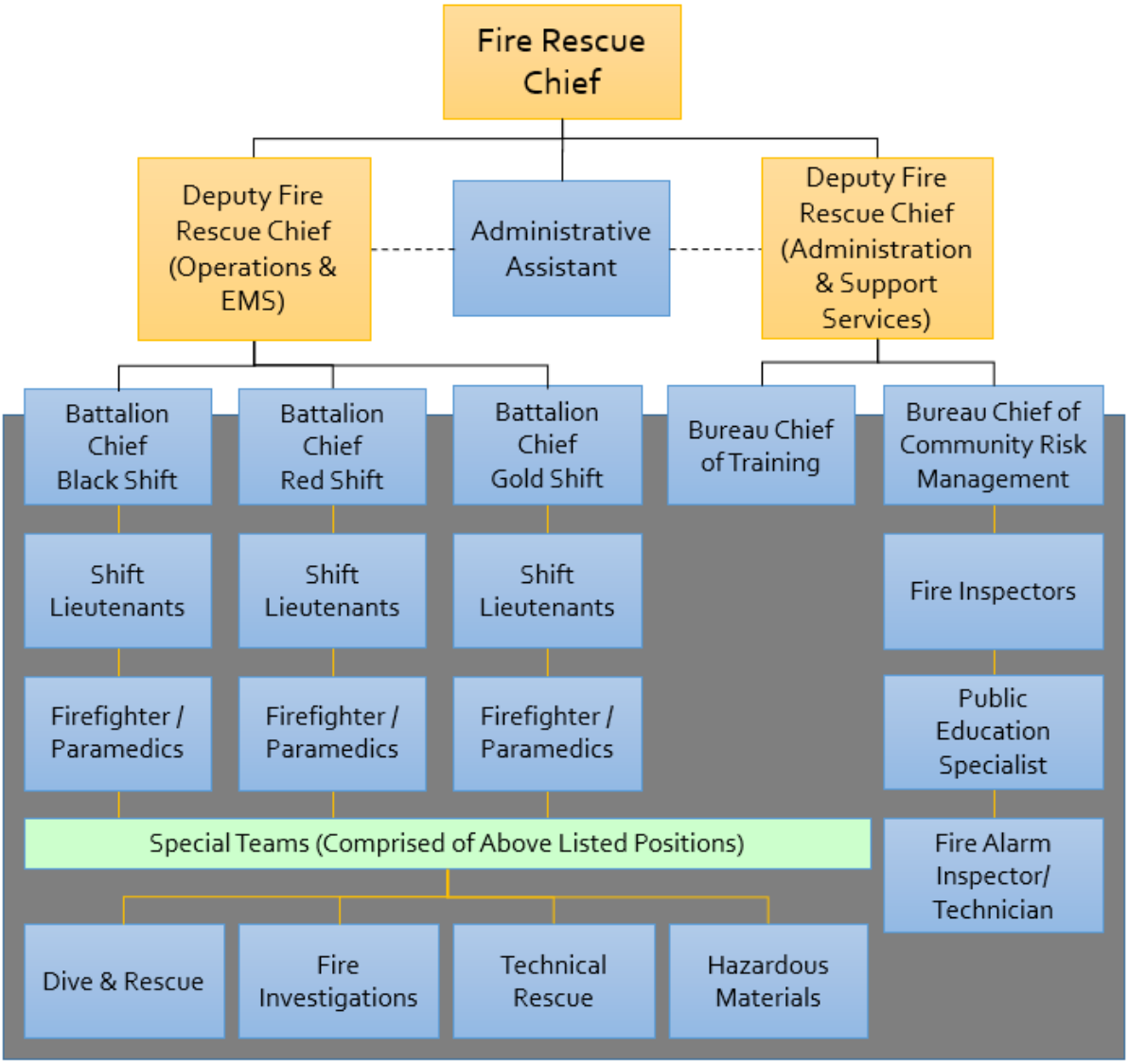




STATEMENT OF ACTIVITIES

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 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget
Chief of Fire Rescue	1.00	1.00	1.00	1.00	1.00	1.00
Deputy Chief	1.00	1.00	2.00	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	12.00	12.00	12.00	12.00
Firefighter/Paramedic	48.00	60.00	57.00	57.00	57.00	57.00
Fire Inspector	2.00	2.00	2.00	2.00	2.00	2.00
Public Education Specialist	0.00	0.00	0.00	1.00	0.00	1.00
Fire Alarm Inspector/Technician	0.00	0.00	0.00	0.00	0.00	1.00
Administrative Assistant	2.00	2.00	2.00	1.00	2.00	1.00
Total FTE	68.00	80.00	81.00	81.00	81.00	82.00

In FY2024B, an additional twelve (12) firefighter/paramedics were authorized, but were budgeted to be filled over the four fiscal years. In FY2027, all 12 of the new positions have been budgeted to be filled. Additionally, a Fire Alarm Inspector/Technician position has been added in order to inspect and maintain firm alarms throughout the community.

ACCOMPLISHMENTS

- Continue to work on the recruitment and retention efforts of new firefighter paramedics to meet our staffing goals for 2027.

  Behind schedule. Recruitment and retention has been difficult with the low number of applicants going into the fire/EMS field and the high number of competing departments also trying to meet their staffing needs.

- 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 progress. Current ambulance orders will be delivered last quarter of 2026. 2 new Pierce engines have been ordered for 2028 delivery.

- Prepare for the transition from NFIRS to NERIS.

  Completed. Completed in January of 2026.

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

  On track. 2 power load systems to be ordered, one in 2026, and one in 2027. All remaining power loads will be ordered with the new ambulances.

- Begin new fire station project and current stations remodel projects.

  In progress. Station planning project has been ongoing in 2026 for the 2027 budget year.

- Continue to work through the accreditation process for 2028.

  On track. Completing five-year plan and standards of cover in early 2027 and working through the 11 categories of accreditation.

- Purchase department drone and implement drone training/procedures.

  In progress. Drone will be ordered and will be delivered in the 4th quarter.

The Fire Rescue Department achieved the following additional accomplishments during fiscal year 2026:

- Improving policies through our Lexipol Policy and Procedure project.
- Hired and retained 5 recruits in 2026.
- Proceeding through our Accreditation project.
- Successfully transitioned from NFIRS to NERIS.

OBJECTIVES

- Update existing Fire Prevention Bureau model to the model of Community Risk Management and complete Cin the Operations and Utilization study.
- Replace apparatus under the schedule of the capital improvement plan.
- Obtain ambulance cot power load system for sixth ambulance in coordination with ambulance purchase and seek grant support for purchase through IRMA.
- Begin 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 alleviate staffing and overtime issues. Review adjusting requirements for hire.

- Migrate all fire department operations and data to new First Due fire rescue software program.
- Create a five-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 of a new fire station and remodeling of our current stations.

ANNUAL BUDGET

Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
54110. Wages-Full Time Employees	$ 7,160,484	$ 5,079,161	$ 8,084,686	$ 9,409,284	$ 8,892,769	$ 10,337,367	$ 928,083	9.9%
54115. Wages-Part Time Employees	9,979	-	-	-	-	-	-	N/A
54150. Wages-Overtime	1,290,528	784,227	904,580	600,000	618,452	600,000	-	0.0%
54200. Group Insurance	1,565,099	1,129,225	1,721,256	1,969,434	1,969,434	2,334,253	364,819	18.5%
Personnel Services	10,026,090	6,992,613	10,710,522	11,978,718	11,480,655	13,271,620	1,292,902	10.8%
55010. Professional Services	515,170	373,899	580,569	564,460	539,099	596,300	31,840	5.6%
55040. Annual Audit Services	4,819	4,964	5,618	5,787	5,787	6,018	231	4.0%
55140. Publishing Services	759	128	664	1,000	900	1,000	-	0.0%
55160. Postage & Freight	1,803	1,018	1,449	1,800	1,200	1,500	(300)	-16.7%
55200. Training	40,031	33,574	56,815	101,150	91,150	108,850	7,700	7.6%
55220. Dues and Subscriptions	52,226	49,588	62,784	67,205	67,180	68,695	1,490	2.2%
55240. Insurance and Bonding Services	359,984	210,678	432,282	463,285	464,948	463,285	-	0.0%
55260. Utilities	2,808	447	1,619	5,500	5,500	5,500	-	0.0%
55300. Maintenance Services-Buildings	53,663	32,772	49,201	63,800	63,800	68,600	4,800	7.5%
55310. Examinations	23,483	1,586	23,443	25,500	22,000	27,000	1,500	5.9%
55320. Maintenance Services-Operating Equ	55,516	45,190	69,585	85,450	85,700	90,700	5,250	6.1%
55340. Maintenance Services-Office Equip.	674	62	-	750	750	750	-	0.0%
55360. Radio Equipment Services	176,760	117,762	198,020	222,100	222,100	319,600	97,500	43.9%
Contractual Services	1,287,696	871,668	1,482,049	1,607,787	1,570,114	1,757,798	150,011	9.3%
56000. Office Supplies	6,989	9,422	5,810	8,000	7,000	8,000	-	0.0%
56020. Cleaning Supplies	3,141	2,252	3,939	5,400	5,400	6,100	700	13.0%
56040. Motor Fuel & Lubricants	84,138	51,155	65,452	88,000	88,000	99,000	11,000	12.5%
56050. Computer Hardware & Software	20,788	28	20,885	48,600	24,700	52,100	3,500	7.2%
56060. Small Tools and Equipment	71,735	47,247	57,138	75,800	72,300	79,350	3,550	4.7%
56070. Automotive Supplies	83,942	86,064	205,018	170,250	170,250	177,250	7,000	4.1%
56120. Clothing	99,427	96,168	102,440	130,000	130,000	155,400	25,400	19.5%
58900. Miscellaneous	244	977	2,954	-	-	-	-	N/A
Materials & Supplies	370,404	293,315	463,637	526,050	497,650	577,200	51,150	9.7%
Total - Fire Rescue	$ 11,684,190	$ 8,157,596	$ 12,656,207	$14,112,555	$13,548,419	$15,606,618	$1,494,063	10.6%

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 (54110) include the addition of three new firefighters/ paramedics. These new positions represent final phase of a four-year plan started in FY 2024B to add twelve new firefighter/paramedic positions. The addition of personnel will help bring staffing levels towards minimum industry standards. Increasing the number of firefighters will improve public safety, faster emergency response, and increased operational capacity.
- Professional Services (55010) and other contractual costs such as dispatch costs and ambulance billing services have been increased due to rising call volumes and radio airtime use.
- The increase in Travel and Training (55200) expenses is 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 (55320) has increased for the cost of inflation along with prioritizing regular preventative maintenance on heart rate monitors, outdoor sirens and SCBA equipment.
- The Computer Hardware and Software (56050) 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 (56070) 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 (56120) 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.
- Radio Equipment Services (55360) is increasing due to increased contractual costs related to fire alarm maintenance.

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CITY OF CRYSTAL LAKE

ANNUAL BUDGET

FISCAL YEAR 2027

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 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
REVENUES								
41210. Motor Fuel Tax - IL	$ 1,797,521	$ 1,236,094	$ 1,838,408	$ 1,843,464	$ 1,862,313	$ 1,872,980	$ 29,516	1.6%
41700. Grant Proceeds - State of IL								
Rebuild Illinois Funds	-	-	-	-	-	-	-	N/A
47010. Interest Income	163,749	83,093	97,664	20,000	85,000	20,000	-	0.0%
47990. Unrealized Gain/Loss on Invest	75,026	166,964	89,310	-	-	-	-	N/A
48950. Reimbursements	17,515	102,900	110,650	-	(31,361)	-	-	N/A
Total Revenues	2,053,811	1,589,050	2,136,032	1,863,464	1,915,952	1,892,980	29,516	1.6%
EXPENDITURES								
Public Works	697,127	161,349	388,547	650,000	405,000	650,000	-	0.0%
Total Expenditures	697,127	161,349	388,547	650,000	405,000	650,000	-	0.0%
Revenues Over (Under) Expenditures before Other Financing Sources (Uses)	1,356,684	1,427,701	1,747,485	1,213,464	1,510,952	1,242,980		
OTHER FINANCING SOURCES (USES)								
Transfer Out								
Capital Replacement Fund	(2,940,466)	(3,821,357)	(1,257,179)	(2,955,657)	(2,492,250)	(1,777,705)		
Total Other Financing Sources (Uses)	(2,940,466)	(3,821,357)	(1,257,179)	(2,955,657)	(2,492,250)	(1,777,705)		
Net Change in Fund Balance	(1,583,782)	(2,393,656)	490,306	(1,742,193)	(981,298)	(534,725)		
Beginning Fund Balance	8,117,336	6,533,554	4,139,898	3,559,209	4,630,204	3,648,906		
Ending Fund Balance	6,533,554	4,139,898	4,630,204	1,817,016	3,648,906	3,114,181		
Restricted or Assigned Fund Balance	(6,533,554)	(4,139,898)	(4,630,204)	(1,817,016)	(3,648,906)	(3,114,181)		
Available Fund Balance	$ -	$ -	$ -	$ -	$ -	$ -		

ANNUAL BUDGET

Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
55010. Professional Services	$ 7,357	-	-	$ 50,000	$ 5,000	$ 50,000	$ -	0.0%
55330. Traffic Signal Maintenance	91,668	76,276	-	-	-	-	-	N/A
55410. Street Lights Services	51,191	20,844	-	-	-	-	-	N/A
Contractual Services	150,215	97,120	-	50,000	5,000	50,000	-	0.0%
56160. Salt	546,912	64,229	388,547	600,000	400,000	600,000	-	0.0%
Materials & Supplies	546,912	64,229	388,547	600,000	400,000	600,000	-	0.0%
Total Engineering MFT	$ 697,127	161,349	388,547	$ 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 (56160).
- The fiscal year 2027 transfer to the Capital Replacement Fund provides funding for the following:
  - Annual resurfacing program
  - Route 176 at Railroad Tracks
  - Intersection improvements at Route 176 and Oak Street
  - Oak Street pedestrian improvements
  - Main St and Liberty road improvements

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 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
REVENUES								
40060. Property Tax - Streets	$ 484,460	$ 495,412	$ 509,829	$ 510,000	$ 504,538	$ 501,059	$ (8,941)	-1.8%
42010. Vehicle Licenses	154,605	38	-	-	-	-	-	N/A
47010. Interest Income	219	54	259	-	120	-	-	N/A
48950. Reimbursements	561	-	-	-	-	-	-	N/A
48990. Miscellaneous Income	5,366	-	-	-	-	-	-	N/A
Total Revenues	645,212	495,505	510,087	510,000	504,658	501,059	(8,941)	-1.8%
EXPENDITURES								
Administration	40,821	-	-	-	-	-	-	N/A
Total Expenditures	40,821	-	-	-	-	-	-	N/A
Revenues Over (Under) Expenditures	604,391	495,505	510,087	510,000	504,658	501,059		
OTHER FINANCING SOURCES (USES)								
Transfer Out								
Capital Replacement Fund	(572,350)	(450,160)	(500,000)	(645,701)	(642,089)	(501,059)		
Total Other Financing Sources (Uses)	(572,350)	(450,160)	(500,000)	(645,701)	(642,089)	(501,059)		
Net Change in Fund Balance	32,041	45,345	10,087	(135,701)	(137,431)	-		
Beginning Fund Balance	69,958	101,999	147,344	155,701	157,431	20,000		
Ending Fund Balance	101,999	147,344	157,431	20,000	20,000	20,000		
Restricted or Assigned Fund Balance	(101,999)	(147,344)	(157,431)	(20,000)	(20,000)	(20,000)		
Available Fund Balance	$ -	$ -	$ -	$ -	$ -	$ -		

ANNUAL BUDGET

Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
55010. Professional Services	$ 26,635	$ -	$ -	$ -	$ -	$ -	$ -	N/A
55160. Postage & Freight	12,731	-	-	-	-	-	-	N/A
Contractual Services	39,366	-	-	-	-	-	-	N/A
56950. Stationery and Printing	1,455	-	-	-	-	-	-	N/A
Materials & Supplies	1,455	-	-	-	-	-	-	N/A
Total - Administration	$ 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 2027 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 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
REVENUES								
40070. Property Tax - Crossing Guards	$ 71,816	$ 75,530	$ 81,249	$ 80,687	$ 82,373	$ 74,451	$ (6,236)	-7.7%
47010. Interest Income	158	119	198	-	100	-	-	N/A
48950. Reimbursements	63,417	38,914	81,232	83,198	77,945	84,415	1,217	1.5%
Total Revenues	135,390	114,564	162,678	163,885	160,418	158,866	(5,019)	-3.1%
EXPENDITURES								
Police Department	126,834	77,465	151,417	166,397	155,889	168,830	2,433	1.5%
Total Expenditures	126,834	77,465	151,417	166,397	155,889	168,830	2,433	1.5%
Net Change in Fund Balance	8,557	37,099	11,261	(2,512)	4,529	(9,964)		
Beginning Fund Balance	111,982	120,539	157,638	162,205	168,900	173,429		
Ending Fund Balance	120,539	157,638	168,900	159,693	173,429	163,465		
Restricted or Assigned Fund Balance	(120,539)	(157,638)	(168,900)	(159,693)	(173,429)	(163,465)		
Available Fund Balance	$ -	$ -	$ -	$ -	$ -	$ -		

ANNUAL BUDGET

Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
55010. Professional Services	$ 126,834	$ 77,465	$ 151,417	$ 166,397	$ 155,889	$ 168,830	$ 2,433	1.5%
Contractual Services	126,834	77,465	151,417	166,397	155,889	168,830	2,433	1.5%
Total - Police Department	$ 126,834	$ 77,465	$ 151,417	$ 166,397	$ 155,889	$ 168,830	$ 2,433	1.5%

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 Service expenditures (55010) 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 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
REVENUES								
40080. Property Tax- IMRF	$ 764,370	$ 770,645	$ 819,662	$ 844,159	$ 844,159	$ 827,367	$ (16,792)	-2.0%
40090. Property Tax - FICA	499,388	499,002	530,524	546,381	546,381	598,017	51,636	9.5%
47010. Interest Income	1,679	1,258	1,568	1,000	826	1,000	-	0.0%
48990. Miscellaneous	-	1,212	-	-	-	-	-	N/A
Total Revenues	1,265,437	1,272,116	1,351,755	1,391,540	1,391,366	1,426,384	34,844	2.5%
EXPENDITURES								
City Administration	1,345,982	911,360	1,558,343	1,877,893	1,836,955	1,926,514	48,621	2.6%
Total Expenditures	1,345,982	911,360	1,558,343	1,877,893	1,836,955	1,926,514	48,621	2.6%
Net Change in Fund Balance	(80,545)	360,756	(206,588)	(486,353)	(445,589)	(500,130)		
Beginning Fund Balance	1,145,024	1,064,479	1,425,235	1,198,247	1,218,646	773,057		
Ending Fund Balance	1,064,479	1,425,235	1,218,646	711,894	773,057	272,927		
Restricted or Assigned Fund Balance	(1,064,479)	(1,425,235)	(1,218,646)	(711,894)	(773,057)	(272,927)		
Available Fund Balance	$ -	$ -	$ -	$ -	$ -	$ -		

ANNUAL BUDGET

Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2024B Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
54301. Employer's FICA	$ 735,095	$ 492,465	$ 792,491	$ 965,887	$ 937,460	$ 1,024,964	$ 59,077	6.1%
54302. Employer's IMRF	610,887	418,895	765,852	912,006	899,495	901,550	(10,456)	-1.1%
Personnel Services	1,345,982	911,360	1,558,343	1,877,893	1,836,955	1,926,514	48,621	2.6%
Total - City Administration	$ 1,345,982	$ 911,360	$ 1,558,343	$ 1,877,893	$ 1,836,955	$ 1,926,514	$ 48,621	2.6%

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 (54302) 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 2027 is 9.83%.

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 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
REVENUES								
4XXXX. Employee Contributions	$ 660,853	$ 446,865	$ 762,604	$ 859,776	$ 911,692	$ 989,241	$ 129,465	15.1%
4XXXX. Cobra, Retiree Contributions	451,156	309,646	475,704	536,731	466,641	562,445	25,714	4.8%
47010. Interest Earnings	1,333	1,159	2,437	1,000	1,570	1,000	-	0.0%
48950. Reimbursements							-	
Wellness Program	15,720	15,000	12,810	26,700	12,070	12,500	(14,200)	-53.2%
48990. Miscellaneous Income	65,679	174,097	137,122	-	-	-	-	N/A
4XXXX. Internal Service Charges							-	N/A
General Fund	2,374,337	1,617,189	2,604,707	3,297,075	3,297,075	3,720,033	422,958	12.8%
Wellness / Admin Fees	-	-	-	1,928	1,928	10,188	8,260	428.4%
Fire Rescue Fund	1,565,099	1,129,225	1,721,256	1,968,482	1,968,482	2,363,361	394,879	20.1%
Wellness / Admin Fees	-	-	-	952	952	5,236	4,284	450.0%
Commuter Parking Fund	25,529	17,198	26,751	-	-	-	-	N/A
Water & Sewer Fund	714,064	447,070	644,358	689,677	689,677	787,043	97,366	14.1%
Wellness / Admin Fees	-	-	-	420	420	2,176	1,756	418.1%
Library	445,200	276,147	440,591	448,816	516,855	588,670	139,854	31.2%
Total Revenues	6,318,970	4,433,596	6,828,340	7,831,557	7,867,362	9,041,893	1,210,336	15.5%
EXPENDITURES								
City Administration	5,759,765	3,883,023	6,374,890	7,830,557	7,385,664	9,040,893	1,210,336	15.5%
Total Expenditures	5,759,765	3,883,023	6,374,890	7,830,557	7,385,664	9,040,893	1,210,336	15.5%
Net Change in Fund Balance	559,205	550,573	453,450	1,000	481,698	1,000		
Beginning Fund Balance	1,432,430	1,991,635	2,542,207	2,429,275	2,995,657	3,477,355		
Ending Fund Balance	1,991,635	2,542,207	2,995,657	2,430,275	3,477,355	3,478,355		
Restricted or Assigned Fund Balance	(407,803)	(577,476)	(715,147)					
Available Fund Balance	$ 1,583,832	$ 1,964,731	$ 2,280,510	$ 2,430,275	$ 3,477,355	$ 3,478,355		

ANNUAL BUDGET

Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
54200. Group Insurance	$ 5,743,431	$ 3,866,632	$ 6,356,446	$ 7,800,557	$ 7,365,131	$ 9,010,793	$ 1,210,236	15.5%
Personnel Services	5,743,431	3,866,632	6,356,446	7,800,557	7,365,131	9,010,793	1,210,236	15.5%
55010. Professional Services	4,099	3,003	6,374	10,000	6,533	10,100	100	1.0%
55310. Examinations	12,235	13,388	12,070	20,000	14,000	20,000	-	0.0%
Contractual Services	16,334	16,391	18,444	30,000	20,533	30,100	100	0.3%
Total - City Administration	$ 5,759,765	$ 3,883,023	$ 6,374,890	$ 7,830,557	$ 7,385,664	$ 9,040,893	$ 1,210,336	15.5%

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.

- Increases in premiums (54200) for employee PPO health plans, HMO health plans and the dental plans have been budgeted.
- The percentage contributions per employee remained the same.

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. On December 31, 2025, the plan fiduciary net position as a percentage of the total pension liability, was 64.02%. The tax levy passed in December 2026 is intended to fund the 2027 budget.

ANNUAL BUDGET SUMMARY

Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
REVENUES								
40030. Employer Contribution	$ 3,482,254	$ 3,612,536	$ 3,993,777	$ 4,012,787	$ 4,012,787	$ 4,233,950	$ 221,163	5.5%
47010. Interest Income	4,811,877	4,384,663	10,431,153	1,000,000	10,682,114	1,000,000	-	0.0%
48790. Employee Contribution	1,125,031	483,837	780,629	888,349	894,108	941,433	53,084	6.0%
48990. Miscellaneous	-	-	-	-	-	-	-	N/A
Total Revenues	9,419,162	8,481,036	15,205,559	5,901,136	15,589,009	6,175,383	274,247	4.6%
EXPENDITURES								
Police Pension Board	4,790,559	3,098,946	4,952,809	5,030,746	5,147,756	5,250,507	219,761	4.4%
Total Expenditures	4,790,559	3,098,946	4,952,809	5,030,746	5,147,756	5,250,507	219,761	4.4%
Net Change in Fund Balance	4,628,603	5,382,090	10,252,750	870,390	10,441,253	924,876		
Beginning Fund Balance	49,287,365	53,915,969	59,298,059	65,449,086	69,550,809	79,992,062		
Ending Fund Balance	53,915,969	59,298,059	69,550,809	66,319,476	79,992,062	80,916,938		
Restricted or Assigned Fund Balance	(53,915,969)	(59,298,059)	(69,550,809)	(66,319,476)	(79,992,062)	(80,916,938)		
Available Fund Balance	$ -	$ -	$ -	$ -	$ -	$ -		

ANNUAL BUDGET

Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
54195. Pension Payments	$ 4,721,701	$ 3,044,050	$ 4,868,900	$ 4,931,946	$ 5,006,946	$ 5,088,502	$ 156,556	3.2%
Personnel Services	4,721,701	3,044,050	4,868,900	4,931,946	5,006,946	5,088,502	156,556	3.2%
55010. Professional Services	53,964	44,563	70,883	75,800	123,814	137,005	61,205	80.7%
55030. Legal Services	6,301	3,270	3,668	10,000	4,500	10,000	-	0.0%
55200. Training	275	550	-	1,000	590	1,000	-	0.0%
55220. Dues and Subscriptions	795	825	825	1,000	825	1,000	-	0.0%
55240. Insurance and Bonding Service	7,523	5,689	8,533	11,000	11,081	13,000	2,000	18.2%
Contractual Services	68,858	54,897	83,909	98,800	140,810	162,005	63,205	64.0%
Total - Police Pension Board	$ 4,790,559	$ 3,098,946	$ 4,952,809	$ 5,030,746	$ 5,147,756	$ 5,250,507	$ 219,761	4.4%

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. On December 31, 2025, the plan fiduciary net position as a percentage of the total pension liability, was 79.48%. The tax levy passed in December 2026 is intended to fund the 2027 budget.

ANNUAL BUDGET SUMMARY

Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
REVENUES								
40030. Employer Contribution	$ 2,286,134	$ 2,285,640	$ 2,317,990	$ 2,618,873	$ 2,618,873	$ 2,869,789	$ 250,916	9.6%
47010. Interest Income	5,444,671	5,118,946	10,944,084	1,100,000	8,166,810	1,100,000	-	0.0%
48970. Employee Contribution	646,058	431,851	716,743	824,149	833,185	932,235	108,086	13.1%
Total Revenues	8,376,863	7,836,437	13,978,817	4,543,022	11,618,868	4,902,024	359,002	7.9%
EXPENDITURES								
Firefighters' Pension Board	2,823,804	2,003,902	3,185,030	3,277,648	3,339,233	3,888,900	611,252	18.6%
Total Expenditures	2,823,804	2,003,902	3,185,030	3,277,648	3,339,233	3,888,900	611,252	18.6%
Net Change in Fund Balance	5,553,059	5,832,535	10,793,787	1,265,374	8,279,635	1,013,124		
Beginning Fund Balance	50,785,349	56,338,408	62,170,943	65,763,118	72,964,730	81,244,365		
Ending Fund Balance	56,338,408	62,170,943	72,964,730	67,028,492	81,244,365	82,257,489		
Restricted or Assigned Fund Balance	(56,338,408)	(62,170,943)	(72,964,730)	(67,028,492)	(81,244,365)	(82,257,489)		
Available Fund Balance	$ -	$ -	$ -	$ -	$ -	$ -		

ANNUAL BUDGET

Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
54195. Pension Payments	$ 2,760,245	$ 1,888,894	$ 2,979,451	$ 3,123,148	$ 3,123,148	$ 3,653,400	$ 530,252	16.98%
Personnel Services	2,760,245	1,888,894	2,979,451	3,123,148	3,123,148	3,653,400	530,252	16.98%
55010. Professional Services	46,606	100,467	192,924	132,500	197,850	213,500	81,000	61.13%
55030. Legal Services	9,713	7,559	6,447	12,000	10,000	12,000	-	0.00%
55200. Training	650	250	1,495	2,000	1,500	2,000	-	0.00%
55220. Dues and Subscriptions	795	530	825	1,000	825	1,000	-	0.00%
55240. Insurance and Bonding Services	5,795	6,202	3,888	7,000	5,910	7,000	-	0.00%
Contractual Services	63,559	115,008	205,579	154,500	216,085	235,500	81,000	52.43%
Total - Firefighters Pension Board	$ 2,823,804	$ 2,003,902	$ 3,185,030	$ 3,277,648	$ 3,339,233	$ 3,888,900	$ 611,252	18.65%

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. Example uses for these restricted funds include the City's social work program, K9 training and care, officer equipment including ballistic vests, and body worn camera equipment.

ANNUAL BUDGET SUMMARY

Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
REVENUES								
41810. DUI Fines	$ 31,683	$ 18,844	$ 33,932	$ 30,000	$ 37,000	$ 35,000	$ 5,000	17%
41820. Vehicle Fines	511	60	40	250	20	-	(250)	-100%
41830. Electronic Citations	5,814	3,897	5,224	4,500	5,000	5,000	500	11%
41845. DEA (Federal Sharing)	36,393	8,874	24,745	25,000	75	-	(25,000)	-100%
41850. Drug Fines	5,898	2,069	3,429	3,000	2,800	3,000	-	0%
41860. Forfeited Funds	31,103	6,265	58,219	15,000	45,000	15,000	-	0%
41865. National Opioid Settlement	26,157	107,713	54,015	-	60,908	-	-	N/A
43870. State Sharing Cannabis Tax	63,977	41,849	59,988	60,000	63,000	63,000	3,000	5%
Total Revenues	201,535	189,571	239,592	137,750	213,803	121,000	(16,750)	-12%
EXPENDITURES								
51810. DUI Fines	48,048	120	12,561	70,000	41,016	30,000	(40,000)	0%
51820. Vehicle Fines	896	-	-	16,016	-	-	(16,016)	-100%
51830. Electronic Citations	-	-	1,008	900	900	1,000	100	11%
51840. Donations-Police Activities	2,079	1,147	1,534	2,800	790	1,000	(1,800)	-64%
51845. DEA (Federal Sharing)	21,068	18,501	34,315	46,950	31,450	22,950	(24,000)	-51%
51850. Drug Fines	3,600	8,451	12,538	10,000	10,000	1,000	(9,000)	-90%
51860. Forfeited Funds	7,984	2,651	76,851	17,800	15,800	47,800	30,000	169%
51865. National Opioid Settlement	35,000	623	43,126	49,650	47,996	54,500	4,850	0%
51870. State Sharing Cannabis Tax	-	-	-	250,000	250,000	-	(250,000)	N/A
Total Expenditures	118,675	31,493	181,933	464,116	397,952	158,250	(305,866)	-66%
Revenues Over (Under) Expenditures before Other Financing Sources (Uses)	82,860	158,078	57,659	(326,366)	(184,149)	(37,250)		
OTHER FINANCING SOURCES (USES)								
GASB SBITA Debt Service	-	-	(16,016)					
Transfer Out to Capital (DUI Fines)	-	(27,100)	(48,860)	-	-	-		
Transfer Out to Capital (State Can)	-	-	-	-	(250,000)	-		
Total Other Financing Sources (Uses)	-	(27,100)	(64,876)	-	(250,000)	-		
Net Change in Fund Balance	82,860	130,977	(7,216)	(326,366)	(434,149)	(37,250)		

Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
Net Change in Fund Balance	82,860	130,977	(7,216)	(326,366)	(434,149)	(37,250)		
Beginning Fund Balance	702,720	785,580	916,557	955,994	909,341	475,192		
Restricted Fund Balance								
35710. DUI Fines	110,997	102,620	75,132	61,620	71,116	76,116		
35715. Drug Fines	26,469	20,087	10,977	5,876	3,777	5,777		
35720. Vehicle Fines	30,837	30,897	14,921	(804)	14,941	14,941		
35725. Forfeited Funds	111,554	115,168	96,536	82,589	125,736	92,936		
35730. Electronic Citations	37,411	41,308	45,524	48,445	49,624	53,624		
35775. Police Activities	5,369	4,222	2,688	(1,378)	1,898	898		
35785. DEA (Federal Sharing)	150,357	140,730	131,160	142,140	99,785	76,835		
35870. State Cannabis Tax	245,807	287,656	347,644	157,656	(89,356)	(26,356)		
35875. National Opioid Settlement	66,779	173,869	184,758	133,484	197,670	143,170		
Total Restricted Fund Balance	785,580	916,557	909,341	629,628	475,192	437,942		
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 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
REVENUES								
44300. Police Fines	$ 96,947	$ 38,690	$ 76,076	$ 70,000	$ 70,000	$ 70,000	$ -	0.0%
45300. Parking Fees	110,299	73,704	124,504	100,000	110,000	110,000	10,000	10.0%
47010. Interest Income	41	46	33	-	15	-	-	N/A
Total Revenues	207,287	112,440	200,613	170,000	180,015	180,000	10,000	5.9%
EXPENDITURES								
Streets	166,446	121,552	188,958	238,738	234,598	243,788	5,050	2.1%
Total Expenditures	166,446	121,552	188,958	238,738	234,598	243,788	5,050	2.1%
Revenues Over (Under) Expenditures	40,841	(9,112)	11,655	(68,738)	(54,583)	(63,788)		
OTHER FINANCING SOURCES (USES)								
Transfer In								
General Fund	-	-	-	50,000	-	45,000		
Total Other Financing Sources (Uses	-	-	-	50,000	-	45,000		
Net Change in Fund Balance	40,841	(9,112)	11,655	(18,738)	(54,583)	(18,788)		
Beginning Fund Balance	31,929	72,771	63,659	21,645	75,314	20,731		
Ending Fund Balance	72,771	63,659	75,314	2,907	20,731	1,943		
Restricted or Assigned Fund Balance	(72,771)	(63,659)	(75,314)	(2,907)	(20,731)	(1,943)		
Available Fund Balance	$ -	$ -	$ -	$ -	$ -	$ -		

ANNUAL BUDGET

Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
54110. Wages - Full Time Employees	$ 62,112	$ 45,081	$ 67,036	$ 68,423	$ 68,423	$ 71,319	$ 2,896	4.2%
54150. Overtime	24,960	16,640	24,960	25,800	25,800	26,700	900	3.5%
54200. Group Health Insurance	25,529	17,198	26,751	30,899	30,899	35,439	4,540	14.7%
54301. Employer's Social Security	6,661	4,722	5,129	7,210	7,210	5,456	(1,754)	-24.3%
54302. Employer's IMRF	11,990	5,957	10,065	9,914	9,914	7,011	(2,903)	-29.3%
Personnel Services	131,252	89,598	133,941	142,246	142,246	145,925	3,679	2.6%
55010. Professional Services	22,267	16,938	26,854	64,632	66,428	67,678	3,046	4.7%
55160. Postage & Freight	80	364	1,353	1,150	1,327	1,500	350	30.4%
55260. Utilities	5,381	3,070	5,940	7,500	5,455	7,500	-	0.0%
55320. Operating Equipment Maint.	300	11,582	18,853	20,560	18,560	20,560	-	0.0%
55680. Rent - Buildings & Equipment	4,121	-	-	-	-	-	-	N/A
Contractual Services	32,148	31,954	53,000	93,842	91,770	97,238	3,396	3.6%
56000. Office Supplies	3,046	-	2,017	2,650	582	625	(2,025)	-76.4%
Material & Supplies	3,046	-	2,017	2,650	582	625	(2,025)	-76.4%
Total - Streets	$ 166,446	$ 121,552	188,958	$ 238,738	$ 234,598	$ 243,788	$ 5,050	2.1%

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 2027 are funds to provide for parking enforcement activities, lighting, snow and ice control, lawn care and general maintenance. Also reflected in the fiscal year 2027 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 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
REVENUES								
47010. Interest Income	$ 1,456	$ 1,349	$ 1,624	$ 300	$ 1,000	$ 300	$ -	0.0%
48100. Capital Facility Fees	608,083	280,126	226,083	-	200,000	-	-	N/A
Total Revenues	609,539	281,476	227,706	300	201,000	300	-	0.0%
EXPENDITURES								
Three Oaks Recreation Area	-	-	-	-	-	-	-	N/A
Total Expenditures	-	-	-	-	-	-	-	N/A
Revenues Over (Under) Expenditures before Other Financing Sources (Uses)	609,539	281,476	227,706	300	201,000	300		
OTHER FINANCING SOURCES (USES)								
Transfer Out								
Water & Sewer Capital Fund	(98,720)	(1,004,800)	(2,758,821)	-	-	-		
Total Other Financing Sources (Uses	(98,720)	(1,004,800)	(2,758,821)	-	-	-		
Net Change in Fund Balance	510,819	(723,324)	(2,531,115)	300	201,000	300		
Beginning Fund Balance	1,485,323	1,996,142	1,272,817	24,017	(1,258,298)	(1,057,298)		
Ending Fund Balance	1,996,142	1,272,817	(1,258,298)	24,317	(1,057,298)	(1,056,998)		
Restricted or Assigned Fund Balance	(1,996,142)	(1,272,817)	1,258,298	(24,317)	1,057,298	1,056,998		
Available Fund Balance	$ -	$ -	$ -	$ -	$ -	$ -		

RAUE BUILDING FUND

STATEMENT OF ACTIVITIES

In 2025, the City took possession of the Raue Center for the Arts building, located in downtown Crystal Lake. The Raue Building Fund was established in Fiscal Year 2025 to establish a long-term upkeep account for the maintenance of the Raue Center building. Initial funding came from General Fund reserves.

ANNUAL BUDGET SUMMARY

Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
REVENUES								
47010. Interest Income	-	-	-	-	150	-	-	N/A
Total Revenues	-	-	-	-	150	-	-	N/A
EXPENDITURES								
Facilities	-	-	-	175,000	275,000	175,000	-	N/A
Total Expenditures	-	-	-	175,000	275,000	175,000	-	N/A
Revenues Over (Under) Expenditures	-	-	-	(175,000)	(274,850)	(175,000)		
OTHER FINANCING SOURCES (USES)								
Transfer In								
General Fund	-	-	100,000	175,000	175,000	175,000		
Total Other Financing Sources (Uses)	-	-	100,000	175,000	175,000	175,000		
Net Change in Fund Balance	-	-	100,000	-	(99,850)	-		
Beginning Fund Balance	-	-	-	-	100,000	150		
Ending Fund Balance	-	-	100,000	-	150	150		
Restricted or Assigned Fund Balance	-	-	(100,000)	-	(150)	(150)		
Available Fund Balance	$ -	$ -	$ -	$ -	$ -	$ -		

ANNUAL BUDGET

Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
55020. Reimbursed Expenses	-	-	-	175,000	275,000	175,000	-	100.0%
55300. Bldg and Grounds Maint	-	-	-	-	-	-	-	N/A
Contractual Services	-	-	-	175,000	275,000	175,000	-	100.0%
Total - Facilities	$ -	$ -	$ -	$ 175,000	$ 275,000	$ 175,000	$ -	100.0%

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.

- Hotel-Motel tax funds from the General Fund will be transferred into the fund and upkeep expenses will be disbursed on a reimbursement basis.

CITY OF CRYSTAL LAKE

ANNUAL BUDGET

FISCAL YEAR 2027

GOVERNMENTAL DEBT SERVICE FUNDS

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 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
EXPENDITURES								
City Administration	$ 1,022,787	$1,002,417	$1,124,218	$ 1,131,600	$ 1,131,105	$ 1,131,400	$ (200)	0.0%
Total Expenditures	1,022,787	1,002,417	1,124,218	1,131,600	1,131,105	1,131,400	(200)	0.0%
Revenues Over (Under) Expenditures	(1,022,787)	(1,002,417)	(1,124,218)	(1,131,600)	(1,131,105)	(1,131,400)		
OTHER FINANCING SOURCES (USES)								
Transfer In								
General Fund	935,096	876,203	972,437	977,495	930,810	926,115		
Vulcan Lakes TIF Fund	87,691	126,214	151,780	154,105	200,295	205,285		
Total Other Financing Sources (Uses)	1,022,787	1,002,417	1,124,218	1,131,600	1,131,105	1,131,400		
Net Change in Fund Balance	-	-	-	-	-	-		
Beginning Fund Balance	-	-	-	-	-	-		
Ending Fund Balance	-	-	-	-	-	-		
Restricted or Assigned Fund Balance	-	-	-	-	-	-		
Available Fund Balance	$ -	$ -	$ -	$ -	$ -	$ -		

ANNUAL BUDGET

Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
55010. Professional Services	$ 503	$ 240	$ 218	$ 1,000	$ 505	$ 1,000	$ -	0.0%
Contractual Services	503	240	218	1,000	505	1,000	-	0.0%
58100. Debt Service - Principal	781,850	800,835	960,000	1,005,000	1,005,000	1,045,000	40,000	4.0%
58110. Debt Service - Interest	240,434	201,342	164,000	125,600	125,600	85,400	(40,200)	-32.0%
Debt Service	1,022,284	1,002,177	1,124,000	1,130,600	1,130,600	1,130,400	(200)	0.0%
Total - City Administration	$ 1,022,787	$1,002,417	$1,124,218	$1,131,600	$ 1,131,105	$1,131,400	$ (200)	0.0%

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CITY OF CRYSTAL LAKE

ANNUAL BUDGET

FISCAL YEAR 2027

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 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
REVENUES								
40175. Property Taxes - TIF	$ 48,640	$ 65,511	$ 227,715	$ 250,000	$ 395,924	$ 400,000	$ 150,000	60.0%
47010. Interest Income	90	71	213	-	200	-	-	N/A
Total Revenues	48,729	65,582	227,928	250,000	396,124	400,000	150,000	60.0%
EXPENDITURES								
Community Development	820	844	870	895	895	930	35	3.9%
Total Expenditures	820	844	870	895	895	930	35	3.9%
OTHER FINANCING SOURCES (USES)								
Transfer Out								
Capital Replacement Fund	-	(118,091)	-	(60,000)	(39,897)	(100,000)		
Total Other Financing Sources (Uses)	-	(118,091)	-	(60,000)	(39,897)	(100,000)		
Net Change in Fund Balance	47,909	(53,353)	227,058	189,105	355,332	299,070		
Beginning Fund Balance	37,663	85,572	32,220	257,966	259,278	614,610		
Ending Fund Balance	85,572	32,220	259,278	447,071	614,610	913,680		
Restricted or Assigned Fund Balance	(85,572)	(32,220)	(259,278)	(447,071)	(614,610)	(913,680)		
Available Fund Balance	$ -	$ -	$ -	$ -	$ -	$ -		

ANNUAL BUDGET

Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
55010. Professional Services	$ 820	$ 844	$ 870	$ 895	$ 895	$ 930	$ 35	3.9%
Contractual Services	820	844	870	895	895	930	35	3.9%
Total - Community Development	$ 820	$ 844	$ 870	$ 895	$ 895	$ 930	$ 35	3.9%

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 (55010) in fiscal year 2027 are for audit services.
- The transfer to the Capital Replacement Fund is for sidewalk improvements.

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 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
REVENUES								
40175. Property Taxes - TIF	$ 150,984	$ 203,398	$ 244,642	$ 250,000	$ 274,400	$ 280,000	$ 30,000	12.0%
47010. Interest Income	35	49	40	-	5	-	-	0.0%
Total Revenues	151,020	203,447	244,682	250,000	274,405	280,000	30,000	12.0%
EXPENDITURES								
Community Development	820	844	870	895	895	930	35	3.9%
Total Expenditures	820	844	870	895	895	930	35	3.9%
Revenues Over (Under) Expenditures	150,200	202,603	243,812	249,105	273,510	279,070		
OTHER FINANCING SOURCES (USES)								
Transfer Out								
General Fund	(150,200)	(202,603)	(243,812)	(249,105)	(273,510)	(279,070)		
Total Other Financing Sources (Uses)	(150,200)	(202,603)	(243,812)	(249,105)	(273,510)	(279,070)		
Net Change in Fund Balance	-	-	-	-	-	-		
Beginning Fund Balance	-	-	-	-	-	-		
Restricted or Assigned Fund Balance	-	-	-	-	-	-		
Available Fund Balance	$ -	$ -	$ -	$ -	$ -	$ -		

ANNUAL BUDGET

Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
55010. Professional Services	$ 820	$ 844	$ 870	$ 895	$ 895	$ 930	$ 35	3.9%
Contractual Services	820	844	870	895	895	930	35	3.9%
Total - Community Development	$ 820	$ 844	$ 870	$ 895	$ 895	$ 930	$ 35	3.9%

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 (55010) in fiscal year 2027 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 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
REVENUES								
40175. Property Taxes - TIF	$ 88,484	$ 127,006	$ 152,603	$ 155,000	$ 201,185	$ 206,215	$ 51,215	33.04%
47010. Interest Income	27	51	48	-	5	-	-	N/A
Total Revenues	88,511	127,058	152,650	155,000	201,190	206,215	51,215	33.04%
EXPENDITURES								
Community Development	820	844	870	895	895	930	35	3.91%
Total Expenditures	820	844	870	895	895	930	35	3.91%
Revenues Over (Under) Expenditures	87,691	126,214	151,780	154,105	200,295	205,285		
OTHER FINANCING SOURCES (USES)								
Transfer In								
General Fund	-	-	-	-	-	-		
Transfer Out								
Three Oaks Debt Service Fund	(87,691)	(126,214)	(151,780)	(154,105)	(200,295)	(205,285)		
Total Other Financing Sources (Uses)	(87,691)	(126,214)	(151,780)	(154,105)	(200,295)	(205,285)		
Net Change in Fund Balance	-	-	-	-	-	-		
Beginning Fund Balance	-	-	-	-	-	-		
Restricted or Assigned Fund Balance	-	-	-	-	-	-		
Available Fund Balance	$ -	$ -	$ -	$ -	$ -	$ -		

ANNUAL BUDGET

Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
55010. Professional Services	$ 820	$ 844	$ 870	$ 895	$ 895	$ 930	$ 35	3.9%
Contractual Services	820	844	870	895	895	930	35	3.9%
Total - Community Development	$ 820	$ 844	$ 870	$ 895	$ 895	$ 930	$ 35	3.9%

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 (55010) in fiscal year 2027 are for audit services.

WATER'S EDGE TIF FUND

STATEMENT OF ACTIVITIES

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

ANNUAL BUDGET SUMMARY

Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
REVENUES								
40175. Property Taxes - TIF	$ 32,095	$ 51,189	$ 119,995	$ 350,000	$ 215,130	$ 500,000	$ 150,000	42.9%
47010. Interest Income	7	27	112	-	100	-	-	N/A
Total Revenues	32,102	51,216	120,107	350,000	215,230	500,000	150,000	N/A
EXPENDITURES								
Community Development	37,684	20,844	11,325	523,505	122,817	500,000	(23,505)	-4.5%
Total Expenditures	37,684	20,844	11,325	523,505	122,817	500,000	(23,505)	-4.5%
Revenues Over (Under) Expenditures	(5,582)	30,372	108,782	(173,505)	92,413	-		
OTHER FINANCING SOURCES (USES)								
Transfer In	-	-	-	-	-	-		
Transfer Out	-	-	-	-	-	-		
Total Other Financing Sources (Uses)	-	-	-	-	-	-		
Net Change in Fund Balance	(5,582)	30,372	108,782	(173,505)	92,413	-		
Beginning Fund Balance	(181,191)	(186,773)	(156,400)	(157,452)	(47,618)	44,795		
Restricted or Assigned Fund Balance	-	-	-	-	-	-		
Available Fund Balance	$ (186,773)	$ (156,400)	$ (47,618)	$ (330,957)	$ 44,795	$ 44,795		

ANNUAL BUDGET

Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
55010. Professional Services	$ 37,684	$ 20,844	$ 11,325	$ 10,895	$ 10,895	$ 15,000	$ 4,105	37.7%
Contractual Services	37,684	20,844	11,325	10,895	10,895	15,000	4,105	37.7%
58100. Debt Service - Principal	-	-	-	26,610	-	-	(26,610)	-100.0%
58200. Debt Service - Interest	-	-	-	360,000	-	285,000	(75,000)	-20.8%
Debt Service	-	-	-	386,610	-	285,000	(101,610)	-26.3%
xxxxx. School District TIF Impact	-	-	-	126,000	111,922	200,000	74,000	58.7%
Total - Community Development	$ 37,684	$ 20,844	$ 11,325	$ 523,505	$ 122,817	$ 500,000	$ (23,505)	-4.5%

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 (55010) in fiscal year 2027 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 2027

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 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget
REVENUES						
41700. Grant Proceeds - State of IL						
IDOT Traffic Signal LED Replacement	$ -	$ -	$ -	$ 15,000	$ -	$ -
IDOT Traffic Signal/Ped 176/Oak	-	-	-	304,000	-	304,000
41800. Grant Proceeds - Federal						
CL Ave & Walkup Roundabout	-	-	-	-	-	-
Fire Safety Trailer (FEMA)	-	-	-	218,500	229,821	-
Main & Liberty (Fed STP)	-	-	-	-	-	-
Pedestrian Prairie Trail (Fed STP)	-	-	-	-	-	-
Prairie Trial Through Downtown	-	-	-	-	-	-
Three Oaks Trail	-	21,800	178,200	-	-	-
41900. Grant Proceeds - Other						
Garage Floor Replacement	-	-	-	-	-	-
Oak Street Pedestrian Path (ITEP Grant)	-	-	-	233,680	-	233,680
Virginia Street Luminaries	-	-	-	-	-	76,420
42060. Video Gaming License	81,800	69,100	82,000	79,000	80,000	80,000
43050. Storage Tax	-	-	-	-	-	-
43055. Grocery Tax	-	-	-	2,000,000	2,274,579	2,320,072
43060. Video Gaming Tax	238,314	186,805	306,009	312,538	354,163	361,247
48950. Reimbursements						
Brink Ave Paving Reimburse	-	-	29,736	-	-	-
ComEd Efficiency Program	61,848	-	-	-	-	-
Developer Contributions (Three Oaks/Sands/Lu	-	-	-	71,093	71,093	-
Developer Contributions (Central/Lutter/Rakow	-	136,873	-	-	-	-
Mercy (Three Oaks/Sands/Lutter)	-	-	-	84,349	84,349	-
Nicor (Dole Avenue)	-	11,952	-	-	-	-
Radio Reimbursements	-	-	-	-	12,800	-
Township (Pedestrian Oak)	-	-	-	27,013	-	27,013
48990. Miscellaneous Income	38,026	-	-	-	2,000	-
Total Revenues	419,988	426,529	595,945	3,345,173	3,108,805	3,402,432

ANNUAL BUDGET SUMMARY (CONTINUED)

Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget
EXPENDITURES						
City Administration	12,625.05	15,507	-	50,000	55,000	70,000
Community Development	116,040.23	425,688	3,662,643	2,687,095	4,092,725	350,000
Fire Rescue	954,736.89	909,088	69,129	1,730,601	1,632,528	107,000
Information Technology	396,696.29	508,548	102,501	818,000	418,000	848,000
Park Administration	540,778.22	271,681	3,152,398	49,550	29,864	442,500
Police	1,270,357.31	481,207	182,449	852,842	699,005	984,350
Facility Services	2,534,311.77	2,921,597	1,540,570	4,290,160	783,250	3,226,000
Fleet Services	29,223.00	33,572	-	65,000	35,366	95,000
Streets	934,391.34	19,838	125,541	115,000	53,000	126,000
Engineering	1,981,165.92	-	1,175	848,000	386,000	1,489,840
Roadway (MFT)	3,078,619.68	3,641,436	748,089	3,690,792	2,647,692	2,081,705
Roadway (Non-MFT)	2,029,915.10	2,214,231	1,918,162	2,232,500	2,015,276	2,145,100
Total Expenditures	13,878,861	11,442,392	11,502,656	17,429,540	12,847,706	11,965,495
Revenues Over (Under) Expenditures before Other Financing Sources (Uses)	(13,458,873)	(11,015,863)	-10,906,711	(14,084,367)	(9,738,901)	(8,563,063)
OTHER SOURCES (USES)						
Lease Financing	491,513	87,494	-	-	-	-
SBITA/Supplier Financing	-	478,724	95,839	-	-	-
Gain (Loss) on Sale of Assets	-	24,442	2,632	-	-	-
Transfer In						
General Fund	3,000,000	1,620,000	1,750,000	2,200,000	2,200,000	3,000,000
General Fund Residual	3,000,000	6,700,000	8,300,000	-	6,200,000	-
Police Restricted	-	-	-	-	250,000	-
Fire Rescue Fund	-	909,088	69,129	1,512,101	1,632,528	107,000
Road/Vehicle License Fund	572,350	450,160	500,000	645,701	642,089	501,059
Motor Fuel Tax Fund	2,940,466	3,821,357	1,257,179	2,955,657	2,262,429	1,777,705
Main Street TIF Fund	-	118,091	-	60,000	39,897	100,000
Transfer Out						
Congress Capital Fund	-	-	-	-	(4,200,000)	(1,660,000)
Total Other Financing Sources (Uses)	10,004,329	14,209,355	11,974,779	7,373,459	9,026,943	3,825,764
Net Change in Fund Balance	(3,454,544)	3,193,492	1,068,068	(6,710,908)	(711,958)	(4,737,299)
Beginning Fund Balance	19,549,643	16,095,099	19,805,403	14,805,987	20,873,470	20,161,512
PPA	-	516,812	-	-	-	-
Ending Fund Balance	16,095,099	19,805,403	20,873,470	8,095,079	20,161,512	15,424,213
Restricted or Assigned Fund Balance	(1,186,034)	(134,266)	(134,266)	(28,935)	(16,557)	(28,935)
Available Fund Balance	$ 14,909,064	$19,671,137	$ 20,739,204	$8,066,144	$ 20,144,955	$15,395,278

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 223.

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 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget
REVENUES						
47010. Interest Income	$ -	$ -	$ -	$ -	$ -	$ -
48950. Reimbursements	-	-	-	-	8,738	-
48995. Gain (Loss) on Sale of Assets	-	-	-	-	-	-
48990. Miscellaneous Income	-	-	-	-	-	-
49070. Miscellaneous Income	-	-	-	-	-	-
Capital Contribution (Fire Protection D	-	-	-	-	-	-
Total Revenues	$ -	$ -	$ -	$ -	$ 8,738	$ -
EXPENDITURES						
City Administration		-	-	-	-	-
Community Development	-	6,790	109,687	72,000	-	72,000
Engineering	-	-	126,928	56,669	50,537	59,664
Fire Rescue	-	231,159	116,663	6,386,918	212,049	7,520,028
Facilities	-	4,521	-	-	-	-
Fleet Services	-	-	37,606	51,972	51,880	198,220
Park Administration	-	-	-	-	-	-
Police	-	609,663	648,881	935,746	822,477	776,406
Streets	-	506,348	2,142,056	1,619,435	437,814	1,347,856
Total Expenditures	-	1,358,481	3,181,821	9,122,740	1,574,757	9,974,174
Revenues Over (Under) Expenditures before Other Financing Sources (Uses)	-	(1,358,481)	(3,181,821)	(9,122,740)	(1,566,019)	(9,974,174)
OTHER SOURCES (USES)						
Lease Financing	-	158,207	239,305	-	-	-
Gain on Asset	-	63,280	258,693	-	266,300	-
Transfer In						
General Fund	4,000,000	4,000,000	3,200,000	1,200,000	3,200,000	3,500,000
Restricted Police Fund	-	27,100	48,860	-	-	-
Fire Rescue Fund	-	231,159	116,663	6,386,918	212,049	7,520,028
Total Other Financing Sources (Uses)	4,000,000	4,479,746	3,863,521	7,586,918	3,678,349	11,020,028
Net Change in Fund Balance	4,000,000	3,121,265	681,700	(1,535,822)	2,112,330	1,045,854
Beginning Fund Balance	-	4,000,000	7,121,265	7,139,162	7,802,965	9,915,295
Ending Fund Balance	4,000,000	7,121,265	7,802,965	5,603,340	9,915,295	10,961,149
Restricted or Assigned Fund Balance	-	-	-	-	-	-
Available Fund Balance	$ 4,000,000	$ 7,121,265	$ 7,802,965	$ 5,603,340	$ 9,915,295	$ 10,961,149

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 223.

CONGRESS CAPITAL FUND

STATEMENT OF ACTIVITIES

In 2026, the City acquired the property located at 200 E. Congress. The Congress Capital Fund was established in Fiscal Year 2026 to account for the purchase and redevelopment of the property with initial funding coming from General Fund reserves. The City anticipates the redevelopment to occur over the next several years.

ANNUAL BUDGET SUMMARY

Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
REVENUES								
43065. Packaged Liquor Tax	-	-	-	-	-	920,000	920,000	N/A
48950. Reimbursements	-	-	-	-	-	1,000,000	1,000,000	N/A
Total Revenues	-	-	-	-	-	1,920,000	1,920,000	N/A
EXPENDITURES								
Facilities	-	-	-	-	4,200,000	3,580,000	3,580,000	N/A
Total Expenditures	-	-	-	-	4,200,000	3,580,000	3,580,000	N/A
Revenues Over (Under) Expenditures	-	-	-	-	(4,200,000)	(1,660,000)		
OTHER FINANCING SOURCES (USES)								
Transfer In								
Capital Replacement Fund	-	-	-	-	4,200,000	1,660,000		
Total Other Financing Sources (Uses)	-	-	-	-	4,200,000	1,660,000		
Net Change in Fund Balance	-	-	-	-	-	-		
Beginning Fund Balance	-	-	-	-	-	-		
Ending Fund Balance	-	-	-	-	-	-		
Restricted or Assigned Fund Balance	-	-	-	-	-	-		
Available Fund Balance	$ -	$ -	$ -	$ -	$ -	$ -		

ANNUAL BUDGET

Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
55010. Professional Services	-	-	-	-	-	160,000	160,000	N/A
55030. Legal Services	-	-	-	-	-	-	-	N/A
55080. Pest Control Services	-	-	-	-	-	-	-	N/A
55260. Utilities	-	-	-	-	-	240,000	240,000	N/A
55300. Bldg and Grounds Maint	-	-	-	-	-	130,000	130,000	N/A
Contractual Services	-	-	-	-	-	530,000	530,000	N/A
57006. Capital Buildings	-	-	-	-	4,200,000	3,050,000	3,050,000	N/A
Capital - Buildings	-	-	-	-	4,200,000	3,050,000	3,050,000	N/A
Total - Facilities	$ -	$ -	$ -	$ -	$4,200,000	$ 3,580,000	$ 3,580,000	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.

- 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 223.

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 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget
REVENUES						
41700. Grant Proceeds - State of IL	$ -	$ -	$ 600,000	$ -	$ -	
41800. Grant Proceeds - Federal						
ARPA Funds	1,326,955	3,108,262	743,832	-	-	-
Crystal Creek	-	-	-	-	-	-
41900. Grant Proceeds - Other					-	
43402. Utility Tax - Electricity	1,551,238	1,048,834	1,613,955	1,580,978	1,665,599	1,621,744
43407. Utility Tax - Natural Gas	1,045,445	396,020	1,159,053	1,093,949	1,120,119	1,091,908
Total Intergovernmental Revenue	3,923,638	4,553,116	4,116,840	2,674,927	2,785,718	2,713,652
47010. Interest Income	257,096	124,342	28,864	40,000	32,572	-
Total Interest Income	257,096	124,342	28,864	40,000	32,572	-
48950. Reimbursements						
North Shore Adjustment	15,202	-	-	-	-	-
48990. Miscellaneous Income	-	6,191	-	-	-	-
Total Miscellaneous	15,202	6,191	-	-	-	-
Total Revenues	4,195,936	4,683,649	4,145,703	2,714,927	2,818,290	2,713,652
EXPENDITURES						
PW Admin	563,946	1,333,325	3,383,628	3,279,000	3,054,000	4,350,706
Water & Sewer Operations	4,650,721	6,052,479	11,734,196	10,891,095	7,366,357	6,566,631
Wastewater Treatment	1,392,795	2,136,357	1,004,013	3,094,956	1,220,708	18,086,299
Total Expenditures	6,607,461	9,522,160	16,121,837	17,265,051	11,641,065	29,003,636
Revenues Over (Under) Expenditures before Other Financing Sources (Uses)	(2,411,525)	(4,838,511)	(11,976,134)	(14,550,124)	(8,822,775)	(26,289,984)

ANNUAL BUDGET SUMMARY (CONTINUED)

Account	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget
OTHER FINANCING SOURCES (USES)						
Transfer In						
General Fund						
Lead Service Line Replacement Grants	-	158,484	518,540	500,000	500,000	1,000,000
Three Oaks Development Fund	98,720	1,004,800	2,758,821	-	-	-
Water & Sewer Operation Fund	3,000,000	3,000,000	4,500,000	4,000,000	4,500,000	4,250,000
Water & Sewer 2019 GO Project Fund	726,782	1,768,241	188,692	-	-	-
LS #14 Rehabilitation	-	-	-	-	-	-
Water & Sewer Debt Fund - 2022 GO	1,916,962	1,010,405	-		-	
Reestablish Crystal Creek	-	-	-	3,100,000	2,875,000	700,516
Water Meter Replacement Partial	-	-	-	-	-	-
WTP #2 New Deep Well #19 & Piping	-	-	561,371	-	-	-
Less: ARPA Funds	-	-	-	-	-	-
Water & Sewer 2025 GO						
Water Meter Replacement	-	-	7,499,236	3,789,000	2,711,376	-
New Debt						
WTP #2 Reconstruction	754,482	-	-	-	-	-
WWTP #2/#3 Phosphorus Removal	-	-	-	500,000	-	14,305,000
WTP #1 Improvements	-	-	-	-	-	-
48995. Gain (Loss) on Sale of Assets	-	25,000	74,551	-	575	-
Lease Financing	13,515	61,122	55,981	-	-	-
SBITA	-	-	353,453	-	-	-
Total Other Financing Sources (Uses)	6,510,461	7,028,052	16,510,646	11,889,000	10,586,951	20,255,516
Change in Payables/Receivables	(1,551,198)	(5,259,240)	(1,105,964)	-	-	-
Net Change in Cash	2,547,738	(3,069,699)	3,428,548	(2,661,124)	1,764,176	(6,034,468)
	-					
Beginning Cash Balance	5,915,459	8,463,195	5,393,495	8,220,483	8,822,043	10,586,219
Ending Cash Balance	$ 8,463,197	$ 5,393,496	$ 8,822,043	$ 5,559,359	$ 10,586,219	$ 4,551,751

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 223.

CITY OF CRYSTAL LAKE

ANNUAL BUDGET

FISCAL YEAR 2027

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.

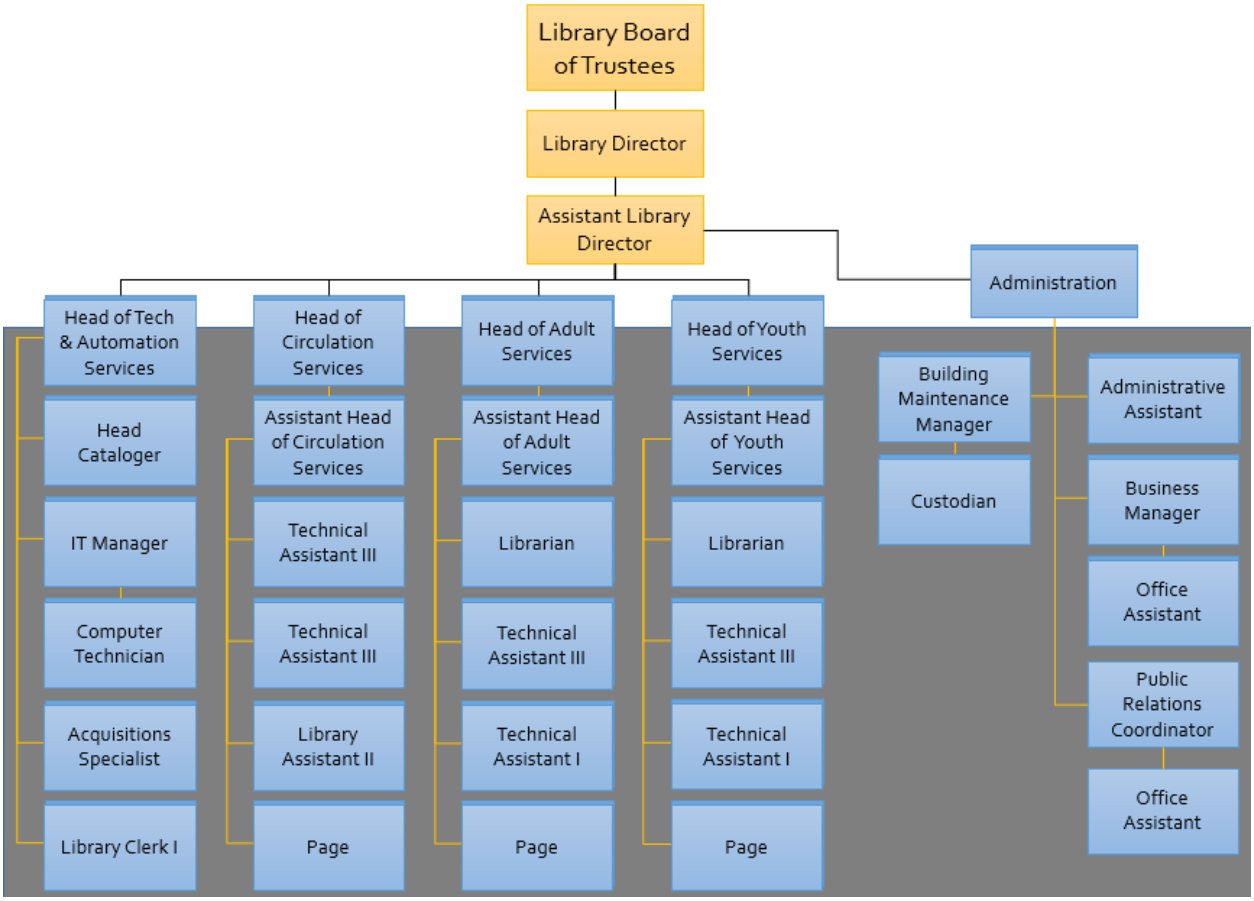
- Understand How to Find, Evaluate and Use Information – Information Fluency

  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 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

OBJECTIVES

Calendar Year 2027 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 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
REVENUES								
Library Operations Fund	$ 4,775,647	$ 4,862,826	$ 5,172,562	$ 5,577,606	$ 5,633,708	$ 6,782,161	$ 1,204,555	21.6%
Construction & Repair Fund	284,036	162,754	237,939	351,965	186,165	150,540	(201,425)	-57.2%
Ames Fund	4,830	16,950	18,750	-	-	-	-	N/A
Gift & Memorial Fund	10,126	10,390	16,774	41,500	45,000	-	(41,500)	-100.0%
Working Cash Fund	2,748	1,501	-	-	-	-	-	N/A
Per Capita Fund	59,397	-	-	-	-	-	-	N/A
Special Reserve Fund	3,990	24,492	52,963	-	-	-	-	N/A
IMRF Fund	342,252	288,010	232,498	100,000	100,000	104,000	4,000	4.0%
FICA Fund	168,635	229,998	242,382	100,000	100,000	104,000	4,000	4.0%
Total Revenues	5,651,661	5,596,921	5,973,868	6,171,071	6,064,873	7,140,701	969,630	15.7%
EXPENDITURES								
Library Operations Fund	4,407,434	2,774,702	4,388,306	6,077,606	4,588,182	6,782,161	704,555	11.6%
Construction & Repair Fund	71,194	71,019	111,564	351,965	186,165	150,540	(201,425)	-57.2%
Ames Fund	-	1,667	3,478	13,000	1,000	8,500	(4,500)	-34.6%
Gift & Memorial Fund	7,316	5,661	15,775	63,500	46,925	58,396	(5,104)	-8.0%
Working Cash Fund	-	-	-	-	-	-	-	N/A
Per Capita Fund	-	-	-	-	-	-	-	N/A
Special Reserve Fund	6,133	88,753	30,613	350,000	40,000	140,000	(210,000)	-60.0%
IMRF Fund	243,857	165,644	281,948	330,000	285,000	335,000	5,000	1.5%
FICA Fund	200,147	134,345	204,197	242,000	200,000	247,000	5,000	2.1%
Total Expenditures	4,936,081	3,241,791	5,035,881	7,428,071	5,347,272	7,721,597	293,526	4.0%
Revenues Over (Under) Expenditures	715,580	2,355,130	937,987	(1,257,000)	717,601	(580,896)		
OTHER FINANCING SOURCES (USES)								
Transfer In	507,615	970,922	59,068	-	-	92,853		
Transfer Out	(507,615)	(970,922)	(59,068)	-	-	(92,853)		
Insurance Proceeds	175,089	-	-	-	-	-		
Total Other Financing Sources (Uses)	175,089	-	-	-	-	-		
Net Change in Fund Balance	890,669	2,355,130	937,987	(1,257,000)	717,601	(580,896)		
Beginning Fund Balance	4,001,866	4,892,535	7,247,665	7,734,215	8,185,652	8,903,253		
Prior Period Adjustment	-	-	-	-	-	-		
Ending Fund Balance	$ 4,892,535	$ 7,247,665	$ 8,185,652	$ 6,477,215	$ 8,903,253	$ 8,322,357		

LIBRARY OPERATING FUND BUDGET

	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
REVENUES								
Property Tax	$ 4,443,876	$ 4,564,902	$ 4,813,652	$ 5,197,918	$ 5,197,918	$ 6,353,855	$ 1,155,937	22.2%
Grants	1,815	62,299	60,397	144,598	170,000	228,256	83,658	57.9%
Library Fees	46,994	26,836	39,574	35,000	40,000	25,000	(10,000)	-28.6%
Copy Fees	8,481	5,321	9,715	9,000	10,000	7,000	(2,000)	-22.2%
Meeting Room Fees	650	420	1,462	-	1,200	-	-	N/A
Flash Drive and Ear Bud Sales	81	12	50	90	60	50	(40)	-44.4%
Passport Fees	48,297	26,186	61,115	60,000	50,000	50,000	(10,000)	-16.7%
Library Fines	263	83	526	12,000	530	9,000	(3,000)	-25.0%
Replacement & Processing Fee	-	7,276	9,119	-	9,500		-	N/A
Investment Income	216,643	162,692	171,589	100,000	151,000	90,000	(10,000)	-10.0%
Used Book Sale	2,099	1,053	1,762	-	1,500	-	-	N/A
Miscellaneous	6,448	5,746	3,601	19,000	2,000	19,000	-	0.0%
Total Revenues	4,775,647	4,862,826	5,172,562	5,577,606	5,633,708	6,782,161	1,204,555	21.6%
EXPENDITURES								
Wages	2,692,275	1,802,184	2,744,138	3,235,908	2,705,625	3,267,505	31,597	1.0%
Group Insurance	445,200	276,147	440,591	595,000	540,000	650,000	55,000	9.2%
Total Personnel Services	3,137,475	2,078,331	3,184,729	3,830,908	3,245,625	3,917,505	86,597	2.3%
Legal/Professional Services	45,132	12,540	30,843	60,000	35,000	55,000	(5,000)	-8.3%
Community Relations	3,851	1,793	5,001	10,000	4,450	7,500	(2,500)	-25.0%
Publishing	2,822	1,490	5,123	7,500	5,200	7,500	-	0.0%
Postage & Freight	27,385	16,794	31,899	50,000	34,300	50,000	-	0.0%
Continuing Education	9,753	-	3,047	20,000	20,000	20,000	-	0.0%
Dues & Subscriptions	4,800	3,772	5,760	10,000	6,000	6,800	(3,200)	-32.0%
Insurance & Bonding	56,350	6,643	53,815	65,500	62,000	66,500	1,000	1.5%
Utilities	46,535	64,140	76,003	99,000	91,000	98,000	(1,000)	-1.0%
Buildings & Offices Maintenance	296,917	100,101	190,326	270,000	195,000	245,500	(24,500)	-9.1%
Operating Equipment Maintenance	123,640	75,583	135,655	165,000	150,000	177,000	12,000	7.3%
Rental - Buildings & Equipment	11,514	7,948	14,211	21,000	15,000	17,000	(4,000)	-19.0%
Stationary & Printing	35,125	9,730	39,599	50,000	45,100	43,000	(7,000)	-14.0%
Contingency	-	-	-	525,000	-	90,000	(435,000)	-82.9%
Total Contractual Services	663,824	300,534	591,282	1,353,000	663,050	883,800	(469,200)	-34.7%
Office & Library Supplies	24,233	11,386	32,174	33,000	33,000	35,000	2,000	6.1%
Cleaning & Building Supplies	19,466	11,819	12,375	20,000	13,000	20,000	-	0.0%
Landscape Materials	193	35	114	100	500	100	-	0.0%
Small Tools & Equipment	289	1,073	1,619	42,000	39,000	37,200	(4,800)	-11.4%
Library Materials								
Books	154,600	100,071	143,381	195,000	148,700	190,000	(5,000)	-2.6%
AV Materials	42,357	25,656	34,665	58,000	39,000	41,550	(16,450)	-28.4%
Electronic Resources	231,127	170,761	255,944	280,000	264,000	291,000	11,000	3.9%
Periodicals	12,236	1,265	12,546	14,000	12,000	13,000	(1,000)	-7.1%
Standing Orders	8,422	5,124	7,193	12,000	8,150	9,750	(2,250)	-18.8%
Programs	18,543	8,848	26,545	50,000	28,700	45,000	(5,000)	-10.0%
Security Grant	-	-	-	-	25,000	100,000	100,000	N/A
Per Capita Grant Expense	-	59,799	59,397	119,598	68,457	128,256	8,658	7.2%
Total Materials & Supplies	511,466	395,837	585,953	823,698	679,507	910,856	87,158	10.6%
Buildings	43,266	-	-	-	-	1,000,000	1,000,000	N/A
Operating Equipment	51,403	-	26,342	70,000	-	70,000	-	0.0%
Total Capital Outlay	94,669	-	26,342	70,000	-	1,070,000	1,000,000	1428.6%
Total Expenditures	4,407,434	2,774,702	4,388,306	6,077,606	4,588,182	6,782,161	704,555	11.6%

LIBRARY OPERATING FUND BUDGET (CONTINUED)

	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
Revenues in Excess of Expenditures	368,213	2,088,124	784,256	(500,000)	1,045,526	-		
OTHER SOURCES (USES)								
Transfer In	-	-	59,068	-	-	-		
Insurance Proceeds	175,089	-	-	-	-	-		
Transfer Out								
Library Construction & Repair	-	-	-	-	-	-		
IMRF Fund	-	-	-	-	-	(61,200)		
FICA Fund	-	-	-	-	-	(31,653)		
Library Special Reserve Fund	(245,144)	(787,274)	-	-	-	-		
Total Other Sources (Uses)	(70,055)	(787,274)	59,068	-	-	(92,853)		
Change in Fund Balance	298,158	1,300,850	843,324	(500,000)	1,045,526	(92,853)		
Beginning Fund Balance	2,673,358	2,971,516	4,272,366	4,806,176	5,115,690	6,161,216		
Nonspendable Fund Balance	-	-	-	-	-	-		
Available Fund Balance	$ 2,971,516	$ 4,272,366	$ 5,115,690	$ 4,306,176	$ 6,161,216	$ 6,068,363		

LIBRARY CONSTRUCTION AND REPAIR FUND BUDGET

	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
REVENUES								
Rental Income	$ 143,429	$ 89,595	$ 150,983	$ 151,440	$ 130,640	$ 150,240	$ (1,200)	-0.8%
Investment Income	12,442	10,216	32,132	-	-	-	-	N/A
Capital Facility Fees	124,838	62,645	54,594	200,000	55,000	-	(200,000)	-100.0%
Miscellaneous	3,327	298	230	525	525	300	(225)	-42.9%
Total Revenues	284,036	162,754	237,939	351,965	186,165	150,540	(201,425)	-57.2%
EXPENDITURES								
Property Taxes	37,437	53,000	49,258	53,300	51,150	53,300	-	0.0%
Professional Services	383	-	337	5,000	5,000	1,200	(3,800)	-76.0%
Buildings & Offices Maintenance	33,374	18,019	61,969	47,150	47,150	58,530	11,380	24.1%
Contingency	-	-	-	246,515	82,865	37,510	(209,005)	-84.8%
Total Contractual Services	71,194	71,019	111,564	351,965	186,165	150,540	(201,425)	-57.2%
Total Expenditures	71,194	71,019	111,564	351,965	186,165	150,540	(201,425)	-57.2%
Revenues in Excess of Expenditures	212,842	91,735	126,375	-	-	-		
OTHER SOURCES (USES)								
Transfer In from Special Reserve	-	-	-	-	-	-		
Transfer Out to Special Reserve	(262,471)	(127,907)	-	-	(54,594)	-		
Total Other Sources (Uses)	(262,471)	(127,907)	-	-	(54,594)	-		
Change in Fund Balance	(49,629)	(36,172)	126,375	-	(54,594)	-		
Beginning Balance	482,980	433,351	397,179	449,603	523,554	468,960		
Ending Balance	$ 433,351	$ 397,179	$ 523,554	$ 449,603	$ 468,960	$ 468,960		

LIBRARY AMES TRUST FUND BUDGET

	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
REVENUES								
Investment Income	$ 4,830	$ 16,950	$ 18,750	$ -	$ -	$ -	$ -	N/A
Total Revenues	4,830	16,950	18,750	-	-	-	-	N/A
EXPENDITURES								
Library Materials								
Books	-	-	-	13,000	-	8,500	(4,500)	-30.0%
Operating Equipment	-	1,667	3,478	-	1,000	-	-	N/A
Total Materials & Supplies	-	1,667	3,478	13,000	1,000	8,500	(4,500)	-30.0%
Total Expenditures	-	1,667	3,478	13,000	1,000	8,500	(4,500)	-30.0%
Revenues in Excess of Expenditures	4,830	15,283	15,272	(13,000)	(1,000)	(8,500)		
OTHER SOURCES (USES)								
Total Other Sources (Uses)	-	-	-	-	-	-		
Change in Fund Balance	4,830	15,283	15,272	(13,000)	(1,000)	(8,500)		
Beginning Balance	390,117	394,947	410,230	404,553	425,502	424,502		
Ending Balance	$ 394,947	$ 410,230	$ 425,502	$ 391,553	$ 424,502	$ 416,002		

LIBRARY GIFT & MEMORIAL FUND BUDGET

	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
REVENUES								
Donations	$ 9,870	$ 9,815	$ 15,900	$ 41,500	$ 45,000	$ -	$ (41,500)	-100.0%
Investment Income	256	575	874	-	-	-	-	N/A
Total Revenues	10,126	10,390	16,774	41,500	45,000	-	(41,500)	-100.0%
EXPENDITURES								
Community Relations	93	300	447	1,500	900	500	(1,000)	-66.7%
Publishing	599	32	12,000	1,500	-	1,500	-	0.0%
Total Contractual Services	692	332	12,447	3,000	900	2,000	(1,000)	-33.3%
Small Tools & Equipment	-	145	-	-	-	-	-	N/A
Library Materials								
Books	168	-	880	700	-	1,000	300	42.9%
Programming	5,015	1,609	2,180	15,000	1,000	13,500	(1,500)	-10.0%
Assisted Family Card	250	260	268	2,000	-	1,600	(400)	-20.0%
Stationery & Printing	-	-	-	2,500	-	-	(2,500)	-100.0%
Total Materials & Supplies	5,433	2,014	3,328	20,200	1,000	16,100	(4,100)	-20.3%
Buildings	-	-	-	40,000	40,000	40,000	-	0.0%
Operating Equipment	1,191	3,315	-	300	5,025	296	(4)	-1.3%
Total Capital Outlay	1,191	3,315	-	40,300	45,025	40,296	(4)	0.0%
Total Expenditures	7,316	5,661	15,775	63,500	46,925	58,396	(5,104)	-8.0%
Revenues in Excess of Expenditures	2,810	4,729	999	(22,000)	(1,925)	(58,396)		
OTHER SOURCES (USES)								
Total Other Sources (Uses)	-	-	-	-	-	-		
Change in Fund Balance	2,810	4,729	999	(22,000)	(1,925)	(58,396)		
Beginning Balance	13,041	15,851	20,580	16,584	21,579	19,654		
Ending Balance	$ 15,851	$ 20,580	$ 21,579	$ (5,416)	$ 19,654	$ (38,742)		

LIBRARY WORKING CASH FUND BUDGET

	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
REVENUES								
Investment Income	$ 2,748	$ 1,501	$ -	$ -	$ -	$ -	$ -	N/A
Miscellaneous Income	-	-	-	-	-	-	-	N/A
Total Revenues	2,748	1,501	-	-	-	-	-	N/A
EXPENDITURES								
Total Expenditures	-	-	-	-	-	-	-	N/A
Revenues in Excess of Expenditures	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	2,748	(54,240)	-	-	-	-		
Beginning Balance	51,492	54,240	-	-	-	-		
Ending Balance	$ 54,240	$ -	$ -	$ -	$ -	$ -		

LIBRARY PER CAPITA FUND BUDGET

	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
REVENUES								
Grants	$ 59,397	$ -	$ -	$ -			$ -	N/A
Total Revenues	59,397	-	-	-	-	-	-	N/A
EXPENDITURES								
Legal/Professional Services	-	-	-	-	-	-	-	N/A
Continuing Education	-	-	-	-	-	-	-	N/A
Total Contractual Services	-	-	-	-	-	-	-	N/A
Stationery & Printing	-	-	-	-	-	-	-	N/A
Programs	-	-	-	-	-	-	-	N/A
Total Materials & Supplies	-	-	-	-	-	-	-	N/A
Operating Equipment	-	-	-	-	-	-	-	N/A
Total Capital Outlay	-	-	-	-	-	-	-	N/A
Total Expenditures	-	-	-	-	-	-	-	N/A
Revenues in Excess of Expenditures	59,397	-	-	-	-	-		
OTHER SOURCES (USES)								
Transfer Out	-	-	(59,068)	-		-		
Total Other Sources (Uses)	-	-	(59,068)	-	-	-		
Change in Fund Balance	59,397	-	(59,068)	-	-	-		
Beginning Balance	(329)	59,068	59,068	-	-	-		
Ending Balance	$ 59,068	$ 59,068	$ -	$ -	$ -	$ -		

LIBRARY SPECIAL RESERVE FUND BUDGET

	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
REVENUES								
Investment Income	$ 3,990	$ 24,492	$ 52,963	$ -	$ -	$ -	$ -	N/A
Total Revenues	3,990	24,492	52,963	-	-	-	-	N/A
EXPENDITURES								
Building & Offices Maintenance	3,705	-	-	-	-	-	-	N/A
Legal/Professional Services	2,428	52,159	26,181	50,000	10,000	40,000	(10,000)	-20.0%
Contingency	-	-	-	200,000			(200,000)	-100.0%
Total Contractual Services	6,133	52,159	26,181	250,000	10,000	40,000	(210,000)	-84.0%
Buildings	-	36,594	4,432	100,000	30,000	100,000	-	0.0%
Total Capital Outlay	-	36,594	4,432	100,000	30,000	100,000	-	0.0%
Total Expenditures	6,133	88,753	30,613	350,000	40,000	140,000	(210,000)	-60.0%
Revenues in Excess of Expenditures	(2,143)	(64,261)	22,350	(350,000)	(40,000)	(140,000)		
OTHER SOURCES (USES)								
Transfer In								
Library Operating Fund	184,563	787,274	-	-	-	-		
Library Construction & Repair Fund	262,471	127,907	-	-	54,594	-		
Library Working Cash Fund	-	55,741	-	-	-	-		
Total Other Sources (Uses)	447,034	970,922	-	-	54,594	-		
Change in Fund Balance	444,891	906,661	22,350	(350,000)	14,594	(140,000)		
Beginning Balance	72,277	517,168	1,423,829	1,393,594	1,446,179	1,460,773		
Ending Balance	$ 517,168	$ 1,423,829	$ 1,446,179	$ 1,043,594	$ 1,460,773	$ 1,320,773		

LIBRARY IMRF PENSION FUND BUDGET

	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
REVENUES								
Property Tax	$ 333,304	$ 275,440	$ 200,090	$ 100,000	$ 100,000	$ 104,000	$ 4,000	4.0%
Investment Interest	8,948	12,570	32,408	-	-	-	-	N/A
Total Revenues	342,252	288,010	232,498	100,000	100,000	104,000	4,000	4.0%
EXPENDITURES								
Library Portion IMRF	243,857	165,644	281,948	330,000	285,000	335,000	5,000	1.5%
Library Personnel Services	243,857	165,644	281,948	330,000	285,000	335,000	5,000	1.5%
Total Expenditures	243,857	165,644	281,948	330,000	285,000	335,000	5,000	1.5%
Revenues in Excess of Expenditures	98,395	122,366	(49,450)	(230,000)	(185,000)	(231,000)		
OTHER SOURCES (USES)								
Transfer In	60,581	-	-	-	-	61,200		
Total Other Sources (Uses)	60,581	-	-	-	-	61,200		
Change in Fund Balance	158,976	122,366	(49,450)	(230,000)	(185,000)	(169,800)		
Beginning Balance, May 1	167,908	326,884	449,250	411,042	399,800	214,800		
Ending Balance, April 30	$ 326,884	$ 449,250	$ 399,800	$ 181,042	$ 214,800	$ 45,000		

LIBRARY FICA FUND

	Fiscal 2024 Actual	Fiscal 2024B Actual	Fiscal 2025 Actual	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	$ Change	% Change
REVENUES								
Property Tax	$ 162,318	$ 223,725	$ 234,091	$ 100,000	$ 100,000	$ 104,000	$ 4,000	4.0%
Investment Interest	6,317	6,273	8,291	-	-	-	-	N/A
Total Revenues	168,635	229,998	242,382	100,000	100,000	104,000	4,000	4.0%
EXPENDITURES								
Library Portion FICA	200,147	134,345	204,197	242,000	200,000	247,000	5,000	2.1%
Library Personnel Services	200,147	134,345	204,197	242,000	200,000	247,000	5,000	2.1%
Total Expenditures	200,147	134,345	204,197	242,000	200,000	247,000	5,000	2.1%
Revenues in Excess of Expenditures	(31,512)	95,653	38,185	(142,000)	(100,000)	(143,000)		
OTHER SOURCES (USES)								
Transfer In	-	-	-	-	-	31,653		
Total Other Sources (Uses)	-	-	-	-	-	31,653		
Change in Fund Balance	(31,512)	95,653	38,185	(142,000)	(100,000)	(111,347)		
Beginning Balance	151,022	119,510	215,163	252,663	253,348	153,348		
Ending Balance	$ 119,510	$ 215,163	$ 253,348	$ 110,663	$ 153,348	$ 42,001		

CITY OF CRYSTAL LAKE

ANNUAL BUDGET

FISCAL YEAR 2027

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 $308 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 four funds. These funds are the Capital Replacement Fund, the Vehicle Replacement Fund, the Water & Sewer Capital Replacement Fund and the newly created Congress Capital 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. The Congress Capital Fund will be incorporated into future capital plans, as the redevelopment of the project is further defined.

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. A new packaged liquor tax is proposed to fund Congress Capital Fund expenditures.

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.

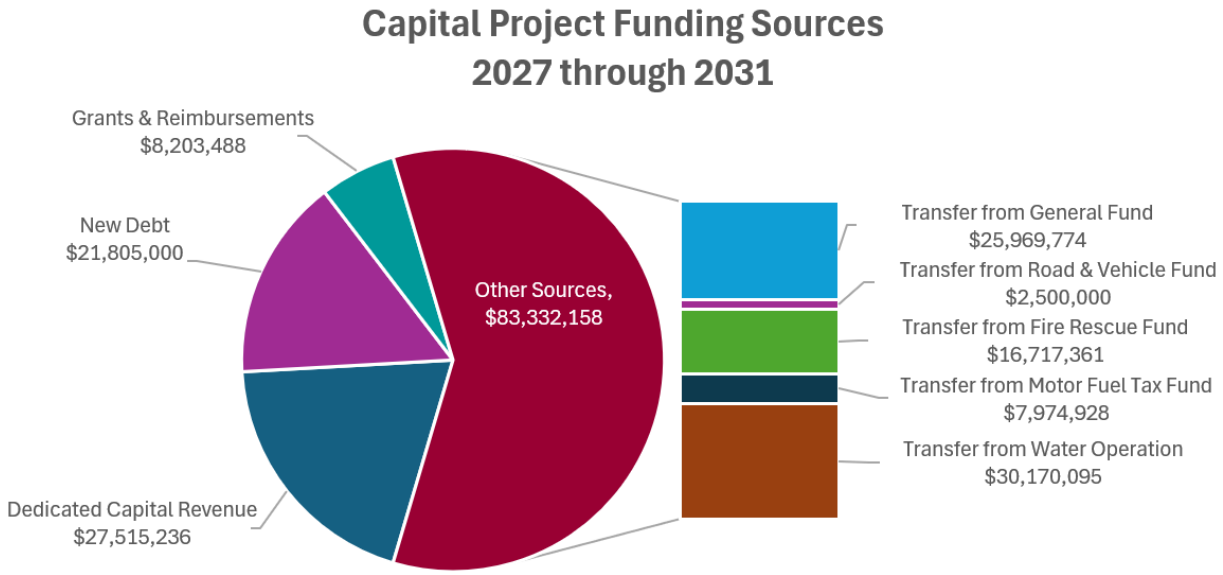
Motor Fuel Tax Funding: The City receives an allocation of the State of Illinois' Motor Fuel Tax. This allocation provides critical funding for operational expenditures such as road salt and capital needs such as road reconstructions.

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 $140.86 million over the next five years; the total increases to $432.1 million for the twenty-year 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 20% of the anticipated capital needs for the next five years. Grant funds are expected to provide about 6%, 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.

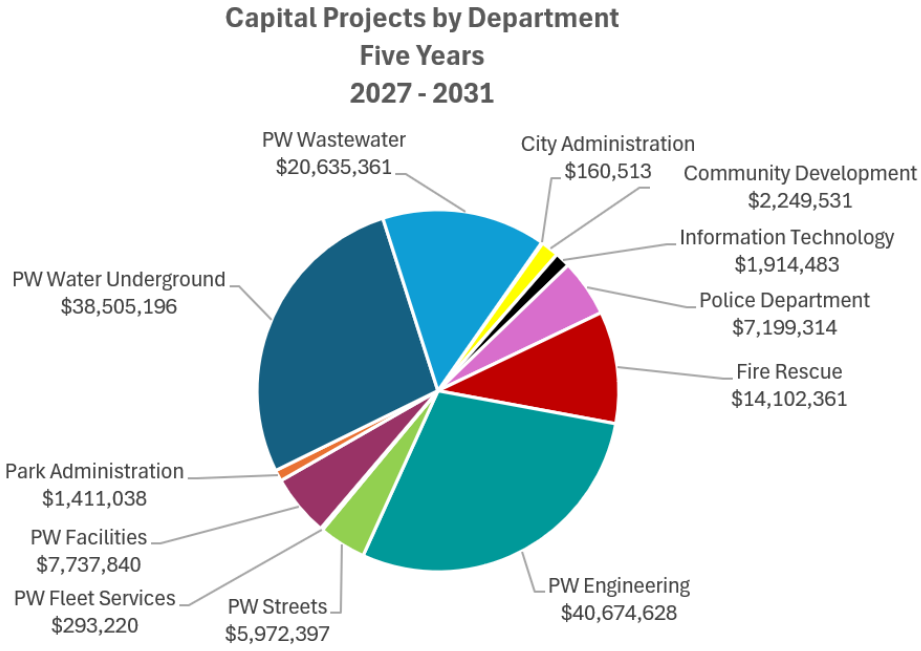
Transfers from operating funds are a critical funding source for capital. These transfers make up $83 million of total funding, about 59%. Capital reserves, built up over the last several years, are slated to be intentionally drawn down to supplement funding where possible. Having these reserves allows 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 for the next five years in the amount of $21.8 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:



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 48% with $67.5 million in projects. Lead service line replacements are the highest at $10 million, but water plant improvements and a combination of projects relating to the removal of phosphorous are also significant. Additional requests are included for items such as water tower painting, treatment plan improvements, and water main improvements/replacements.

General (PW) Engineering projects have the highest individual allocation with $40.67 million (29%) of the next five years. The highest ongoing project amount is the Engineering Annual Program with $2.97M to $3.61M each year, covering paving, sidewalk and curb concrete replacements, pedestrian improvements, and other items. Another large project included under Engineering is traffic signal replacement of $4.16M over five years. Examples of other projects include roadway improvements, pedestrian and bicyclist improvements throughout the community and a potential roundabout for Crystal Lake and Walkup.

In this period, the second largest portion is expected to be the Water and Underground Division of Public Works with $36.85 million in projects (27%). Major projects in this area include lead service line replacements ($10 million), improvements to Water Treatment Plant #1 ($8.9 million), water tower and tank painting ($4.8 million), and water main replacements ($4 million).

Wastewater projects account for 15% with $20.6 million in projects through 2031. 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 $14 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 $14.1 million in needs, which is 10% of the five-year total. Fire vehicles represent the majority of the requests at $13.67 million. This is comprised of $4.1 million for ambulances, $3.7 million for pumper apparatus, $2.6 million for a tactical squad vehicle and $2.6 million for a ladder truck. The remaining $0.6 million is for specialty and command vehicles. Non-vehicle requests total $428k, with the largest request $296k for replacement turnout gear.

Engineering projects relating specifically to storm water in PW Administration account for 6% of the five-year projects with $8.4 million. The largest project in this group is the continuation of the project to re-establish Crystal Creek for $4.23 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 the Broadway Avenue storm sewer project at $2.2 million. The City has also planned for various smaller drainage improvements through the community, Lake Avenue culvert, and a detention basin.

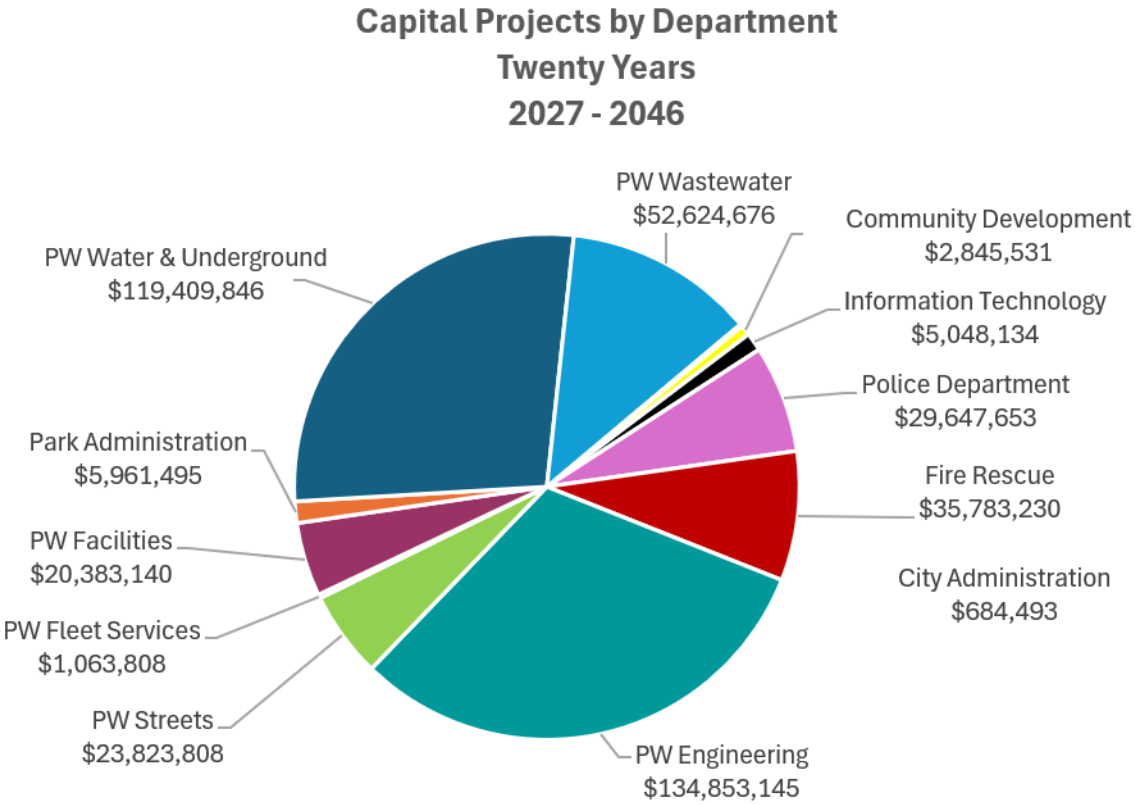
The Facilities division of Public Works requests represent 5.5% of the five-year total at $7.7 million. Significant requests include the remodel of the Police Department, along with a relocation of Information Technology to an alternate area of the building ($2 million) and the remodeling of Fire Station #4 ($1.75 million). The Facilities division is responsible for building improvements for all of City Hall and a few other City facilities.

Police Department requests represent 5.1% of the five-year total at $7.2 million. Body worn cameras, mandated by law, are the costliest item at $1.375 million, followed by portable radio replacements at $580k. 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 $5.97 million in requests for the five years, with $5.4 being for vehicle replacements. Community Development projects total $2.25 million for five years, focusing on downtown streetscape replacements ($1.08 million) and Main Street Infrastructure ($1.1 million). 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.

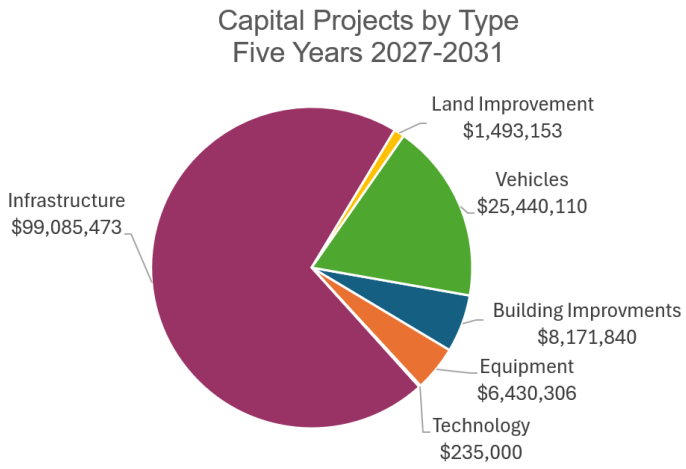
Total Twenty Years

Looking at the projects included for the next twenty years, the distribution is similar to that of the five year projections. Public Works (PW) Engineering retains the highest percentage of the total (31%), followed by PW Water & Underground (28%) and PW Wastewater (12%). Fire Rescue (8%) and Police (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.



Projects by Type

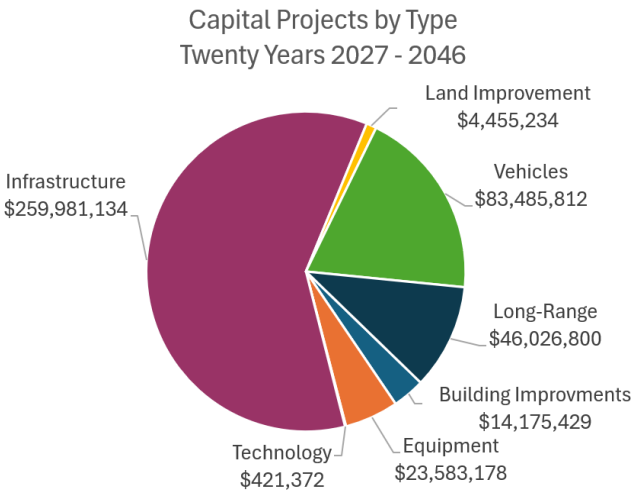
Projects are grouped by type to illustrate the nature of projects being completed from an organizational standpoint. This allows the reader to visualize how the funding is being spent, regardless of which department is managing the project.



The infrastructure category holds the largest percentage of projects with 70% of the anticipated project costs included in the first five years. Within the infrastructure category, $65 million of the projects (66%) relate to the water and sewer system infrastructure. The next largest group is vehicles with 18%. Smaller groupings are building improvements (6%), equipment (5%), land improvements (1%) and technology (<1%).

Shifting to a twenty-year perspective, infrastructure retains the highest percentage of costs with $260 million in projects (60%). Vehicles remain high as well, with over $83 million in expenses (19%). Equipment represents 5.5% for the twenty-year period, followed by building improvements (3%), land improvements (1%) 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 11% of the twenty-year total at $46 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.

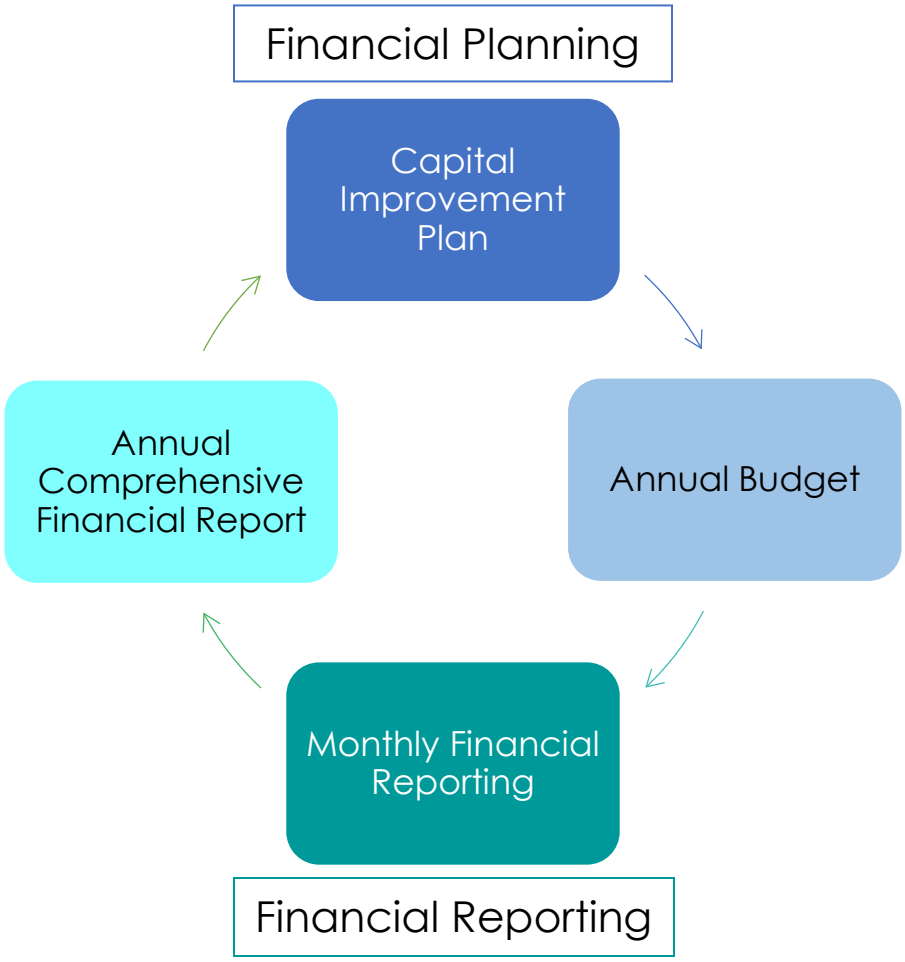
Project	Lead Department	Reason for Deferral
Public Place: Railroad Street	Community Development	Funding Source & Further Project Evaluation
Three Oaks Amphitheater	Park Administration	Funding Source & Further Project Evaluation
Three Oaks Parking Lot Expansion	Park Administration	Funding Source
Three 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 2027	**Fiscal Year 2028**	**Fiscal Year 2029**	**Fiscal Year 2030**	**Fiscal Year 2031**
Estimate Beginning Fund Balance	$ 20,161,513	$ 15,424,214	$ 12,438,529	$ 5,941,558	$ 4,926,635
Add:					
Direct Revenues	2,761,319	2,814,945	2,869,643	2,869,643	2,869,643
Grants and Reimbursements	641,113	1,800,000	-	800,000	1,800,000
Transfers In / Other Revenue	5,485,764	7,376,250	4,865,563	3,865,041	6,712,793
Less:					
Non-CIP Expenditures	(51,500)	(15,000)	-	-	-
Transfers Out	(1,660,000)	(3,215,000)	(4,875,000)	-	-
Available Resources for CIP	$ 27,338,209	$ 24,185,409	$ 15,298,735	$ 13,476,242	$ 16,309,071
CIP Expenditures					
Building Improvements	$ 3,321,000	$ 1,354,000	$ 1,727,980	$ 1,423,860	$ 90,000
Equipment	2,061,350	1,626,775	966,301	643,401	887,479
Infrastructure	6,016,645	7,641,105	6,617,896	6,439,193	7,303,276
Land Improvements	325,000	1,125,000	20,000	23,153	-
Technology	190,000	-	25,000	20,000	-
Total CIP	$ 11,913,995	$ 11,746,880	$ 9,357,177	$ 8,549,607	$ 8,280,755
Estimate Ending Fund Balance	$ 15,424,214	$ 12,438,529	$ 5,941,558	$ 4,926,635	$ 8,028,316
Restrictions/Assignments	(28,935)	(11,762)	(9,357)	(8,550)	(8,281)
Estimate Available Ending Fund Balance	$15,395,279	$12,426,767	$5,932,201	$4,918,085	$8,020,035

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 -$5 million 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 2027	**Fiscal Year 2028**	**Fiscal Year 2029**	**Fiscal Year 2030**	**Fiscal Year 2031**
Estimate Beginning Fund Balance	$ 9,915,295	$ 10,961,149	$ 10,373,741	$ 8,540,817	$ 9,809,062
Add:					
Direct Revenues	-	-	-	-	-
Grants and Reimbursements	-	-	-	-	-
Transfers In / Other Revenue	11,020,028	8,275,587	3,566,000	3,500,000	4,812,746
Less:					
Non-CIP Expenditures	(81,756)	(14,211)	(6,041)	-	-
Transfers Out	-	(3,000,000)	(3,000,000)	-	-
Available Resources for CIP	$ 20,853,567	$ 16,222,525	$ 10,933,700	$ 12,040,817	14,621,808
CIP Expenditures					
Vehicles	$9,892,418	$5,848,784	$2,392,883	$2,231,755	3,134,661
Total CIP	$ 9,892,418	$ 5,848,784	$ 2,392,883	$ 2,231,755	3,134,661
Estimate Available Ending Fund Balance	$ 10,961,149	$ 10,373,741	$ 8,540,817	$ 9,809,062	$ 11,487,147

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 $1 million 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 2027	**Fiscal Year 2028**	**Fiscal Year 2029**	**Fiscal Year 2030**	**Fiscal Year 2031**
Estimate Beginning Cash Balance	$ 10,586,219	$ 4,551,751	$ 5,165,795	$ 4,756,901	$ 1,990,911
Add:					
Direct Revenues	2,713,652	2,723,166	2,732,717	2,742,306	2,751,933
Grants and Reimbursements	-	-	-	-	-
Transfers In / Other Revenue	20,255,516	4,500,000	7,347,000	8,586,000	5,100,000
Less:					
Non-CIP Expenditures	(119,403)	(34,622)	(26,967)	(374)	-
Available Resources for CIP	$ 33,435,984	$ 11,740,295	$ 15,218,545	$ 16,084,833	$ 9,842,844
CIP Expenditures					
Building Improvements	145,000	-	60,000	50,000	-
Equipment	170,000	75,000	-	-	-
Infrastructure	28,148,439	6,424,500	9,992,126	13,085,422	7,416,871
Land Improvements	-	-	-	-	-
Technology	-	-	-	-	-
Vehicles	420,794	75,000	409,518	958,500	75,797
Total CIP	$ 28,884,233	$ 6,574,500	$ 10,461,644	$ 14,093,922	$ 7,492,668
Estimate Ending Cash Balance	$ 4,551,751	$ 5,165,795	$ 4,756,901	$ 1,990,911	$ 2,350,176

SUMMARY OF PROJECTS

Project Title	Capital Project Costs FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	Five Year Cost
City Administration						
City Hall Landscape	$ 30,000	$ -	$ -	$ -	$ -	**$ 30,000**
Office Furniture	$ 20,000	$ 21,000	$ 22,050	$ 23,153	$ 24,310	**$ 110,513**
Workout Room Equipment	$ 20,000	$ -	$ -	$ -	$ -	**$ 20,000**
Total City Administration	$ 70,000	$ 21,000	$ 22,050	$ 23,153	$ 24,310	**$ 160,513**
Community Development						
Downtown Streetscape	$ 250,000	$ 262,500	$ 275,625	$ 289,406	$ -	**$ 1,077,531**
Main Street Infrastructure	$ 100,000	$ 1,000,000	$ -	$ -	$ -	**$ 1,100,000**
Total Community Develop.	**$ 350,000**	**$ 1,262,500**	**$ 275,625**	**$ 289,406**	**$ -**	**$ 2,177,531**
Fire Rescue						
Fit Tester	$ -	$ 25,000	$ -	$ -	$ -	**$ 25,000**
Power Load Cots	$ 85,000	$ -	$ -	$ -	$ -	**$ 85,000**
Stairchair	$ 22,000	$ -	$ -	$ -	$ -	**$ 22,000**
Turnout Gear	$ -	$ -	$ 296,000	$ -	$ -	**$ 296,000**
Total Fire Rescue	$ 107,000	$ 25,000	$ 296,000	$ -	$ -	$ 428,000

SUMMARY OF PROJECTS

Project Title	Capital Project Costs FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	Five Year Cost
Information Technology						
Building Security	$ 280,000	$ 530,000	$ -	$ -	$ -	**$ 810,000**
Capital Software	$ 100,000	$ -	$ -	$ -	$ -	**$ 100,000**
Computer Servers	$ 75,000	$ -	$ 82,688	$ -	$ -	**$ 157,688**
Copier Replacement	$ -	$ -	$ -	$ 50,000	$ -	**$ 50,000**
Document Management	$ 45,000	$ -	$ -	$ -	$ -	**$ 45,000**
Downtown PA System	$ 100,000	$ -	$ -	$ -	$ -	**$ 100,000**
IT Strategic Plan	$ -	$ -	$ 25,000	$ -	$ -	**$ 25,000**
License Programming	$ 45,000	$ -	$ -	$ -	$ -	**$ 45,000**
PC Replacement	$ 70,000	$ 73,500	$ 77,175	$ 81,034	$ 85,086	**$ 386,795**
Phone System Upgrade	$ 125,000	$ -	$ -	$ -	$ -	**$ 125,000**
UPS Battery Backup	$ -	$ 70,000	$ -	$ -	$ -	**$ 70,000**
Total Information Technology	$ 840,000	$ 673,500	$ 184,863	$ 131,034	$ 85,086	**$ 1,914,483**

SUMMARY OF PROJECTS

Capital Project Costs						
Project Title	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	**Five Year Cost**
Park Administration						
Cedar Siding Staining	$ -	$ -	$ -	$ 60,000	$ -	**$ 60,000**
Dock Replacement	$ -	$ -	$ -	$ 300,000	$ -	**$ 300,000**
Facility Assessment	$ 60,000	$ -	$ -	$ -	$ -	**$ 60,000**
Island Bridge Replacement	$ -	$ -	$ -	$ -	$ 150,000	**$ 150,000**
Lake Patrol Boat Replacement	$ 30,000	$ -	$ -	$ -	$ -	**$ 30,000**
Landscape Restoration	$ 125,000	$ -	$ -	$ -	$ -	**$ 125,000**
Outdoor Shower Replacement	$ 25,000	$ -	$ -	$ -	$ -	**$ 25,000**
Parking Lot Recoating	$ 20,000	$ -	$ -	$ 23,153	$ -	**$ 43,153**
Path Repaving	$ -	$ 125,000	$ -	$ -	$ -	**$ 125,000**
Railing Restoration	$ -	$ -	$ 50,000	$ -	$ -	**$ 50,000**
Rental Boat Replacement	$ 15,000	$ 15,750	$ 16,538	$ 17,364	$ 18,233	**$ 82,885**
Roof Replacement	$ -	$ -	$ -	$ -	$ 75,000	**$ 75,000**
Shoreline Restoration	$ 50,000	$ -	$ -	$ -	$ -	**$ 50,000**
Splash Pad Resurfacing	$ -	$ -	$ 20,000	$ -	$ -	**$ 20,000**
Staining	$ 60,000	$ -	$ -	$ -	$ -	**$ 60,000**
Trail Amenities	$ 40,000	$ -	$ -	$ -	$ -	**$ 40,000**
Utility Vehicle Replacement	$ -	$ 27,000	$ -	$ -	$ -	**$ 27,000**
Water Heater Replacement	$ -	$ 30,000	$ -	$ -	$ -	**$ 30,000**
Total Park Administration	$ 425,000	$ 197,750	$ 86,538	$ 400,517	$ 243,233	**$ 1,353,038**
						$ -

SUMMARY OF PROJECTS

Project Title	Capital Project Costs FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	Five Year Cost
Police						
Automated License Plate Reade	$ 30,750	$ 51,750	$ 51,750	$ 51,750	$ 51,750	**$ 237,750**
Body Worn & In-Squad Cameras	$ 275,000	$ 275,000	$ 275,000	$ 275,000	$ 275,000	**$ 1,375,000**
Farady Enclosure	$ 160,000	$ -	$ -	$ -	$ -	**$ 160,000**
Livescan Equipment	$ 30,000	$ -	$ -	$ -	$ -	**$ 30,000**
Police Facility Cameras - Interior	$ 53,000	$ 53,000	$ 53,000	$ 53,000	$ 59,100	**$ 271,100**
Portable Radios	$ 283,500	$ 297,675	$ -	$ -	$ -	**$ 581,175**
Street Barriers	$ 60,000	$ -	$ -	$ -	$ -	**$ 60,000**
Tasers	$ 92,100	$ 92,100	$ 92,100	$ 92,100	$ 88,000	**$ 456,400**
Total Police	$ 984,350	$ 769,525	$ 471,850	$ 471,850	$ 473,850	$ 3,171,425

SUMMARY OF PROJECTS

Project Title	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	Five Year Cost
	Capital Project Costs					
Public Works Engineering						
Annual Concrete Program	$ 583,500	$ 612,675	$ 643,309	$ 675,474	$ 709,248	**$ 3,224,206**
Annual Pavement Program	$ 2,386,600	$ 2,505,930	$ 2,631,227	$ 2,762,788	$ 2,900,927	**$ 13,187,472**
Gateway Signs Replacement	$ 20,000	$ -	$ 11,025	$ -	$ -	**$ 31,025**
Intersection Rte 176/Terra Cotta	$ -	$ -	$ 350,000	$ -	$ -	**$ 350,000**
Intersection Rte 31/Three Oaks	$ -	$ 500,000	$ -	$ -	$ -	**$ 500,000**
Oak Street Multi-Use Path	$ 306,705	$ -	$ -	$ -	$ -	**$ 306,705**
Pingree Pedestrian Infrastructure	$ 225,000	$ 700,000	$ -	$ -	$ -	**$ 925,000**
Prairie Trail Crossing	$ 70,000	$ -	$ -	$ -	$ -	**$ 70,000**
Prairie Trail Through Downtown	$ 75,000	$ 75,000	$ -	$ 1,000,000	$ -	**$ 1,150,000**
Resurface Alexandra Lot	$ -	$ -	$ -	$ 400,000	$ -	**$ 400,000**
Roundabout CL Ave/Walkup	$ -	$ -	$ 300,000	$ -	$ 3,000,000	**$ 3,300,000**
Route 14 Luminaries Upgrade	$ 100,000	$ -	$ -	$ -	$ -	**$ 100,000**
Route 14 Underpass	$ 375,000	$ 500,000	$ -	$ -	$ -	**$ 875,000**
Route 31 Reconstruction	$ 24,840	$ -	$ 6,210	$ -	$ -	**$ 31,050**
Sidewalk Gap Infill Program	$ 150,000	$ 157,500	$ 165,375	$ 173,644	$ 182,326	**$ 828,845**
Signal Install Main St/Liberty Rd	$ 150,000	$ 1,875,000	$ -	$ -	$ -	**$ 2,025,000**
Traffic Delineation II 176/RR	$ 150,000	$ -	$ -	$ -	$ -	**$ 150,000**
Traffic Signal Replacement	$ 650,000	$ 400,000	$ 2,180,000	$ 630,000	$ 300,000	**$ 4,160,000**
Virginia St Corridor	$ 200,000	$ -	$ -	$ 150,000	$ -	**$ 350,000**
Virginia St Luminaries Replace	$ 250,000	$ -	$ -	$ -	$ -	**$ 250,000**
Total Public Works Engineering	$ 5,716,645	$ 7,326,105	$ 6,287,146	$ 5,791,906	$ 7,092,501	**$ 32,214,303**

SUMMARY OF PROJECTS

Project Title	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	Five Year Cost
	Capital Project Costs					
Public Works Facilities						
Floor Install Cold Storage Bldg	$ 220,000	$ -	$ -	$ -	$ -	**$ 220,000**
Garage Floor Replacement	$ 515,000	$ 530,000	$ -	$ -	$ -	**$ 1,045,000**
Heating Units PW Garage	$ -	$ -	$ -	$ 500,000	$ -	**$ 500,000**
Industrial Floor Scrubber	$ -	$ 95,000	$ -	$ -	$ -	**$ 95,000**
Overhead Door Replacement	$ 100,000	$ -	$ 176,400	$ -	$ -	**$ 276,400**
Overhead Lighting PW Garage	$ 25,000	$ -	$ -	$ -	$ -	**$ 25,000**
Total Public Works Facilities	$ 860,000	$ 625,000	$ 176,400	$ 500,000	$ -	**$ 2,161,400**
Public Works Facilities: Depot						
Depot Building Renovations	$ 30,000	$ 60,000	$ 15,000	$ 15,000	$ 15,000	**$ 135,000**
Total PW Facilities: Depot	$ 30,000	$ 60,000	$ 15,000	$ 15,000	$ 15,000	**$ 135,000**
Public Works Facilities: Fire						
Stn 1 Bay Door Replacements	$ -	$ -	$ -	$ 200,000	$ -	**$ 200,000**
Stn 3 Bay Door Replacements	$ -	$ -	$ -	$ 120,000	$ -	**$ 120,000**
Stn 3 HVAC Replacement	$ 45,000	$ 450,000	$ -	$ -	$ -	**$ 495,000**
Stn 4 Exterior Lighting Upgrade	$ -	$ 20,000	$ -	$ -	$ -	**$ 20,000**
Stn 4 Interior Painting	$ -	$ 25,000	$ -	$ -	$ -	**$ 25,000**
Stn 4 Remodel	$ 1,755,000	$ -	$ -	$ -	$ -	**$ 1,755,000**
Total PW Facilities: Fire	$ 1,800,000	$ 495,000	$ -	$ 320,000	$ -	**$ 2,615,000**

SUMMARY OF PROJECTS

Project Title	Capital Project Costs FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	Five Year Cost
Public Works Facilities: Municipal Complex						
City Hall Facility Master Plan	$ 75,000	$ -	$ -	$ 15,000	$ -	**$ 90,000**
Council Chambers	$ 110,000	$ 150,000	$ -	$ -	$ -	**$ 260,000**
Fire Suppression System	$ 50,000	$ -	$ -	$ -	$ -	**$ 50,000**
Forklift Replacement	$ -	$ -	$ -	$ -	$ 36,000	**$ 36,000**
Scissor Lift	$ 25,000	$ -	$ -	$ -	$ -	**$ 25,000**
Total Facilities: Mun. Complex	$ 260,000	$ 150,000	$ -	$ 15,000	$ 36,000	**$ 461,000**
Public Works Facilities: Police						
Flooring Replacement	$ 151,000	$ 89,000	$ -	$ -	$ -	**$ 240,000**
Lower Level Washroom	$ 125,000	$ -	$ -	$ -	$ -	**$ 125,000**
Office Remodel	$ -	$ -	$ 1,486,580	$ 513,860	$ -	**$ 2,000,440**
Total PW Facilities: Police	$ 276,000	$ 89,000	$ 1,486,580	$ 513,860	$ -	**$ 2,365,440**
Public Works Fleet Services						
Mobile Column Lift	$ 95,000	$ -	$ -	$ -	$ -	**$ 95,000**
Total Public Works Fleet Serv.	$ 95,000	$ -	$ -	$ -	$ -	**$ 95,000**

SUMMARY OF PROJECTS

Project Title	Capital Project Costs FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	Five Year Cost
Public Works Streets						
Heavy Equipment Trailer	$ 50,000	$ -	$ -	$ -	$ -	**$ 50,000**
Loader Mount Snow Blower	$ -	$ -	$ -	$ -	$ 250,000	**$ 250,000**
Small-Scale Targeted Projects	$ 50,000	$ 52,500	$ 55,125	$ 57,881	$ 60,775	**$ 276,281**
Snow Plow Route Optimization	$ -	$ -	$ -	$ 20,000	$ -	**$ 20,000**
Total Public Works Streets	$ 100,000	$ 52,500	$ 55,125	$ 77,881	$ 310,775	**$ 596,281**
GOVERNMENTAL CAPITAL	$ 11,913,995	$ 11,746,880	$ 9,357,177	$ 8,549,607	$ 8,280,755	**$ 49,848,414**
Public Works Engineering Storm Sewers						
Broadway Ave Storm Sewer	$ -	$ -	$ 200,000	$ 2,000,000	$ -	**$ 2,200,000**
City Hall Detention Basin	$ -	$ -	$ -	$ 150,000	$ -	**$ 150,000**
Drainage Imprv Program	$ 125,000	$ 131,250	$ 137,813	$ 144,703	$ 151,938	**$ 690,704**
Lake Ave Culvert	$ -	$ 100,000	$ 1,000,000	$ -	$ -	**$ 1,100,000**
Re-Establish Crystal Creek	$ 4,225,706	$ -	$ -	$ -	$ -	**$ 4,225,706**
Total Public Works Engineering	$ 4,350,706	$ 231,250	$ 1,337,813	$ 2,294,703	$ 151,938	**$ 8,366,410**

SUMMARY OF PROJECTS

Project Title	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	Five Year Cost
			Capital Project Costs			
Public Works Water & Underground Production						
Filter Media Replacement	$ -	$ -	$ -	$ 40,000	$ -	$ **40,000**
MCC Replacement Plant #4	$ -	$ 30,000	$ 300,000	$ -	$ -	$ **330,000**
MCC Replacement Plant #5	$ -	$ -	$ 40,000	$ 375,000	$ -	$ **415,000**
Softener Rehab Water Plant #3	$ 75,000	$ 750,000	$ -	$ -	$ -	$ **825,000**
Softener Rehab Water Plant #5	$ -	$ -	$ -	$ 255,000	$ -	$ **255,000**
Water Plant #1 Reconstruction	$ 750,000	$ 217,000	$ 2,847,000	$ 4,086,000	$ 1,000,000	$ **8,900,000**
Water Tank & Tower	$ 875,000	$ 918,750	$ 964,688	$ 1,012,922	$ 1,063,568	$ **4,834,928**
Total Water & Under. Production	$ 1,700,000	$ 1,915,750	$ 4,151,688	$ 5,768,922	$ 2,063,568	$ **15,599,928**
Public Works Water & Underground Distribution						
Corrosion Control Study	$ 300,000	$ -	$ -	$ -	$ -	$ **300,000**
Lead Svc Line Replace - City	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ **5,000,000**
Lead Svc Line Replace - Owner	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ **5,000,000**
NW Area Sanitary Force Main	$ 250,000	$ -	$ -	$ -	$ -	$ **250,000**
Sanitary Sewer Lining	$ 550,000	$ 577,500	$ 606,375	$ 636,694	$ 668,528	$ **3,039,097**
Sanitary Sewer Manhole Lining	$ 500,000	$ 525,000	$ 551,250	$ 578,813	$ 607,753	$ **2,762,816**
Utility Relocate IL Route 31	$ 810,000	$ 90,000	$ -	$ -	$ -	$ **900,000**
Water Main Replacement	$ -	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ **4,000,000**
Total Water & Under: Distribution	$ 4,410,000	$ 4,192,500	$ 4,157,625	$ 4,215,507	$ 4,276,281	$ **21,251,913**
Total Water & Underground	$ 6,110,000	$ 6,108,250	$ 8,309,313	$ 9,984,429	$ 6,339,849	$ **36,851,841**

SUMMARY OF PROJECTS

Project Title	Capital Project Costs FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	Five Year Cost
Public Works Wastewater: Pump Stations						
Control Panel Replacements	$ -	$ -	$ -	$ 100,000	$ -	**$ 100,000**
Force Main Lining	$ 500,000	$ -	$ -	$ -	$ 750,000	**$ 1,250,000**
Generator Replace PS #21	$ 58,750	$ -	$ -	$ -	$ -	**$ 58,750**
Generator Replace PS #23	$ 58,750	$ -	$ -	$ -	$ -	**$ 58,750**
Generator Replace PS #24	$ 235,000	$ -	$ -	$ -	$ -	**$ 235,000**
Generator Replace PS #25	$ 58,750	$ -	$ -	$ -	$ -	**$ 58,750**
Generator Replace PS #26	$ 235,000	$ -	$ -	$ -	$ -	**$ 235,000**
Portable Generator	$ 150,000	$ -	$ -	$ -	$ -	**$ 150,000**
Portable Pumps Replacement	$ -	$ 75,000	$ -	$ -	$ -	**$ 75,000**
Reconstruction PS #6	$ 1,854,275	$ -	$ -	$ -	$ -	**$ 1,854,275**
Submersible Pumps Replacemer	$ 115,000	$ -	$ 90,000	$ 180,000	$ -	**$ 385,000**
Total Pump Stations	$ 3,265,525	$ 75,000	$ 90,000	$ 280,000	$ 750,000	**$ 4,460,525**

SUMMARY OF PROJECTS

Project Title	Capital Project Costs FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	Five Year Cost
Public Works Wastewater: Plant #2						
Aeration Tank Valve & Actuator	$ 20,000	$ -	$ -	$ -	$ -	**$ 20,000**
Centrifuge #1 MCC Replacemer	$ 138,708	$ -	$ -	$ -	$ -	**$ 138,708**
Centrifuge Units Rehabilitation	$ -	$ 85,000	$ -	$ -	$ -	**$ 85,000**
Digester #1 Grinder	$ -	$ -	$ -	$ 50,000	$ -	**$ 50,000**
Gravity Belth Thickener Rehab	$ 134,000	$ -	$ -	$ -	$ -	**$ 134,000**
MAU Replacement Filter Bldg	$ 80,000	$ -	$ -	$ -	$ -	**$ 80,000**
MCC Headworks Replacement	$ -	$ -	$ -	$ 175,000	$ -	**$ 175,000**
Programmable Logic Controllers	$ -	$ -	$ -	$ 81,032	$ 85,084	**$ 166,116**
Primary & Secondary Clarifiers	$ 2,830,000	$ -	$ -	$ -	$ -	**$ 2,830,000**
Raw Pump Replacements	$ -	$ -	$ 110,000	$ -	$ -	**$ 110,000**
RAS Pump #2 Replacement	$ 22,000	$ -	$ -	$ -	$ -	**$ 22,000**
Roof Replacement Grit Bldg	$ -	$ -	$ -	$ 50,000	$ -	**$ 50,000**
Roof Replace Storage Building	$ -	$ -	$ 25,000	$ -	$ -	**$ 25,000**
Sand Filter Replacement	$ 7,250,000	$ -	$ -	$ -	$ -	**$ 7,250,000**
SCADA Server Replacement	$ -	$ -	$ -	$ 50,000	$ -	**$ 50,000**
Sludge Grinder Replacement	$ -	$ -	$ -	$ 60,000	$ -	**$ 60,000**
Stationary Generator	$ -	$ -	$ -	$ -	$ 90,000	**$ 90,000**
Total Wastewater Plant #2	$ 10,474,708	$ 85,000	$ 135,000	$ 466,032	$ 175,084	**$ 11,335,824**

SUMMARY OF PROJECTS

Project Title	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	Five Year Cost
			Capital Project Costs			
Public Works Wastewater: Plant #3						
Grit Washer Replacement	$ -	$ -	$ 65,000	$ 55,000	$ -	**$ 120,000**
Headworks Bar Screen Rehab	$ -	$ -	$ 80,000	$ -	$ -	**$ 80,000**
Headworks Bldg Roof	$ -	$ -	$ 35,000	$ -	$ -	**$ 35,000**
MAU Replacement Filter Bldg	$ 65,000	$ -	$ -	$ -	$ -	**$ 65,000**
Programmable Logic Controllers	$ 17,500	$ -	$ -	$ 20,258	$ -	**$ 37,758**
Sand Filter Replacement	$ 4,180,000	$ -	$ -	$ -	$ -	**$ 4,180,000**
SCADA Server Replacement	$ -	$ -	$ -	$ 35,000	$ -	**$ 35,000**
Total Wastewater Plant #3	$ 4,262,500	$ -	$ 180,000	$ 110,258	$ -	**$ 4,552,758**
Total Wastewater	$ 18,002,733	$ 160,000	$ 405,000	$ 856,290	$ 925,084	**$ 20,349,107**
						$ -
Public Works Water & Wastewater Vehicles						
PW Water & Underground	$ 408,912	$ 75,000	$ 337,693	$ 831,750	$ -	**$ 1,653,355**
PW Wastewater	$ 11,882	$ -	$ 71,825	$ 126,750	$ 75,797	**$ 286,254**
Total Water & Sewer Vehicles	$ 420,794	$ 75,000	$ 409,518	$ 958,500	$ 75,797	**$ 1,939,609**
WATER & SEWER CAPITAL	$ 28,884,233	$ 6,574,500	$ 10,461,644	$ 14,093,922	$ 7,492,668	**$ 67,506,967**

SUMMARY OF PROJECTS

Project Title	Capital Project Costs FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	Five Year Cost
Governmental Vehicles						
City Manager's Office	$ -	$ -	$ -	$ -	$ -	**$ -**
Community Development	$ 72,000	$ -	$ -	$ -	$ -	**$ 72,000**
Fire Rescue	$ 7,520,028	$ 4,775,587	$ 66,000	$ -	$ 1,312,746	**$ 13,674,361**
Police	$ 733,694	$ 642,697	$ 896,296	$ 930,003	$ 825,199	**$ 4,027,889**
Public Works Engineering	$ 56,651	$ -	$ 37,264	$ -	$ -	**$ 93,915**
Public Works Fleet Services	$ 198,220	$ -	$ -	$ -	$ -	**$ 198,220**
Public Works Streets	$ 1,311,825	$ 430,500	$ 1,335,323	$ 1,301,752	$ 996,716	**$ 5,376,116**
Three Oaks Recreation Area	$ -	$ -	$ 58,000	$ -	$ -	**$ 58,000**
VEHICLES	$ 9,892,418	$ 5,848,784	$ 2,392,883	$ 2,231,755	**$ 3,134,661**	$ 23,500,501
COMBINED CAPITAL TOTAL	$ 50,690,646	$ 24,170,164	$ 22,211,704	$ 24,875,284	$ 18,908,084	**$ 140,855,882**

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CITY OF CRYSTAL LAKE

ANNUAL BUDGET

FISCAL YEAR 2027

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 on financial stability. The first year of the FP is fiscal year 2027, covering the period from January through December 2027 with four additional years of projections through December 2031.

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 main 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. Once the plans for the Congress Capital Fund have been further defined, a forecast will be added for that fund as well.

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.

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 was transitioned to an independent capital funding tax starting with 2026, aligning with the change in State law. With the 2026 figures resetting the tax base, a 2% conservative assumption has been incorporated each year after 2026.

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 2027, estimates have been calculated to remain consistent with 2026 receipts. This matches the assumptions published by the Illinois Municipal League, who reviews State revenue sources various times throughout each year. Conservative increases of 2% to the tax base have been built into the future years.

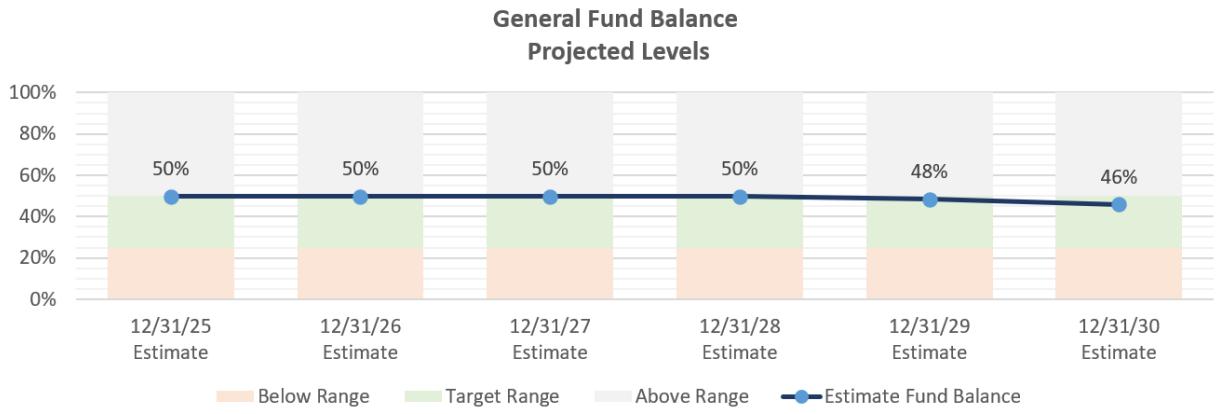
FIVE-YEAR FORECASTS

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.

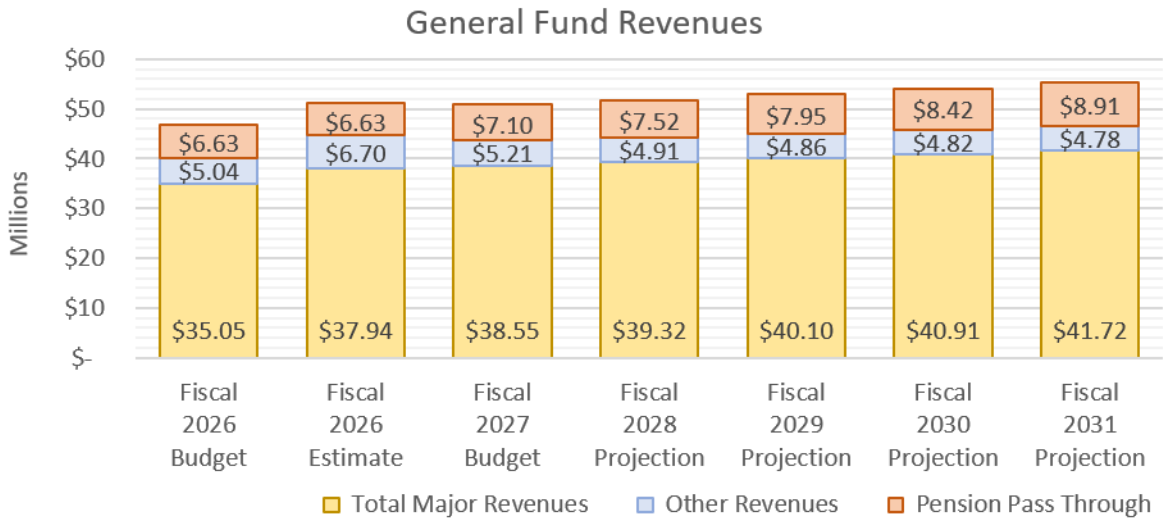
General Fund

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.

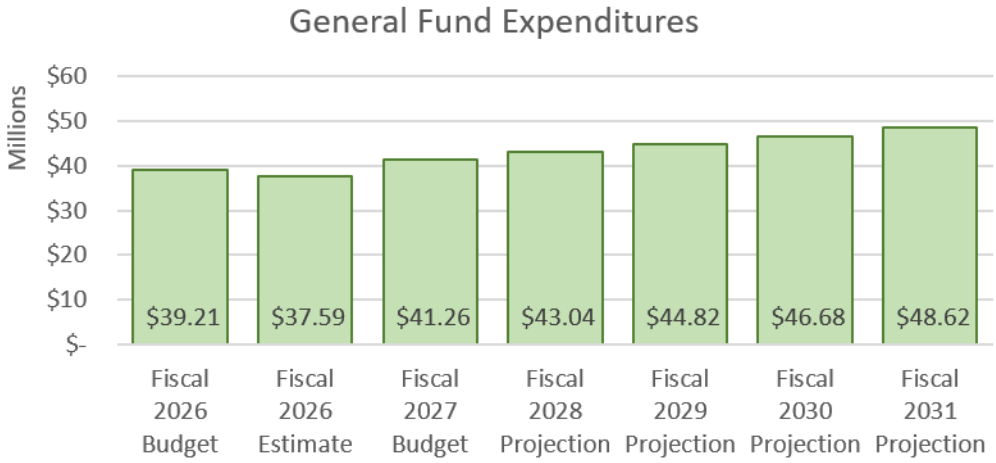
According to the City's Fund Balance policy, the City strives to keep a Fund Balance of between 25% and 50% of operational expenditures. Based on the projections for the current year, the City is forecasting to remain solidly in that range for the next five years.



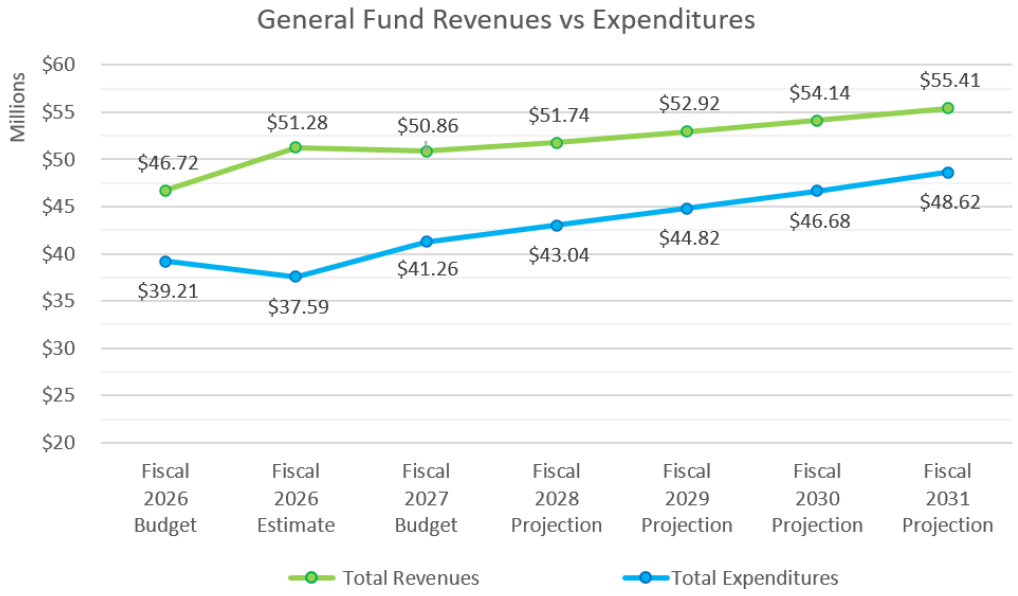
Revenues are tracking for steady growth overall. Most major revenue sources have been rising gradually along with inflation. Growth estimates are conservative to allow for potential recessionary impacts. While the General Fund does record property taxes, those taxes are remitted directly to the City's 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.



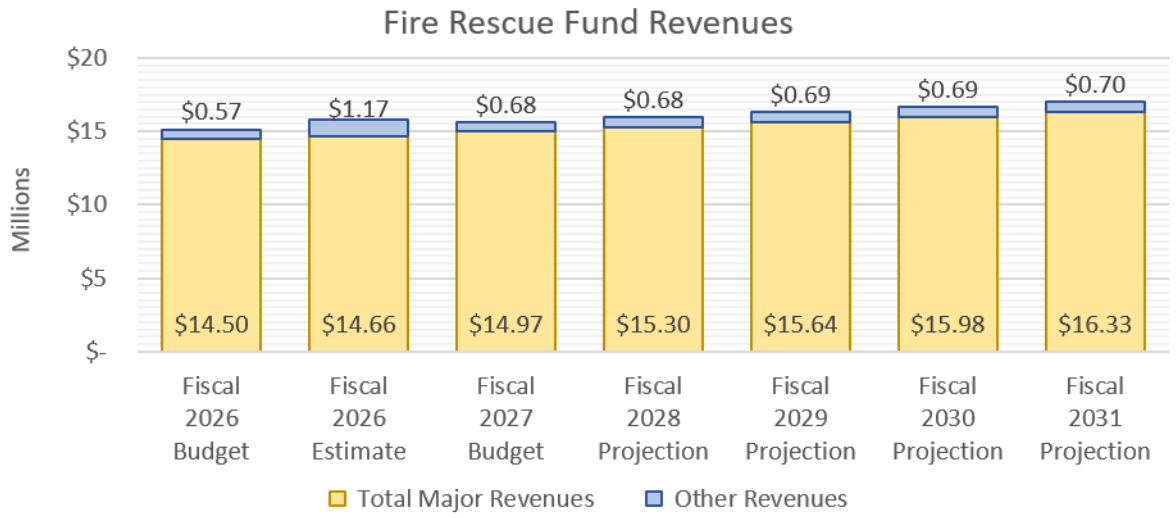
Overall, revenues for the General Fund are expected to outperform expenditures for the near future. Any operational surplus generated by the General Fund is used as a funding source for the City's capital needs. The excess is reflected in the TRANSFERS section of the General Fund and the respective capital 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.



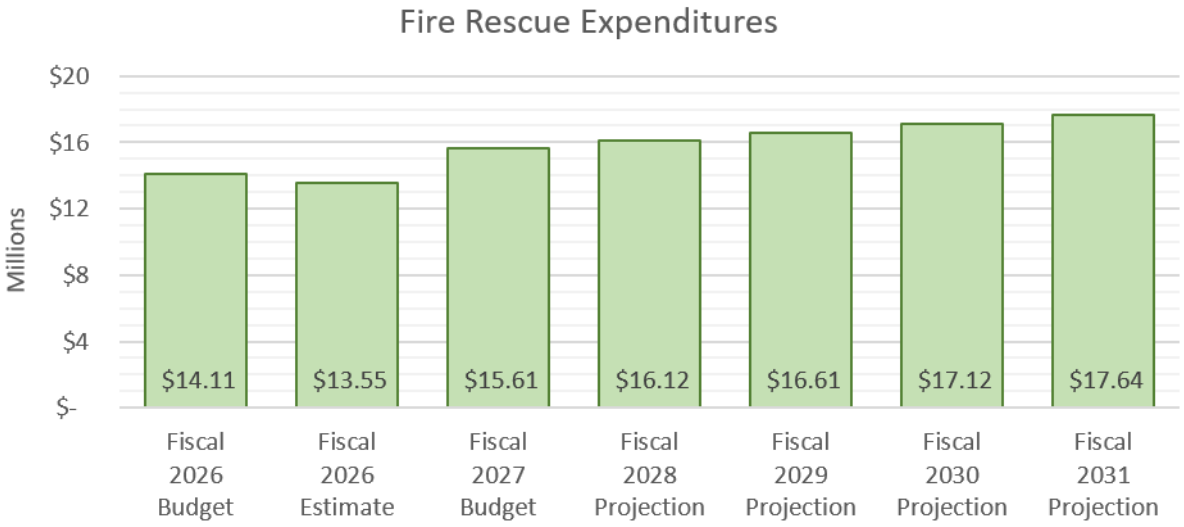
Fire Rescue Fund

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.

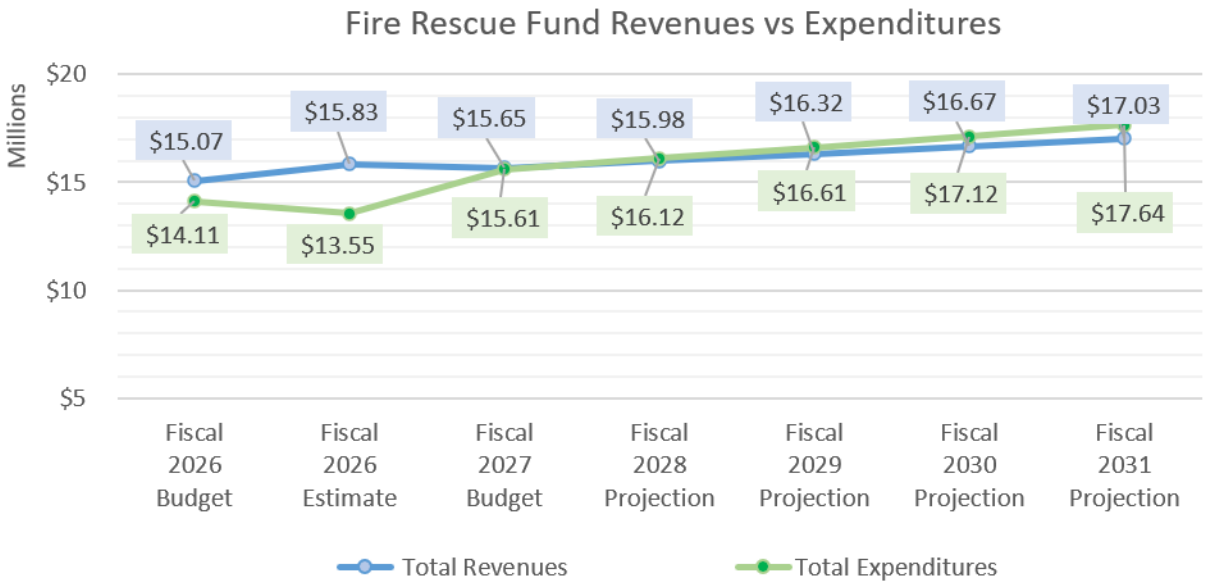
Major revenues for the Fire Rescue Fund include property taxes, ambulance transport fees, and contractual payments from the Village of Lakewood and the Crystal Lake Rural Fire Protection District. These three sources account for about 96% of the revenues in this fund. A change to the ambulance transport 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.



Most of the increase in 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. The forecast shows sufficient resources for the next two years, with expenditures exceeding revenues starting in 2028. Staff will review all future expenditures and revenues closely for this fund to ensure the Fire Rescue Fund will remains solvent.

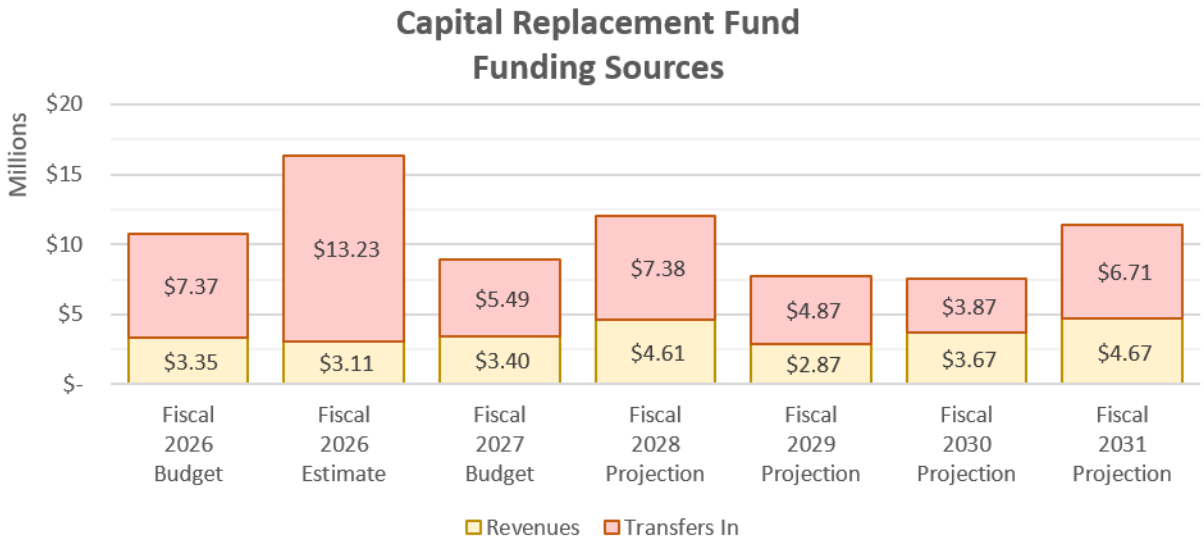


Capital Replacement Fund

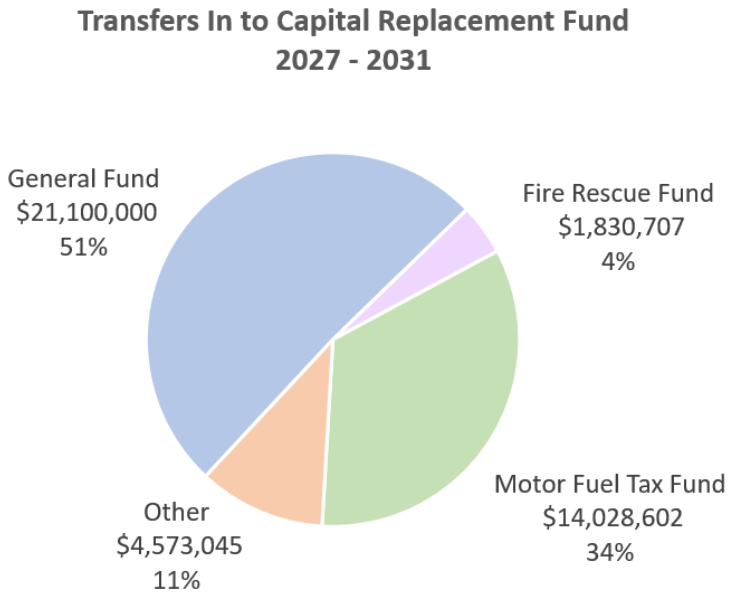
The first of the capital funds included herein is the Capital Replacement Fund (Capital Fund). The Capital Fund accounts for all the capital needs of the City's governmental functions except for vehicles. Please refer to Exhibit C at the end of this section for details on the Capital Replacement Fund 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.

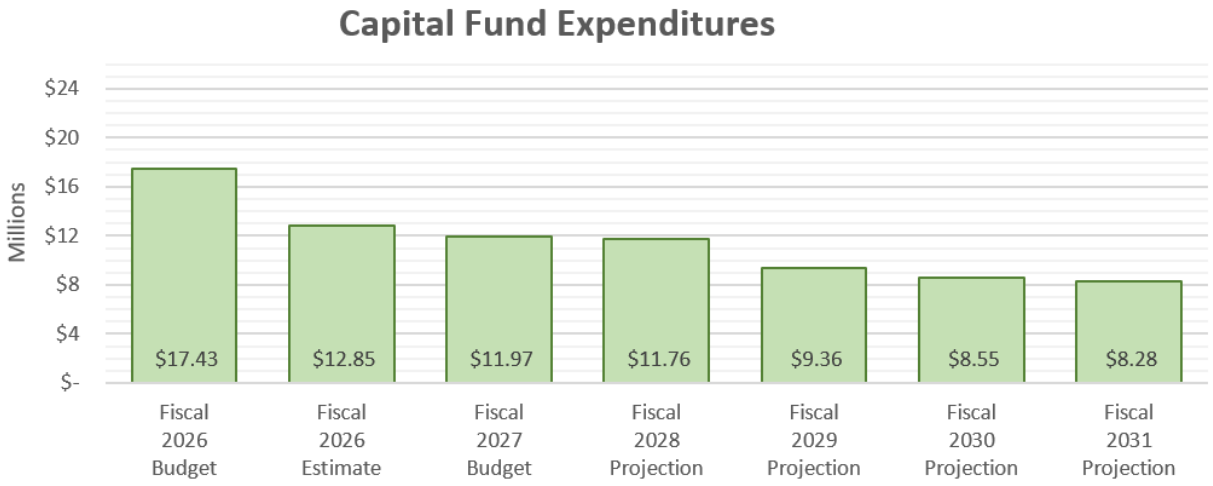
Major revenue sources dedicated to this fund are video gaming license and tax revenues, as well as the replacement grocery sales tax. As can be seen in the chart below, transfers in from operating funds are a significant funding source for the Capital Replacement Fund sources. Large fluctuations in the 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.



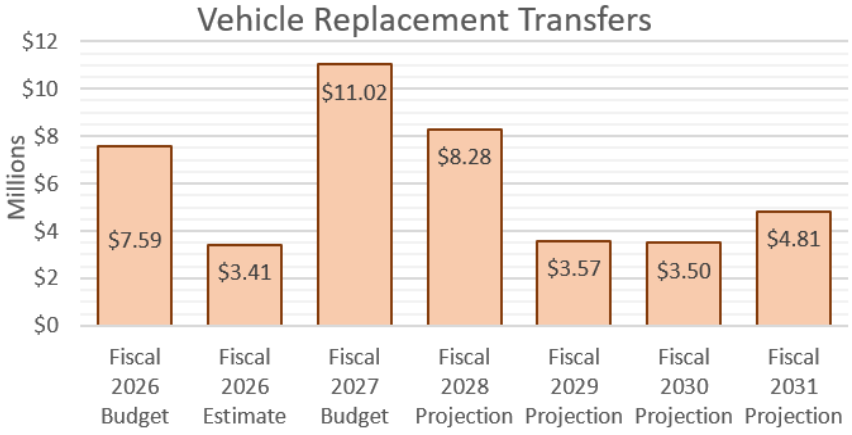
Being that expenditures for this fund are capital in nature, the annual amount can fluctuate considerably from year to year. Projects are slated based on timing needs and ideally, available funding. Inclusion in the Capital Improvement Plan does not guarantee inclusion in the Annual Budget. Projects 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.



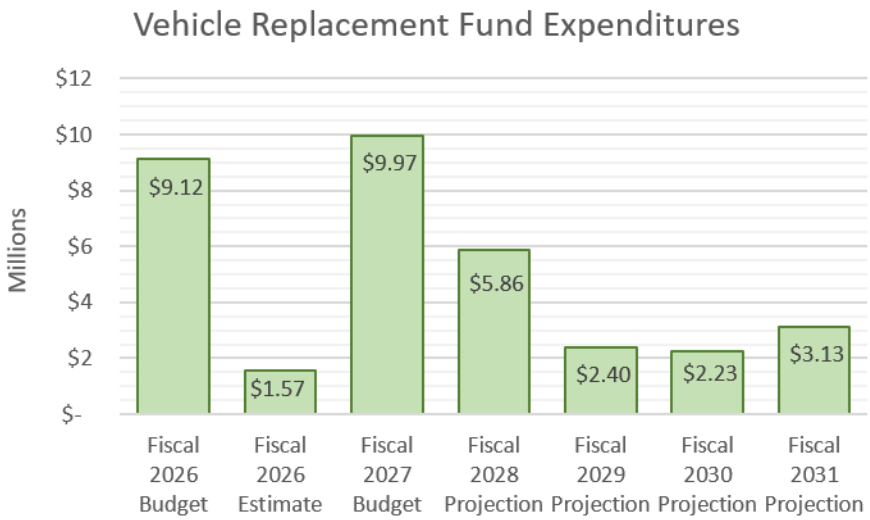
Vehicle Replacement Fund

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.



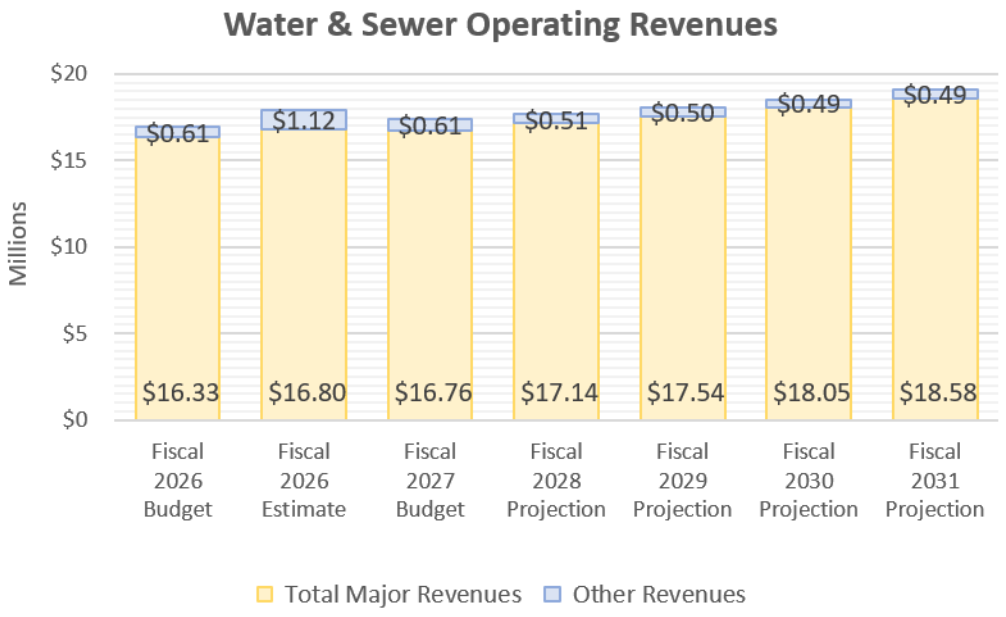
The 2027 budget of $9.97 million is unusually high due to the need to order multiple fire apparatus, to be received within the next few years. Funds are budgeted at the time of ordering and carried forward each year until the vehicle is received, assuring sufficient resources are available at the time the invoice must be paid. The expected amount of actual vehicle purchases in 2027 will be considerably lower, but the funds will be earmarked accordingly.

The forecast also includes transfers out of $6 million of fund balance over the next few years as a funding source for the Congress Capital Fund. As the plans for the Congress property are finalized, the finances will be more definite. At this time, $6 million has been set aside from the Vehicle Replacement Fund to minimize the eventual bond issuance for renovation costs.

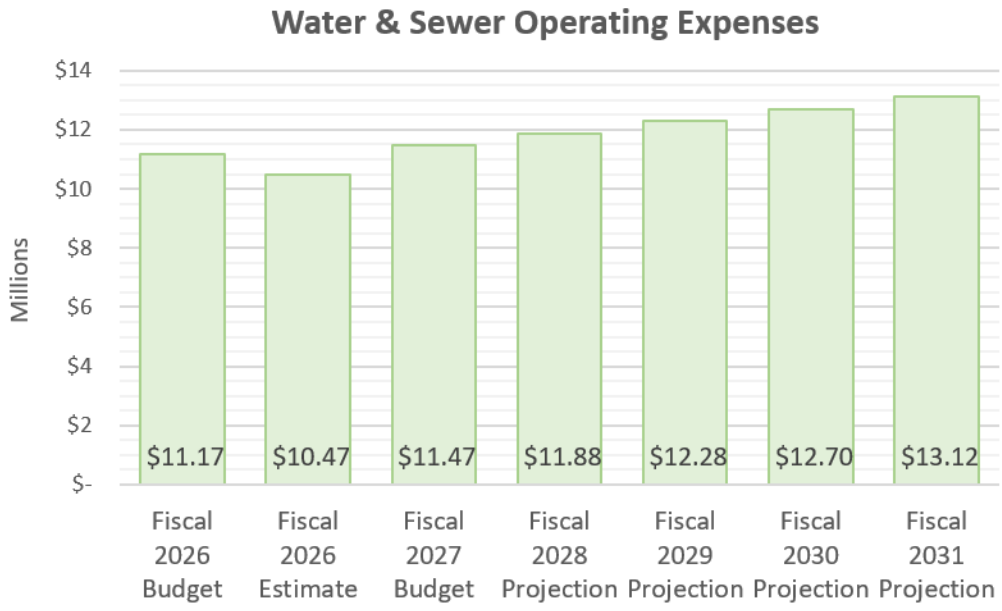
Water & Sewer Operating Fund

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.

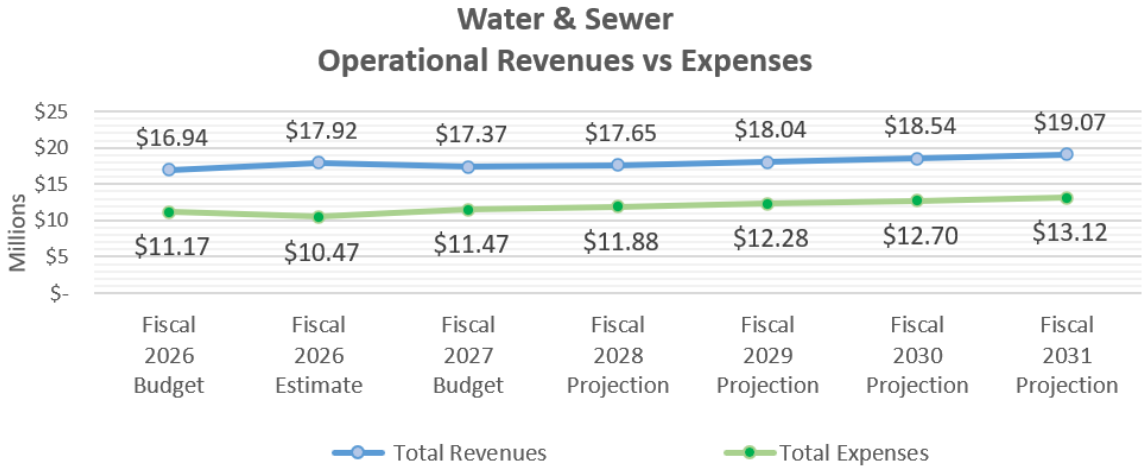


On the expense side, water and sewer-related expenses are expected to grow at a reasonable pace over the next few years. Staff reviews the operational expenses closely at all times in order to minimize the user fees needed to support the system. No major changes are anticipated at this time.



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.



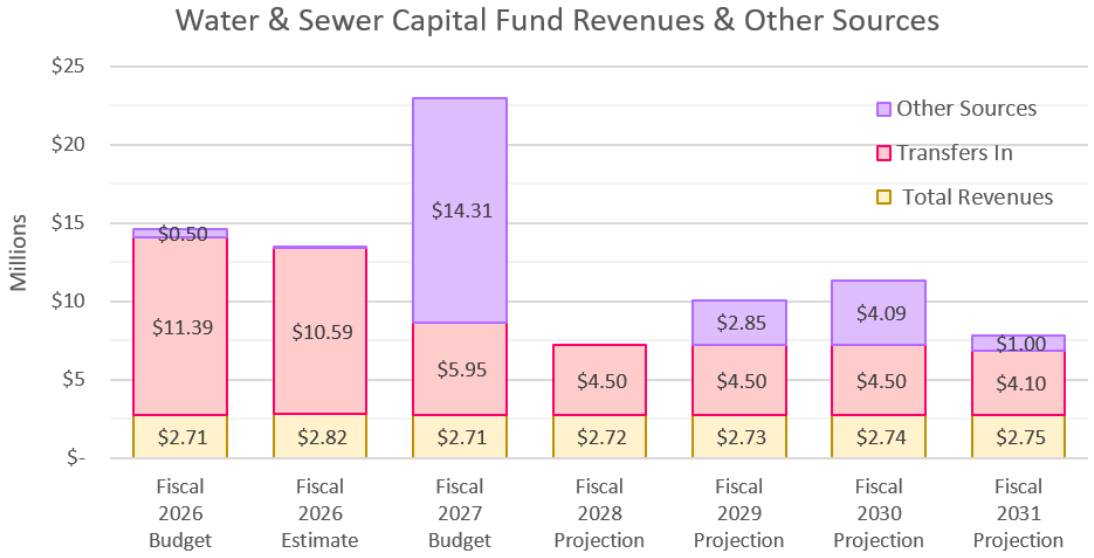
The fund balance of the Water & Sewer Operations Fund has temporarily grown due to favorable operational results. This surplus will be drawn down over the next five years from a cash balance of about $13.7 million at the end of 2026 to a projected $4.5 million at the end of 2031. Debt service obligations are around $3.5 to $4.3 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

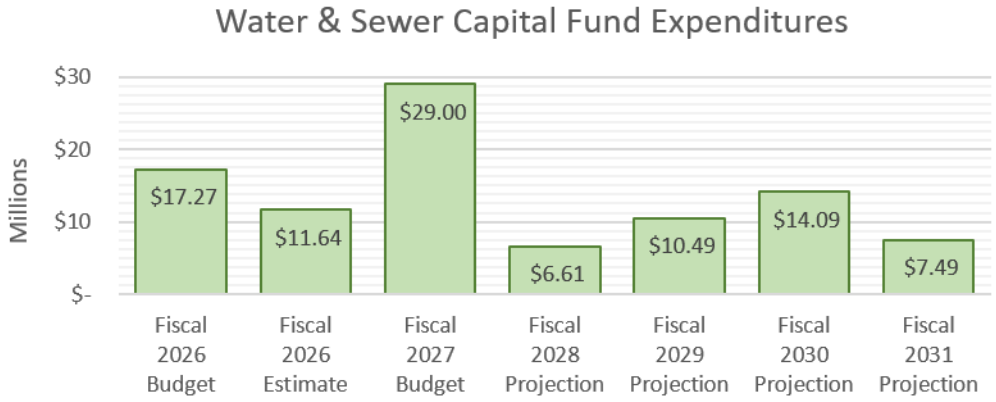
The Water & Sewer Capital Replacement Fund (Water & Sewer Capital Fund) accounts for the unique capital needs of providing drinking water, removing wastewater, and managing stormwater. Please refer to Exhibit F at the end of this section for details on the Water & Sewer Capital Fund.

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 issuances are expected in 2027 and 2029/2030 to fund improvements at water and 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 2027 - FY 2031

EXHIBIT A

GENERAL FUND	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	Fiscal 2028 Projection	Fiscal 2029 Projection	Fiscal 2030 Projection	Fiscal 2031 Projection
REVENUES							
Major Revenues							
Sales Tax	14,956,350	16,208,364	16,532,533	16,863,183	17,200,447	17,544,456	17,895,345
Home Rule Sales Tax	12,999,364	14,208,040	14,492,200	14,782,044	15,077,685	15,379,239	15,686,824
Income Tax	7,090,180	7,522,514	7,522,514	7,672,964	7,826,423	7,982,951	8,142,610
Total Major Revenues	$ 35,045,894	$ 37,938,918	$ 38,547,247	$ 39,318,191	$ 40,104,555	$ 40,906,646	$ 41,724,779
Pension Pass Through	$ 6,631,660	$ 6,631,660	$ 7,103,739	$ 7,516,322	$ 7,953,552	$ 8,416,942	$ 8,908,101
Other Revenues	5,037,690	6,704,672	5,209,559	4,908,299	4,861,394	4,818,515	4,779,362
	11,669,350	13,336,332	12,313,298	12,424,621	12,814,946	13,235,457	13,687,463
Total Revenues	$ 46,715,244	$ 51,275,250	$ 50,860,545	$ 51,742,812	$ 52,919,501	$ 54,142,103	$ 55,412,242
EXPENDITURES							
Executive	$ 498,260	$ 480,395	$ 435,891	$ 439,392	$ 442,998	$ 446,712	$ 450,537
Legal	763,200	713,200	763,200	782,280	801,837	821,883	842,430
City Administration	2,674,958	2,510,972	2,792,580	2,903,147	3,018,901	3,139,287	3,264,490
Information Technology	1,783,502	1,707,927	1,807,237	1,864,895	1,924,511	1,986,160	2,049,912
Police Department	14,331,846	13,980,620	15,117,036	15,832,118	16,471,050	17,136,157	17,828,533
Community Development	3,067,412	2,535,180	3,178,631	3,296,629	3,414,185	3,531,562	3,658,959
Public Works							
Engineering	1,637,692	1,547,743	1,723,859	1,793,298	1,865,579	1,940,819	2,019,143
Streets	4,728,654	4,568,874	5,019,687	5,207,114	5,401,707	5,603,755	5,813,541
Fleet Services	850,762	794,313	891,871	928,015	965,638	1,004,811	1,045,594
Facility Services	1,203,305	1,098,052	1,246,242	1,288,575	1,332,399	1,377,769	1,424,745
Fire & Police Commission	96,113	95,488	89,965	56,060	57,469	58,914	60,395
Three Oaks Rec. Area	886,038	870,453	1,039,647	1,078,541	1,118,915	1,160,828	1,204,338
Debt Service	53,680	53,480	53,356	53,356	53,079	53,623	53,223
Pension Obligation	6,631,660	6,631,660	7,103,739	7,516,322	7,953,552	8,416,942	8,908,101
Total Expenditures	$ 39,207,082	$ 37,588,357	$ 41,262,941	$ 43,039,742	$ 44,821,819	$ 46,679,221	$ 48,623,940
Revenues Over (Under) Expenditures	$ 7,508,162	$ 13,686,893	$ 9,597,604	$ 8,703,070	$ 8,097,681	$ 7,462,882	$ 6,788,302
TRANSFERS IN (OUT)							
Transfers In	$ 249,105	$ 273,510	$ 279,070	$ 130,000	$ 130,000	$ -	$ -
Transfers Out	(5,102,495)	(13,205,810)	(8,646,115)	(8,368,219)	(7,225,000)	(7,125,000)	(6,940,000)
Net Transfers	$ (4,853,390)	$ (12,932,300)	$ (8,367,045)	$ (8,238,219)	$ (7,095,000)	$ (7,125,000)	$ (6,940,000)
FUND BALANCE							
Change in Fund Balance	$ 2,654,772	$ 754,593	$ 1,230,559	$ 464,851	$ 1,002,681	$ 337,882	$ (151,698)
Est. Beg. Fund Balance	24,460,539	26,670,110	27,424,703	28,655,262	29,120,112	30,122,793	30,460,675
Est. End. Fund Balance	$ 27,115,311	$ 27,424,703	$ 28,655,262	$ 29,120,112	$ 30,122,793	$ 30,460,675	$ 30,308,977
*Unrestricted Ending Fund Balance	$ 20,296,973	$ 20,832,000	$ 21,989,802	$ 22,384,377	$ 23,319,191	$ 23,591,609	$ 23,361,844
Available Fund Balance as % of NY Expenditures	50%	50%	50%	**50%**	**50%**	**49%**	**46%**

FIRE RESCUE FUND	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	Fiscal 2028 Projection	Fiscal 2029 Projection	Fiscal 2030 Projection	Fiscal 2031 Projection
REVENUES							
Major Revenues							
Property Taxes	$ 7,724,645	$7,724,645	$ 7,853,648	$8,010,721	$8,170,935	$8,334,354	$8,501,041
Transport Fees	3,700,000	3,850,000	3,875,000	3,980,000	4,088,150	4,199,545	4,314,281
Contract Service	3,073,257	3,086,555	3,245,099	3,310,001	3,376,201	3,443,725	3,512,600
Total Major Revenues	$ 14,497,902	$ 14,661,200	$ 14,973,747	$ 15,300,722	$ 15,635,286	$ 15,977,624	$ 16,327,922
Other Revenues	574,250	1,171,382	675,400	681,104	686,865	692,684	698,561
Total Revenues	$ 15,072,152	$ 15,832,582	$ 15,649,147	$ 15,981,826	$ 16,322,151	$ 16,670,308	$ 17,026,483
EXPENDITURES							
Fire Rescue	$ 14,112,555	$ 13,548,419	$ 15,606,618	$ 16,115,523	$ 16,608,833	$ 17,117,575	$ 17,642,252
Total Expenditures	$ 14,112,555	$ 13,548,419	$ 15,606,618	$ 16,115,523	$ 16,608,833	$ 17,117,575	$ 17,642,252
Revenues Over (Under) Expenditures	$ 959,597	$ 2,284,163	$ 42,529	$ (133,697)	$ (286,682)	$ (447,267)	$ (615,769)
TRANSFERS IN (OUT)							
Transfers In	$ -	$ -	$ -	$ 750,000	$ 750,000	$ 750,000	$ 750,000
Transfers Out	(7,899,019)	(1,614,756)	(7,627,028)	(4,775,587)	(66,000)	-	(1,312,746)
Net Transfers	$ (7,899,019)	$ (1,614,756)	$ (7,627,028)	$ (4,025,587)	$ 684,000	$ 750,000	$ (562,746)
FUND BALANCE							
Change in Fund Balance	$ (6,939,422)	$ 669,407	$ (7,584,499)	$ (4,159,284)	$ 397,318	$ 302,733	$ (1,178,515)
Est. Beg. Fund Balance	16,051,713	16,407,820	17,077,227	9,492,728	5,333,444	5,730,762	6,033,495
Est. End. Fund Balance	$ 9,112,291	$ 17,077,227	$ 9,492,728	$ 5,333,444	$ 5,730,762	$ 6,033,495	$ 4,854,980
Unrestricted Ending Fund Balance	$ 8,972,291	$ 7,890,032	$ 3,680,748	$ 3,630,748	$ 3,978,066	$ 3,052,284	$ 3,002,284
Available Fund Balance as % of NY Expenditures	57%	51%	23%	22%	23%	17%	16%

CAPITAL REPLACEMENT FUND	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	Fiscal 2028 Projection	Fiscal 2029 Projection	Fiscal 2030 Projection	Fiscal 2031 Projection
REVENUES							
Major Revenues							
Video Gaming	$ 391,538	$ 434,163	$ 441,247	$ 448,472	$ 455,841	$ 455,841	$ 455,841
Sales Tax	2,000,000	2,274,579	2,320,072	2,366,473	2,413,802	2,413,802	2,413,802
Grants & Reimb.	953,635	398,063	641,113	1,800,000	-	800,000	1,800,000
Total Major Revenues	$ 3,345,173	$ 3,106,805	$ 3,402,432	$ 4,614,945	$ 2,869,643	$ 3,669,643	$ 4,669,643
Other Revenues	-	2,000	-	-	-	-	-
Total Revenues	$ 3,345,173	$ 3,108,805	$ 3,402,432	$ 4,614,945	$ 2,869,643	$ 3,669,643	$ 4,669,643
EXPENDITURES							
City Administration	50,000	55,000	70,000	21,000	22,050	23,153	24,310
Community Development	2,687,095	4,092,725	350,000	1,262,500	275,625	289,406	-
Information Technology	818,000	418,000	848,000	673,500	184,863	131,034	85,086
Fire Rescue	1,730,601	1,632,528	107,000	25,000	296,000	-	-
Police Department	852,842	699,005	984,350	769,525	471,850	471,850	473,850
Public Works							
Engineering	848,000	386,000	1,489,840	1,832,500	2,362,610	2,353,644	482,326
Fleet Services	65,000	35,366	95,000	-	-	-	-
Facility Services	4,290,160	783,250	3,226,000	1,419,000	1,677,980	1,363,860	51,000
Roadways - MFT	3,690,792	2,647,692	2,081,705	3,241,250	1,559,563	955,041	4,002,793
Roadways - Non MFT	2,232,500	2,015,276	2,145,100	2,252,355	2,364,973	2,483,221	2,607,382
Streets	115,000	53,000	126,000	52,500	55,125	77,881	310,775
Three Oaks Recreation	49,550	29,864	442,500	212,750	86,538	400,517	243,233
Total Expenditures	$ 17,429,540	$ 12,847,706	$ 11,965,495	$ 11,761,880	$ 9,357,177	$ 8,549,607	$ 8,280,755
Revenues Over (Under) Expenditures	$ (14,084,367)	$ (9,738,901)	$ (8,563,063)	$ (7,146,935)	$ (6,487,534)	$ (4,879,964)	$ (3,611,112)
OTHER FINANCING SOURCES (USES)							
Transfers In	$ 7,373,459	$ 13,226,943	$ 5,485,764	$ 7,376,250	$ 4,865,563	$ 3,865,041	$ 6,712,793
Transfers Out	-	(4,200,000)	(1,660,000)	(3,215,000)	(4,875,000)	-	-
Net Transfers	$ 7,373,459	$ 9,026,943	$ 3,825,764	$ 4,161,250	$ (9,437)	$ 3,865,041	$ 6,712,793
FUND BALANCE							
Change in Fund Balance	$ (6,710,908)	$ (711,958)	$ (4,737,299)	$ (2,985,685)	$ (6,496,971)	$ (1,014,923)	$ 3,101,681
Est. Beg. Fund Balance	14,805,987	20,873,471	20,161,513	15,424,214	12,438,529	5,941,558	4,926,635
Est. End. Fund Balance	$ 8,095,079	$ 20,161,513	$ 15,424,214	$ 12,438,529	$ 5,941,558	$ 4,926,635	$ 8,028,316
*Unrestricted Ending Fund Balance	$ 8,066,144	$ 20,144,956	$ 15,395,279	$ 12,426,767	$ 5,932,201	$ 4,918,085	$ 8,020,035

VEHICLE REPLACEMENT FUND	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	Fiscal 2028 Projection	Fiscal 2029 Projection	Fiscal 2030 Projection	Fiscal 2031 Projection
REVENUES							
Major Revenues	-	-	-	-	-	-	-
Total Major Revenues	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other Revenues	-	8,738	-	-	-	-	-
Total Revenues	$ -	$ 8,738	$ -	$ -	$ -	$ -	$ -
EXPENDITURES							
City Administration	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Community Development	72,000	-	72,000	-	-	-	-
Fire Rescue	6,386,918	212,049	7,520,028	4,775,587	66,000	-	1,312,746
Park Administration	-	-	-	-	58,000	-	-
Police Department	935,746	822,477	776,406	656,908	902,337	930,003	825,199
Public Works							
Engineering	56,669	50,537	59,664	-	37,264	-	-
Fleet Services	51,972	51,880	198,220	-	-	-	-
Streets	1,619,435	437,814	1,347,856	430,500	1,335,323	1,301,752	996,716
Total Expenditures	$ 9,122,740	$ 1,574,757	$ 9,974,174	$ 5,862,995	$ 2,398,924	$ 2,231,755	$ 3,134,661
Revenues Over (Under) Expenditures	$ (9,122,740)	$ (1,566,019)	$ (9,974,174)	$ (5,862,995)	$ (2,398,924)	$ (2,231,755)	$ (3,134,661)
OTHER FINANCING SOURCES (USES)							
Other Sources	$ -	$ 266,300	$ -	$ -	$ -	$ -	$ -
Transfers In	7,586,918	3,412,049	11,020,028	8,275,587	3,566,000	3,500,000	4,812,746
Transfers Out	-	-	-	(3,000,000)	(3,000,000)	-	-
Net Transfers	$ 7,586,918	$ 3,678,349	$ 11,020,028	$ 5,275,587	$ 566,000	$ 3,500,000	$ 4,812,746
FUND BALANCE							
Change in Fund Balance	$ (1,535,822)	$ 2,112,330	$ 1,045,854	$ (587,408)	$ (1,832,924)	$ 1,268,245	$ 1,678,085
Est. Beg. Fund Balance	7,139,162	7,802,965	9,915,295	10,961,149	10,373,741	8,540,817	9,809,062
Est. End. Fund Balance	$ 5,603,340	$ 9,915,295	$ 10,961,149	$ 10,373,741	$ 8,540,817	$ 9,809,062	$ 11,487,147

WATER & SEWER OPERATING FUND	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	Fiscal 2028 Projection	Fiscal 2029 Projection	Fiscal 2030 Projection	Fiscal 2031 Projection
REVENUES							
Major Revenues							
Consumption Fees	$ 15,828,983	$ 15,670,765	$ 16,256,740	$ 16,738,442	$ 17,237,565	$ 17,751,601	$ 18,280,997
Connection Fees	500,000	1,125,000	500,000	400,000	300,000	300,000	300,000
Total Major Revenues	$16,328,983	$16,795,765	$16,756,740	$17,138,442	$17,537,565	$18,051,601	$18,580,997
Other Revenues	608,902	1,122,845	613,805	514,836	500,442	486,054	486,672
Total Revenues	$ 16,937,885	$ 17,918,610	$ 17,370,545	$ 17,653,278	$ 18,038,007	$ 18,537,655	$ 19,067,669
EXPENSES							
Public Works Admin	$ 1,059,265	$ 1,002,563	$ 1,116,609	$ 1,165,216	$ 1,210,107	$ 1,256,788	$ 1,305,328
Water & Sewer	5,989,313	5,630,411	6,181,698	6,391,329	6,602,051	6,820,118	7,044,067
Wastewater	4,122,435	3,839,630	4,170,528	4,324,648	4,468,968	4,618,428	4,773,224
Total Expenses	$ 11,171,013	$ 10,472,604	$ 11,468,835	$ 11,881,193	$ 12,281,125	$ 12,695,334	$ 13,122,618
Revenues Over (Under) Expenses	$ 5,766,872	$ 7,446,006	$ 5,901,710	$ 5,772,085	$ 5,756,882	$ 5,842,321	$ 5,945,051
TRANSFERS IN (OUT)							
Transfers In	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Transfers Out	(7,837,736)	(7,578,011)	(7,741,705)	(7,744,242)	(7,741,246)	(7,746,165)	(7,350,021)
Net Transfers	$ (7,837,736)	$ (7,578,011)	$ (7,741,705)	$ (7,744,242)	$ (7,741,246)	$ (7,746,165)	$ (7,350,021)
CASH BALANCE							
Change in Cash Balance	$ (2,070,864)	$ (132,005)	$ (1,839,995)	$ (1,972,157)	$ (1,984,364)	$ (1,903,844)	$ (1,404,970)
Est. Beg. Cash Balance	12,168,599	13,706,102	13,574,097	11,734,102	9,761,945	7,777,581	5,873,737
Est. End. Cash Balance	$ 10,097,735	$ 13,574,097	$ 11,734,102	$ 9,761,945	$ 7,777,581	$ 5,873,737	$ 4,468,766
Available Cash Balance as % of Expenditures	96%	114%		79%	61%	45%	33%

WATER & SEWER CAPITAL REPLACEMENT FUND	Fiscal 2026 Budget	Fiscal 2026 Estimate	Fiscal 2027 Budget	Fiscal 2028 Projection	Fiscal 2029 Projection	Fiscal 2030 Projection	Fiscal 2031 Projection
REVENUES							
Major Revenues							
Utility Taxes	2,674,927	2,785,718	2,713,652	2,723,166	2,732,717	2,742,306	2,751,933
Grants & Reimb.	-	-	-	-	-	-	-
Total Major Revenues	$ 2,674,927	$ 2,785,718	$ 2,713,652	$ 2,723,166	$ 2,732,717	$ 2,742,306	$ 2,751,933
Other Revenues	40,000	32,572	-	-	-	-	-
Total Revenues	$ 2,714,927	$ 2,818,290	$ 2,713,652	$ 2,723,166	$ 2,732,717	$ 2,742,306	$ 2,751,933
EXPENSES							
Public Works Admin	$ 3,279,000	$ 3,054,000	$ 4,350,706	$ 231,250	$ 1,337,813	$ 2,294,703	$ 151,938
Water & Sewer	10,891,095	7,366,357	6,566,631	6,201,310	8,660,435	10,816,553	6,339,849
Wastewater	3,094,956	1,220,708	18,086,299	176,562	490,363	983,040	1,000,881
Total Expenses	$ 17,265,051	$ 11,641,065	$ 29,003,636	$ 6,609,122	$ 10,488,611	$ 14,094,296	$ 7,492,668
Revenues Over (Under) Expenditures	$ (14,550,124)	$ (8,822,775)	$ (26,289,984)	$ (3,885,956)	$ (7,755,894)	$ (11,351,990)	$ (4,740,735)
OTHER FINANCING SOURCES (USES)							
Transfers In	$ 11,389,000	$ 10,586,376	$ 5,950,516	$ 4,500,000	$ 4,500,000	$ 4,500,000	$ 4,100,000
Transfers Out	-	-	-	-	-	-	-
Other Sources	500,000	575	14,305,000	-	2,847,000	4,086,000	1,000,000
Net Other Sources/Uses	$ 11,889,000	$ 10,586,951	$ 20,255,516	$ 4,500,000	$ 7,347,000	$ 8,586,000	$ 5,100,000
CASH BALANCE							
Change in Cash Balance	$ (2,661,124)	$ 1,764,176	$ (6,034,468)	$ 614,044	$ (408,894)	$ (2,765,990)	$ 359,265
Est. Beg. Cash Balance	8,220,483	8,822,043	10,586,219	4,551,751	5,165,795	4,756,901	1,990,911
Est. End. Cash Balance	$ 5,559,359	$ 10,586,219	$ 4,551,751	$ 5,165,795	$ 4,756,901	$ 1,990,911	$ 2,350,176

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CITY OF CRYSTAL LAKE

ANNUAL BUDGET

FISCAL YEAR 2027

SUPPLEMENTAL INFORMATION

DRAFT

AN ORDINANCE APPROVING THE ANNUAL BUDGET OF THE CITY OF CRYSTAL LAKE, ILLINOIS, FOR THE FISCAL YEAR

BEGINNING JANUARY 1, 2027 AND ENDING DECEMBER 31, 2027

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 6, 2026; and

WHEREAS, after proper notice being given, a public hearing was conducted on December 1, 2026, to obtain public comment on the tentative annual budget for the City of Crystal Lake for the fiscal year beginning January 1, 2027 and ending December 31, 2027; 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, 2027 and ending December 31, 2027, in the form attached hereto is hereby approved and adopted.

Section 2: The City Manager is hereby authorized to transfer budgeted amounts between departments within any fund; however, expenditures in excess of the total budgeted amount per fund must be approved by the City Council per Section 33-2 of the City Code. 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 1st day of December 2026.

APPROVED:

_____

Haig Haleblian, MAYOR

ATTEST:

_____

CITY CLERK

PASSED: December 1, 2026

APPROVED: December 1, 2026

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

ARPA: American Rescue Plan Act

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

IEPA: Illinois Environmental Protection Agency

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

NON-MAJOR FUND: Any fund that does not meet the requirements to be a major fund.

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

SEECOM: Southeast Emergency Communications

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 2027

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 2027 BUDGET CYCLE

March 2026	Capital project templates released
June 1, 2026	Distribute FY 27 operating budget instructions to all departments.
June 15, 2026	Capital projects due
July 6, 2026 – July 24, 2026	Meetings with City Manager to review capital requests
July 31, 2026	Position or employee change requests due to HR
August 14, 2026	Budget submittals due from ALL Departments
August 17 2026– August 28, 2026	Finance review of budget submittals
August 18, 2026	City Council Capital Presentations
September 1, 2026	City Council Capital Presentations (backup date, if necessary)
September 1, 2026 – September 18, 2026	Departments meet with City Manager & Finance to review operating requests, accomplishments, objectives and metrics.
September 21, 2026 – October 9, 2026	Budget Document Preparation
October 12, 2026 – October 23, 2026	City Manager Final Review of Budget Document
November 5, 2026	Distribute Proposed FY27 Budget to Council
November 5, 2026	Distribute Property Tax Memorandum to Council
November 6, 2026	Post Agenda for Workshop. Make Budget Available to Public.

November 10, 2026	Conduct Budget Workshop
November 17, 2026	Council resolution to determine max property tax levy amount
November 20, 2026	Publish Notice of Public Hearing for Budget.
December 1, 2026	Public Hearing and Adoption of FY 26 Budget, salary ordinance, water rate and other budget impact ordinances.
December 5, 2026	Publish Notice of Truth in Taxation Public Hearing
December 15, 2026	Public Hearing and Adoption of 2026 Tax Levy.
December 18, 2026	File adopted FY 27 Budget and 2026 Property Tax Levy with McHenry County Clerk.

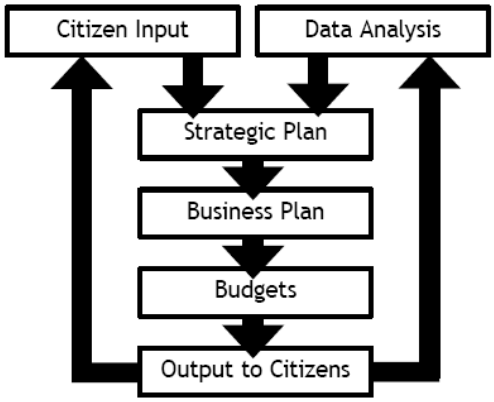
APPENDIX C - STRATEGIC PLAN

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. The current financial policies were adopted on May 20, 2025.

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.

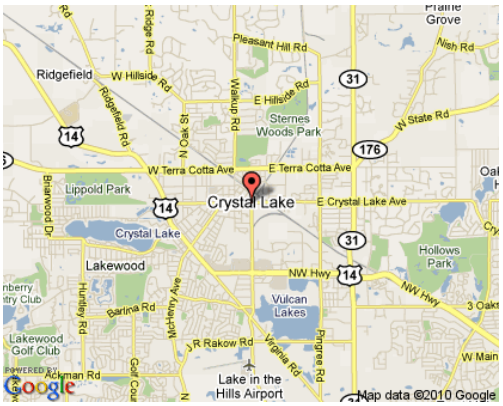
APPENDIX E - HISTORY OF CRYSTAL LAKE

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 household income of $108,418.

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 related 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 2025 the City filled 338,133 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. In 2026, the City of Crystal Lake completed a 3-mile trail loop around the lake and added a Story Walk along the trail in partnership with the library.



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
AptarGroup	Product dispensing systems	475
Crystal Lake Park District	Parks and recreation	419
City of Crystal Lake	Municipal government	351
Walmart	Department store	350
General Kinematics	Manufacturing	300
Clayens	Medical product injection molding	230
Technipaq	Medical supply store	160



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
2025	40,269	39.3	15,256	12,036	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)	271.40
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	24,543
Number of Patrol Units	24
Law Violations	
Physical arrests	822
Traffic violations	4,190
Parking violations	3,352
Fire/Emergency Medical Services	
Number of Stations	3
Number of Fire Personnel	81.00
Number of Calls Answered	7,862
Number of Fire Inspections	947
Number of Life Safety Inspections	205

Culture and Recreation	
Parks acreage	450
Number of Libraries	1
Water System:	
Water mains (miles)	242
Fire hydrants	3,274
Water Production Capacity (millions of gallons per day)	8.54
Average daily consumption (millions of gallons)	3.98
Sewer System:	
Sanitary sewers (miles)	160
Storm sewers (miles)	127
Wastewater Treatment Capacity (millions of gallons per day)	19.5
Average daily sewage (millions of gallons)	3.74