

INTRODUCTION TO BARRINGTON

Brief History

Until 1833, the area that now includes Barrington had for centuries been the home to tribes of Pottawatomi and Mascouten Indians. Late that year, under the terms of a treaty signed by Chief Blackhawk, the migration of the Indians across the Mississippi River began, thus opening up vast tracts of land along the Fox River to early settlers who began moving to the area in 1834.

Pioneers who traveled from Troy, New York, by way of the newly renamed City of Chicago, settled in what would later become Cuba Township in Lake County. Other settlers, primarily from Vermont, upper New York State, and Massachusetts (most notably from the Great Barrington area in Berkshire County, Massachusetts), settled in what is now Cook County. Their settlement was originally called Miller Grove but, was later renamed Barrington Center. It was established at the point where Sutton Road crosses Route 68. The area's rich soil and ample water supply naturally attracted a growing number of farming families throughout the 1830s. These farming families were industrious, courageous people who saw an opportunity to carve out a prosperous future, not only for themselves but for those who would follow.

Settling down caused changes and the settlers felt the need to develop a community. The first school house, the Northway School, was built at Barrington Center early in the 1840s just east of what is now the Catlow Theatre. Not only was this simple, one-room school the seat of learning for a growing number of farm youngsters, it also served as the house of worship for the Methodists and the Congregationalists until completion of their own churches in 1859. In 1850, at the request of the County Sheriff, the inhabitants of the various nearby settlements assembled to choose a name for their township, and to set up a town government. The name they chose for the township was Barrington.

In 1854, Robert C. Campbell, a civil engineer, completed a detailed plan for a village to be called Barrington Station. When built, it consisted of a farm house and a log barn owned by Willard Stevens, and was bounded by what is now Hough Street, County Line Road, a line east of Spring Street, and by a point a few feet south of Russell Street. The 80 acres within this boundary were the nucleus of what is today Barrington proper. That same year also brought about the completion of the northwest extension of the Chicago and Fond-Du-Lac railroad, later known as the Chicago and Northwestern Railroad. Deer Grove was the initial home of the railroad station, but in reaction to protests from residents of Deer Grove the Station was carted a few miles up the track by flat car to what would soon be the site of Barrington Station.

The homes that sprang up around the Barrington Station were constructed of logs, as were most homes in rural America at that time. But in 1855, the Village's first milled lumber facility began operations. The building that housed the mill is still a fixture on Franklin Street, a vivid reminder of Barrington's rustic past. In 1863, the 300-some people who comprised the population of Barrington Station decided, in a referendum, to separate local and township powers. This led, in 1865, to the state legislature's approval of a charter for the Village of Barrington. Not surprisingly, many families from nearby communities saw the potential advantages of moving to Barrington and having easy access to the railroad and the growing number of stores that had recently opened. In reaction to this steady migration, the number and variety of small businesses to set up shop near the railroad kept pace with the growing needs of the population.

In the last decades of the 19th century the City of Chicago grew from a promising prairie town to a great pivotal hub of commerce and industry. As Chicago became more prosperous, the desire for suburban living led to major population growth both in the countryside and in the Village of Barrington. In the 1920s, advancements in transportation allowed wealthy families from Chicago to move into the Barrington area and build family estate homes. The location of the Village and its attractive environment appealed to those who had become wealthy during the booming 1920s. The Village's population growth slowed during the difficult

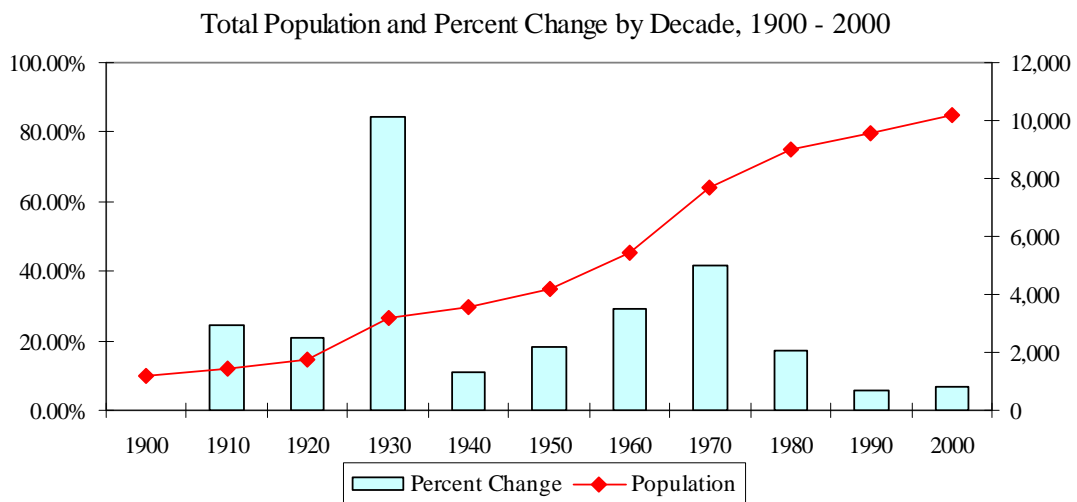
times of the 1930s and 1940s, but then resumed in the 1950s, 1960s, and 1970s as a result of the suburbanization in the Chicago area and the post World War II baby boom.

Barrington Today

The Village is located approximately 38 miles northwest of the Chicago Loop and encompasses a total land area of approximately 5.1 square miles. Barrington is a recognized Tree City USA community and has held this distinction for twenty-two consecutive years. The Village operates under the President - Trustee form of government in which the Village President, Members of the Board of Trustees, and the Village Clerk are elected at large to staggered four-year terms. The President and Board of Trustees are responsible for appointing a Village Manager.

The Village is centrally located in the Central Northwest Suburban Chicago Area, a region that has in the past encouraged limited development and the preservation of open space. One of the major challenges facing the community is the need to balance residential and commercial development in the area while working to preserve the character and environment of the community.

The Village’s population has been relatively stable for the last two decades. As illustrated in the chart below, Barrington experienced the most rapid growth in population during the decades of the 1920s, 1960s, and 1970s.



According to the 2000 census, Barrington’s population is 10,168. This population is based on a total of 3,767 households in the Village, including 2,797 family households (composed of a group of related individuals) and 970 non-family households (composed of either unrelated persons or one person). The total number of households increased by 278 (7.97%) from the 1990 census. During the decade of the 1990s, the total population of the Village increased 6.61%. The average household size in the Village was 2.70 and the average family size was 3.20; in comparison the average Illinois household size in the 2000 census was 2.63 and the average Illinois family size was 3.23.

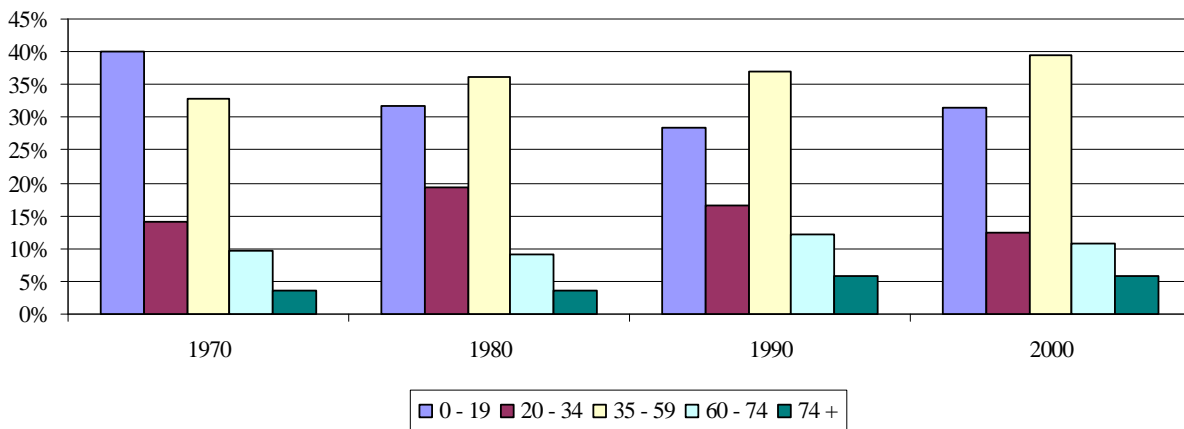
Since the completion of the 2000 census, Village building permit records indicate that approximately 102 new residences, including 70 single family and 32 multi-family residences, have been built in the Village. By multiplying these new residences by the average household size of 2.70, the Village estimates that approximately 178 residents have moved into the Village since 2000, thereby producing an estimated population in 2006 of 10,443. In comparison, by using existing records such as birth, death, federal tax returns, Medicare enrollment, and immigration, the Bureau of the Census estimates Barrington’s population as of July 2007 to be 10,387.

In terms of the composition of the Village’s population, according to the 2000 census the majority of the population in Barrington was Caucasian and not of Hispanic/Latino origin. The next largest racial group in the community was Asian-Americans who comprised 2.01% of the total population. Overall, there were slightly more females than males residing in the community.

Population Characteristics		
<u>Racial and Gender Composition</u>	<u>Total</u>	<u>Percent</u>
Caucasian	9,778	96.2%
African-American	63	0.6%
American Indian, Eskimo, or Aleut	13	0.1%
Asian or Pacific Islander	204	2.0%
Other or More Than One Race	110	1.1%
Total Population	10,168	100.0%
Hispanic or Latino Origin	237	2.3%
Male	4,829	47.5%
Female	5,339	52.5%

The median age of the Village’s population in the 2000 census was 38.6 years, an increase of 7.5 years over the median age of 31.1 years reported in the 1970 census. The largest segment of the population consists of people aged 35 to 59 and the proportion of persons in this age category has been increasing since the 1970s. The population age distribution in each census since the 1970 census is displayed in the following chart

Age Distribution of Population, 1970 - 2000



According to the 2000 census, slightly more than 58% of Village residents 25 years of age or older have attained a college degree, including 24% who have either a graduate or professional degree. This is much higher than either Illinois or national averages (26.1% and 24.4%, respectively). Another 22% of residents who are age 25 or older have attended some college or attained an Associates degree. Slightly more than 94% of Village residents 25 or older have their high school diploma (or equivalent), this is also much higher than the State and National averages (81.4% and 80.4% respectively).

The educational achievements of Village residents may help to explain the community’s low level of unemployment. According to the Illinois Department of Employment Security, the percent of unemployed persons in Barrington was 3.5% in 2004, 3.2% in 2005, 2.6% in 2006, and 3.0% in 2007. As demonstrated

in the table below, the unemployment rate in Barrington is consistently lower than both Illinois and national averages.

Unemployment Rates				
	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Barrington	3.50%	3.20%	2.60%	3.00%
State of Illinois	6.00%	5.50%	4.50%	5.00%
United States	5.50%	5.10%	4.60%	5.60%

Those Barrington residents who are employed tend to work in white-collar or service sector jobs. As demonstrated in Employment by Sector Table, the 2000 census found that approximately 64% of Village residents are employed in one of these four sectors of the economy:

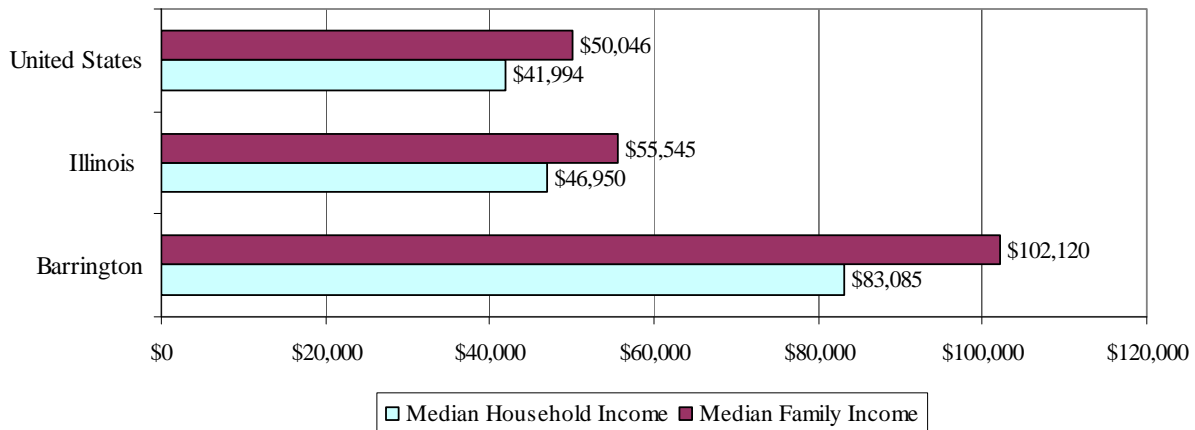
- Wholesale and Retail,
- Finance, Insurance, Real Estate, Rental & Leasing;
- Professional, Scientific, and Management;
- Educational, Health, and Social Services).

Village Residents, Employment by Sector		
	<u>Total</u>	<u>Percent</u>
Agriculture, Forestry, Fishing & Hunting, Mining	14	0.4%
Construction	134	2.9%
Manufacturing	723	15.6%
Wholesale & Retail Trades	736	15.9%
Transportation & Warehousing, Utilities	132	2.8%
Information	269	5.8%
Finance, Insurance, Real Estate, Rental & Leasing	607	13.1%
Professional, Scientific, Management	830	17.9%
Educational, Health & Social Services	785	16.9%
Arts, Entertainment, Recreation, Accommodation	180	3.9%
Public Administration	90	1.9%
Other Services	130	2.8%
Total Workforce	4,633	100.0%

The education level, low number of unemployed, and type of employment for residents probably explain the very low number of Barrington residents who live in poverty. In the 2000 census, only 2.3% of households and 3.1% of individuals in the community had incomes below the poverty line. Fifty-five (55%) percent of family households living in poverty were families with a female head of household (no husband present) with children under the age of 18.

In terms of income, as illustrated in the Comparison of Median Incomes Chart on the following page, both household and family income levels in Barrington are high when compared to National and State averages. The median household income of Barrington is \$83,085, which is \$36,135 (76.96%) higher than the average for Illinois and \$41,091 (97.85%) higher than the national average.

Comparison of Median Incomes, 2000 Census



The high median income of Barrington households and families partially explains the high quality housing stock in the Village. The median housing price of \$329,900, as reflected in the 2000 census, is well above the median housing prices in the Region, State, and Nation. Over 84% of Barrington houses cost more than \$200,000 according to the 2000 census (58% of these cost more than \$300,000). In 2007, the Illinois Association of Realtors reported that the median price of houses sold in Barrington was \$386,500.

Schools and Education

The Village of Barrington is included in Unit School District 220 which includes elementary and secondary educational facilities. This school district is one of the best in the State as indicated by the high test scores achieved by students at every educational level (elementary, middle school, and high school) within the district. Included in the corporate boundaries of the Village are four elementary schools, two middle schools, and one high school. Unit 220 School District educates over 9,000 students from Pre-Kindergarten through high school.

The Village is also located in Community College District 512. Village residents can access educational services through Harper Community College, which is located approximately five miles south of the Village in Palatine. In addition, the Chicago region includes numerous higher educational facilities including, outstanding four-year universities such as Northwestern University and the University of Chicago.

Transportation

Major Roads and Highways: Northwest Highway (Illinois Route 14), Illinois Route 59, and Lake-Cook Road. Interstate 90 intersects Illinois Route 59 approximately 6 miles south of the Village. Once on Interstate 90, a commuter has access to multiple interstate highways and can travel throughout the region.

Public Transportation: As discussed Barrington’s history, the Village center includes a railroad station that offers Metra commuter rail services to and from Chicago; the train ride takes approximately an hour. The PACE Suburban bus system also has stops in the Village, and the Village supports a PACE Bus Dial-A-Ride service for the handicapped and elderly.

Airports: The Village is located approximately 25 miles from Chicago’s O’Hare International Airport, and approximately 40 miles from Chicago’s Midway Airport.

Municipal Services and Facilities

The Village provides residents of Barrington with a full range of municipal services, including police and fire protection, street maintenance, forestry services, utilities (including Water, Wastewater, and Recycling and

Refuse), and Parking. In conjunction with intergovernmental agreements, the Village provides certain services to adjacent areas including water and wastewater services to areas within Barrington Hills and the Village of Inverness, police protection to the entire Village of Inverness (population 6,749); and fire/EMS services to the Barrington Countryside Fire Protection District (population 20,000). Service statistics as of December 31, 2007 for the Village include:

Center Lane Miles of Streets	
State	25
County	2
Village	47
Number of Street Lights	824
Miles of Bikeways	11
Fire Protection	
Number of Stations	3
Number of Full-Time Firefighter/Paramedics	34
ISO Rating	4
Police Protection	
Number of Stations	1
Number of Sworn Officers	32
Municipal Water	
Number of Metered Customers	4,430
Average Daily Consumption	1,354,408
Capacity – Gallons per Day	5,760,000
Average Daily Production	1,570,230
Miles of Water Main	88
Municipal Sewers	
Miles of Sanitary Sewers	64
Miles of Storm Sewers	49

Culture and Recreation

Village Residents have many choices of cultural and recreational facilities. The Barrington Area Park District provides services to the community including 5 parks with 196 acres of park area. Park District facilities include an aquatic center, a fitness center, baseball diamonds, basketball courts, tennis courts, sand volleyball courts, and playgrounds.

The Barrington Area Library District serves residents of the Village and surrounding communities and is located in the Village. Library statistics include:

Number of Libraries	1
Number of Volumes	272,126
Audio Recordings	20,658
Video Recordings	21,133
Periodicals	450
Registered Borrowers	48,521
Circulation	795,019

Other recreational facilities in the Village include the Catlow Theatre (a movie theatre), the Makray Memorial Golf Club, the Barrington Area Historical Society Museum, and various art galleries. Recreational attractions in the suburbs surrounding the Village include forest preserves, lakes, the Fox River, movie cineplexes, shopping malls, amusement parks, and water parks. Village residents can also travel to the City of Chicago by car or train to take advantage of the numerous cultural and recreational facilities located there, including the Art Institute of Chicago, the Field Museum, Shedd Aquarium, Adler Planetarium, the Museum of Science and Industry and Lincoln Park Zoo.

GUIDE TO USING THE BUDGET DOCUMENT

The goal of the Biennial Budget is to describe how the resources available to the Village will be used to provide services to the community during the budget period. The budget document illustrates the Village's projected revenues, operational expenditures, capital expenditures, and expected financial results for the budget period. The document also serves as a legal document that provides the appointed officials of the Village (*i.e.*, *Village Staff*) with the authority to expend Village funds. Finally, the budget document serves as a goal setting and policy document and includes the Village goals, policies, and procedures approved by the Village Board as part of the budget authorization process.

In order to fulfill its multiple functions, the budget document must strike a balance between ease of use for readers who may not be familiar with Barrington or experienced in municipal finance and usefulness for experienced readers and municipal officials. The document must be intelligible to a lay person and include detailed information about the operations, capital expenditures, and financial outcomes that will result from the authorized legal budget.

To accomplish the goal of balancing intelligibility and usefulness, the budget document is presented in a format that provides several levels of financial and operational detail. There are two methods of accessing information in the document. The first is to utilize the table of contents and/or the index to go to those sections of the document that are of particular interest. The second method is to work through the budget document section by section. The document has been arranged so that it will guide a reader unfamiliar with Barrington or municipal budgets from one section to the next. Each section enhances the reader's understanding of the Village, its operations, and its finances and provides information to assist the reader in understanding subsequent sections.

This budget is a financial plan relating proposed Village services for 2009 and 2010, to the estimated means of financing them. It is prepared on a basis sufficient to accommodate accounting, legal, and management requirements. The following descriptions provide information about how to use each section of the document to understand the Village's Biennial Budget plan.

Table of Contents and Index

The Table of Contents lists the major subjects and their associated page numbers. The index, located at the back of the document, provides a comprehensive, alphabetically arranged listing of subjects and their associated page numbers. The index offers the reader a quick, comprehensive reference to individual subjects.

Introduction to Barrington

This section is a community and demographic summary and provides a synopsis of Barrington, its history, its residents, and the services provided by the Village.

The Budget Process and Public Involvement

This section provides an explanation of the Village's budget process and a description of each step in that process. A calendar, with all of the tasks included in the budget process and the time frame in which they are completed, is also included in this section. This section also describes the extent of resident involvement in the budget process.

The Basis of Budgeting

This section describes the basis upon which the budget is formulated. The Village's budget is generally based on standards set forth in Generally Accepted Accounting Principles (GAAP) and any deviations from these principles are noted. This section also describes similarities and difference between the financial reporting requirements followed in the Village's Comprehensive Annual Financial Report (CAFR) and the method of presenting financial information in the budget document.

Financial and Budgeting Policies

This section illustrates the financial and budgeting policies that guide the development of the budget and provide the framework for internal financial controls that maintain the integrity of the Village's finances. This section includes descriptions of the Village's policies on budgeting, fund balances, revenues, operating expenditures, capital projects, debt, and financial reporting.

Evaluation of Financial Condition

It is important to understand the Village's financial condition at the beginning of the budget period in order to effectively evaluate the Village's operations and finances in 2009 and 2010. This section investigates the Village's financial condition at the beginning of the 2009 – 2010 Biennial Budget by displaying financial ratios, providing brief explanations of the ratios and their meaning, and comparing the Village to other comparable communities.

Synopsis of Economic Events and Assumptions

This section provides a description of recent economic history and how that history has impacted the Village's financial situation. This section continues by describing the economic assumptions underlying the Village's revenue projections and operating expenditure budgets.

Revenue Descriptions, Historical Trends, and Projections

This section provides descriptions, historical trends, and projections for the major revenue sources in each Fund. Major revenues sources are defined as those sources of revenue in an accounting fund that provide more than 10% of total revenues or produce more than \$500,000 in revenues.

Financial Summary Tables and Budgets by Fund

The Financial Summary Tables at the beginning of this section provide an overview of the estimated revenues, operational expenditures, capital expenditures, transfers, and ending Fund Balance/Net Assets for the Village and for each accounting fund. Two tables are presented for each fiscal year, the first table presents the financial information by Fund Groups (*i.e., General Fund, Governmental Funds, Enterprise Funds, Internal Service Funds, and Fiduciary Funds*); the second table presents the information by individual fund.

The Budgets by Fund section follows the Financial Summary Tables. Each Budget by Fund includes a written budget summary and a table that presents the estimated revenues, operational expenditures, capital expenditures, transfers, and changes in Fund Balance (*or Net Assets for the Enterprise, Internal Service, and Fiduciary Funds*) for the period from 2006 through 2010. The written budget summary includes a detailed review and analysis of the revenues, expenditures, transfers, and changes in Fund Balance that will occur in the budget period. At the end of each written budget summary is a table entitled "Summary of Revenues, Expenditures (*or Expenses*), Transfers, and Changes in Fund Balances". Each table displays the 2006 Actual, the 2007 Actual, the 2008 Revised Budget, a 2008 Projected Actual, the 2009 Budget, and the 2010 Budget in a six-column format. The tables can be used as tools to analyze the financial impact of the authorized budget on each accounting fund. The basis of presentation in each accounting fund is dependent on the measurement focus of each fund (*please review the Basis of Budgeting section on Pages 30-31 for a complete description of the measurement focus for each fund*).

Budgets by Department

The 2009 – 2010 Biennial Budget is comprised of 42 budgetary units. A budgetary unit is defined as either a Department, such as Public Works, or a Division of a Department, such as the Street Operations Division of Public Works. A Department, which is utilized as a management tool by the Village, can be part of a single accounting fund, such as the Fire Department which is part of the General Fund. A Department can also be part of multiple funds, such as Community & Financial Services which is part of the General Fund, the Water and Sewer Fund, the Recycling and Refuse Fund, the Parking Fund. The format for the Departmental Summaries includes:

- *Mission and Strategic Objectives* – Provides information about the long-term overall objective of the Department, why it was created, and what it is trying to accomplish by providing services to residents.
- *General Information* – Provides background information about the Department; discusses any major challenges facing the Department in the current budget program; displays the Divisions included in the Department; and provides a brief overview of the services provided by the Department to the community.
- *Accomplishments and Performance Statistics* – Illustrates the objectives established in the 2007 – 2008 Biennial Budget; describes the extent to which the Department accomplished each objective; and discusses the reasons certain objectives, if applicable, were not accomplished. This section also provides descriptions of additional accomplishments realized during the 2007 – 2008 time period, and displays performance statistics for the Department during 2004, 2005, 2006, and 2007
- *Initiatives for 2009 and 2010* – Provides goals and objectives that the Department is planning to accomplish in the upcoming budget years. Also describes how these goals and objectives fit in to the overall Village goals and includes standards by which performance can be measured.
- *Departmental Staffing Analysis* – Provides a description and a chart of the number of staff in each Department, the change over time, and the number of staff assigned to each Division.
- *Budget Analysis* – Provides an overview of the expenditures and funding sources for each Department. The description provides details about major changes in each Department budget as well as a description of the funding sources for Department expenditures and a breakdown of expenditures by Division.
- *Equipment Purchases* – Provides a brief description of the equipment and vehicles the Department will be purchasing in the budget period.

Each Department is composed of multiple Divisions that focus on a particular subset of Departmental responsibilities. For instance, in the Community & Financial Services Department the Finance and Accounting Division is responsible for financial reporting, payroll, and maintenance of the general ledger whereas its Parking Permitting Division is responsible for the administration and processing of parking fees (i.e., permits and daily fees). The final section of each Departmental summary includes individual Division summaries that provide a brief overview of each Division, including a summary of the major services provided and a table that displays the expenditures/expenses incurred.

Capital Improvements

The Capital Improvements section begins by providing an overview of Village capital improvements and an illustration of the Village's capital improvement expenditures for the previous ten years. The section continues by describing each capital improvement service area (i.e., Street and Highway Improvements), and illustrating the work that will be performed and the number of projects that will occur in each service area. Each service area description illustrates the expenditures and funding sources for the projects that will occur during the budget period and describes the potential effect of these projects on the Village's operational

budgets. Service area descriptions also include a projection of expenditures and funding during the next ten years.

Legal Budget Documents

This section includes the ordinances adopting the document as the official Village budget, the actual legal budget document that is submitted to Cook and Lake Counties, the Official Village Compensation Plan for 2009 – 2010, and a supporting schedule of expenditures for Property Tax Levies.

Appendices

The appendices include an analysis of Village Personnel and associated expenditures. This section also includes official Village policies to be utilized as reference information.

Glossary

The Glossary provides a definition of many of the words and phrases that are unique to municipal financial reporting and budgeting.

Additional information on the financial condition of the Village is available in the Comprehensive Annual Financial Report (CAFR) which can be reviewed at Village Hall or at the Barrington Area Library. Interested readers can also review previous budget documents and CAFRs at Village Hall or the Barrington Area Library. Community & Financial Services staff is also available to answer questions from residents that pertain to the Village's finances. Please contact:

Village of Barrington – Community & Financial Services
200 South Hough Street
Barrington, Illinois 60010
(847) 304-3400

An additional source of information is the Village Web Site; this Budget Document as well as Village Comprehensive Annual Financial Reports can be found online on the Web Site. The address is:

<http://www.barrington-il.gov>

THE BUDGET PROCESS

The Village has adopted a biennial budget cycle, which includes the authorization and documentation of the estimated revenues, expenditure budgets, and operating transfers for two fiscal years. This biennial budget document includes the legal budget and supporting documentation for fiscal year 2009, beginning January 1, 2009 and ending December 31, 2009, and for fiscal year 2010, beginning January 1, 2010 and ending December 31, 2010.

The Village's budgetary operations are governed under the provision of the Budget Act as provided for in the Illinois State Statutes (65 ILCS 5/8-2-9.1 to 9.11). This budget process is coordinated by the Director of Community & Financial Services under the direction of the Village Manager. In accordance with the Budget Act, the Village is required to adopt an annual budget document prior to the beginning of a year in which expenditures/expenses occur. The Village adopts expenditure budgets for governmental funds, enterprise funds, internal service funds, and Pension Trust Funds. An expenditure budget is not adopted for the Village's agency fund, the Escrow and Deposits Fund. The following pages provide a description of the budget process as well as a budget calendar that illustrates the key dates included in the process.

Review and Development

In the first quarter of the year preceding the beginning of a new biennial budget period, the Village Board holds a budget workshop to develop goals and provide guidelines for the upcoming budget process. Based on these goals and guidelines, budget instructions and worksheets are provided to Department Heads by mid-March. Departments finalize their budget requests and submit them to the Community & Financial Services department in May. During June, each Department Head meets with the Village Manager and the Director of Community & Financial Services to discuss their respective Department's budget requests. Adjustments necessary to balance the budget and/or to more effectively meet the objectives established by the Board are initiated during this review process. The tentative budget document is then finalized and presented to the Village Board for review in late September/early October. In late October copies of this document are made available for public review and comment at both the Village Hall and the Barrington Area Public Library.

Adoption

The public has several weeks to review the tentative budget before the public hearings on both annual budgets in November. A notice of the public hearings is published at least ten days in advance in two general circulation newspapers (The Daily Herald and The Barrington Courier Review). The public hearings on the budget provide residents with the opportunity to comment upon and make suggestions about the budget to the Village Board. The public hearing for the first year occurs first and is followed immediately by the public hearing on the second year of the biennial budget. After the public hearings are held, the Budget may be revised and passed without any further inspection, notice, or hearing. Based on the current language of the Budget Act, the document for the first fiscal year of the biennial budget is usually considered and approved by the Board in late November; the document for the second fiscal year of the biennial Budget is usually considered and approved by the Board in the first quarter of the following year.

Amendments and Transfers

The Village's Budget Officer may approve transfers of money between accounts within an Accounting Fund at his/her discretion as long as these transfers do not result in a change to the total expenditure amount included in the approved budget for the respective Accounting Fund.

If it becomes necessary to effectuate a change that impacts total expenditure dollars budgeted in a particular Accounting Fund, such amendment can only be made following the approval, by a two-thirds vote of the members of the Corporate Authorities then holding office (65 ILCS 5/8-2-9.6), of an ordinance amending the budget for the respective Accounting Fund.

Budget Calendar

<u>Description of Activity</u>	<u>Completion Date</u>
Committee of the Whole Goal Setting Workshop	March 8, 2008
Letters sent to non-profit organizations with instructions for requesting funding from the Village, with a due date of May 9, 2008	April 1, 2008
Personnel expenditure projections completed and submitted for review to Village Manager and Director of Community & Services for review	April 17, 2008
Personnel projections distributed to Department Heads for review	April 30, 2008
All budget request sheets, issue papers, department narratives and supporting documents submitted by each Department to Director of Community & Financial Services.	May 1, 2008
Revenue estimates completed by the Director of Community & Financial Services	May 9, 2008
Completion of data entry of revenue estimates and department budget requests and generation of budgets for funds, departments, and divisions.	June 15, 2008
Discussion of departmental budget requests between Village Manager, Director of Community & Financial Services and Department Heads	June 18 – June 30, 2008
Proposed 2009 – 2010 Budget submitted to the President and Board of Trustees	August 18, 2008
Submission of Fire Department Budget to the cost Control Advisory Review Board.	August 22, 2008
Cost Control Advisory Review Board budget review meeting	August 28, 2008
Cost Control Advisory Review Board recommendation submitted to Village of Barrington Board of Trustees & the Barrington Countryside Fire Protection District.	September 8, 2008
Village Board establishes tentative dates for the public hearing on the 2009 and 2010 budgets. Board also establishes dates for the adoption of the budgets	October 27, 2008
Committee of the Whole Budget meetings.	September 25, October 16, and October 27, November 3, November 6 and November 10, 2008
Proposed budget available for public inspection at Village Hall, the Barrington Library and on the Village Web Site	November 14, 2008

Description of Activity

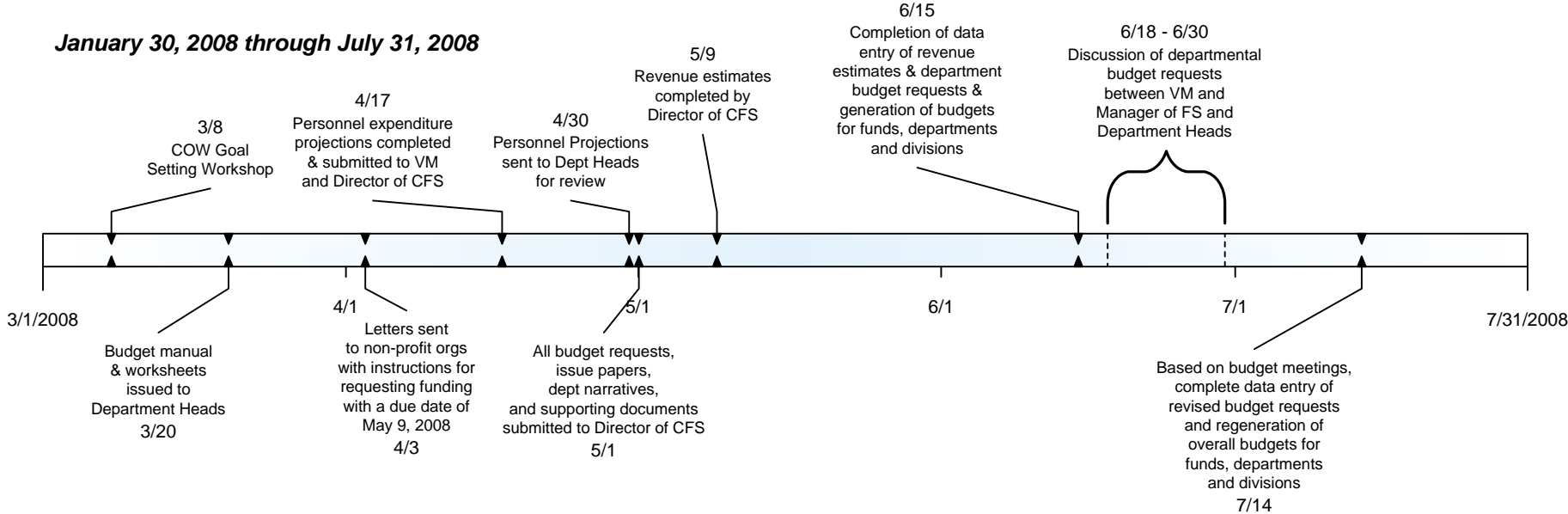
Completion Date

Public hearings before the Village Board on the Biennial Budget.	November 24, 2008
Village Board Adoption of the 1st Year of the Biennial Budget.	December 15, 2008
Deadline to file approved budget for 2009. Certified copy of the Ordinance and Certificate of Estimate of Revenues must be filed with each County Clerk (must be filed no later than 30 days after passage of the Budget by the Board).	December 23, 2008
Village Board Adoption of the 2nd year of the Biennial Budget.	February 23, 2009
Deadline to File Approved Budget for 2010. Certified Copy of the Ordinance and Certificate of Estimate of Revenues with each County Clerk (must be filed no later than 30 days after passage of the Budget by the Board).	March 23, 2009
Deadline to send printed budget document to GFOA for review under the Distinguished Budget Awards Program.	May 23, 2009

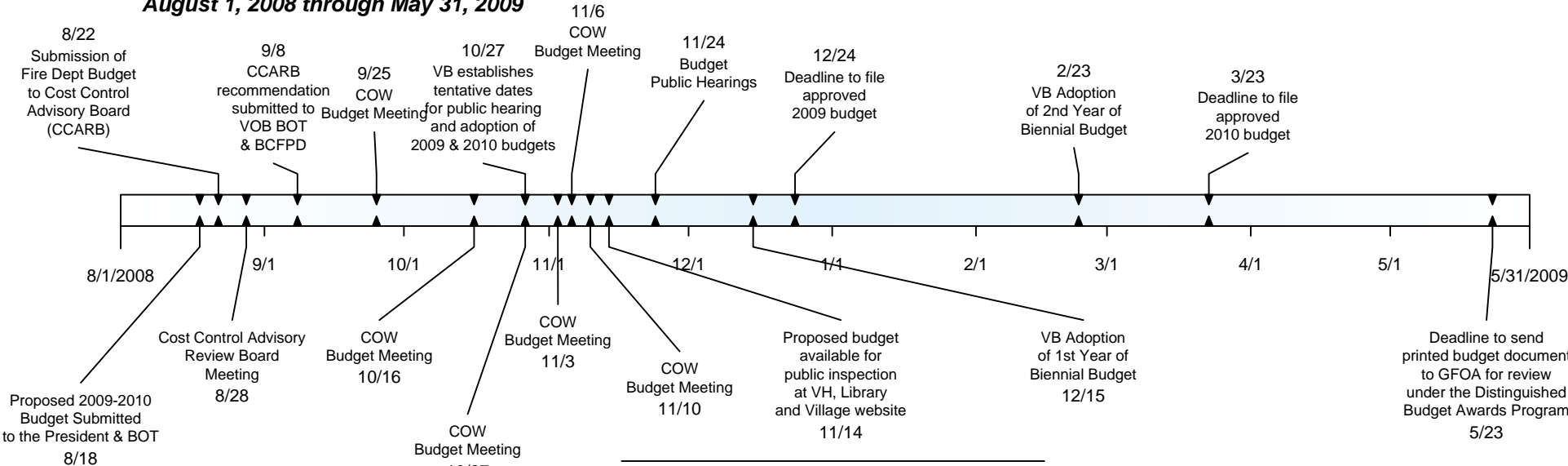
Village of Barrington

Key Dates and Descriptions 2009 – 2010 Biennial Budget Process

January 30, 2008 through July 31, 2008



August 1, 2008 through May 31, 2009



BASIS OF BUDGETING

The Village's budget process is governed by the provisions of the Budget Act as provided for in Illinois State Statutes (65 ILCS 5/8-2-9.1 to 9.11). The financial portion of the Legal Budget for the Village of Barrington is presented in three parts starting with the Revenue Estimate by Fund on Pages 281-290, continuing with the Expenditure Budget by Fund on Pages 291-301, and ending with the Summary of Transfers by Fund on Page 302. The revenue estimate for all accounting funds is presented on an account level basis (*i.e., each individual revenue source is presented in the Estimate*). The revenue estimate is organized by accounting fund, then by revenue source grouping (*i.e., Property Taxes*), and then by individual revenue source (*i.e., General Corporate Property Tax*).

The expenditure budget is established, authorized, and presented at the sub-class level for all accounting funds. The Village defines the sub-class level of expenditures as an interrelated grouping of individual expenditure accounts (*i.e., the Professional Development sub-class is an interrelated group of accounts that includes Training, Expense Reimbursement, Membership Dues, Subscriptions, and Tuition Reimbursement*). Establishment of the expenditure budget at the sub-class level provides departments with greater flexibility in meeting operational needs. Accounting for expenditures at the sub-class level also provides the Village Board with better information about transfers between major sub-classes versus transfers between related line items within a sub-class. The expenditure budget is organized by accounting fund, then department, then division, and finally sub-class.

Transfers from one accounting fund to another are presented at the account level (*i.e., each individual transfer from one fund to another is displayed*). Transfers are organized by accounting fund, transfers in or transfers out, and then transfer account.

To enhance the reader's understanding of the Village's budget, the Legal Budget is presented in several formats throughout the document. These formats include the Financial Summary Tables beginning on Page 89; the Fund Summaries beginning on Page 97 which include tables that summarize the revenues, expenditures, transfers, and changes in fund balance or net assets for each fund; Department budget sections beginning on Page 138 which include tables that summarize budgeted expenditures and funding sources at both the Department and the Division levels. The presentation of expenditures for each budgetary unit (*please review the Guide to Using the Budget Document on Page 22-25 or the Glossary on Pages 340-346 for an explanation of a budgetary unit*) is reflected on a gross budgetary basis. This means that included within each operating unit are all costs including all benefits and interfund charges related to that unit. In order to associate costs with services, expenditures for pensions and other fringe benefits are budgeted by unit percentage and allocated to the appropriate department.

The revenues, expenditures, and transfers for the Village's Governmental Funds (*General Fund, Capital Improvement Fund, Tax Increment Financing Fund, and Debt Service Fund*) in the Legal Budget and in all table presentations of the Legal Budget, are prepared on a modified accrual basis consistent with Generally Accepted Accounting Principals (GAAP). The revenues, expenditures, and transfers for the Village's Enterprise Funds, Internal Service Funds, and Pension Trust Funds in the Legal Budget and in all table presentations of the Legal Budget, are prepared according to full accrual accounting principals consistent with GAAP.

The modified accrual form of accounting is a change in measurement focus from the full accrual form of accounting. Under modified accrual accounting, revenues are recognized when measurable and available and expenditures are recognized when the related fund liability is incurred. Under full accrual accounting, revenues are recognized in the accounting period in which they are earned while expenses are recognized in the period they are incurred. There are a few instances in which the Village's budget deviates from GAAP. These include:

- For all accounting funds, compensated absences, which are not recognized in the Legal Budget, are accrued under GAAP and reported in the Village's Comprehensive Annual Financial Report as a long-term liability.
- The budget document does not convert all funds to a Village-wide Statement of Net Assets and Statement of Activities (and the accompanying Reconciliations) as required under GASB Statement Number 34.
- Budgetary Enterprise Fund deviations from GAAP include, a) recognizing capital outlays and debt financing as expenditures and revenues respectively, rather than adjusting the appropriate balance sheet accounts in accordance with GAAP, and b) depreciation is not included in the budget even though it is recorded as an expense under GAAP.
 - These deviations from GAAP necessitate differences in how Actual and Budget columns are presented in summary tables for Enterprise, Internal Service, and Fiduciary Funds. The 2006 and 2007 Actual and the 2008 Projected columns in summary tables are presented on an audited basis which is consistent with GAAP accounting standards. Capital Expenditures in these columns are capitalized (*and therefore do not show up as an expense*) and reflected as an increase in the Invested in Capital Assets portion of Fund Net Assets. Depreciation in these columns is presented as an expense in accordance with GAAP. The 2008, 2009 and 2010 Budget columns are presented on a basis consistent with legal budget requirements which require that all expenses are appropriated by the Village Board in the Expenditure Budget. Therefore capital expenses are reflected in these columns and depreciation expense is not.

The Village's accounting system is maintained on a basis consistent with the adopted budget. This enables departments to monitor their budget by utilizing the inquiry functions of the financial software system. At the end of each fiscal year, the Village undertakes appropriate adjustments to bring the accounting system of the Village in line with GAAP (including the requirements of GASB Statement Number 34). These adjustments allow the Village to convert its financial structure from the budget format to a format that is appropriate for meeting the requirements of financial reporting required in the Comprehensive Annual Financial Report (CAFR). All year-end adjustments are carefully reviewed by the Village's outside auditor to ensure their propriety.

BUDGET AND FINANCIAL POLICIES

The Village of Barrington's budget and financial policies are the basic guidelines for the management of the Village's fiscal operations. The policies were developed within the parameters of and comply with Illinois State Statutes and the Village of Barrington Municipal Code. The policies assist the Village Board and Village Staff in preparing the budget and managing the Village's fiscal affairs throughout the budget period. The policies will be reviewed during each biennial budget process and modified as appropriate to accommodate changing fiscal conditions, environmental challenges, and Village Board policy initiatives.

Budget Policies

1. The fiscal year of the Village of Barrington will begin on January 1 of each calendar year and end on December 31 of the same calendar year. All accounting and budgeting functions of the Village will occur in conjunction with this fiscal time period.
2. The Budget will be prepared on a basis consistent with Generally Accepted Accounting Principals (GAAP). Any exceptions to preparing the budget on a basis consistent with GAAP will be disclosed in the Basis of Budgeting Section (*located on Pages 30-31 of this document*).
3. The Budget Officer of the Village, prior to October 1 of the year preceding the first year of the forthcoming biennial budget period, will submit to the Village Board a budget document that includes the Legal Budget request for two fiscal years. The budget document will include the following information:
 - a. A transmittal letter that describes organizational goals, analyzes service and program impacts of the proposed budget, and highlights the major initiatives included in the proposed budget and their impact on the Village's financial condition.
 - b. An estimate of all revenues for each Fund, prepared on a realistic basis at the account level and taking into account all available information. The Village will strive to maintain a reasonable and balanced estimate of revenues to avoid under or overestimation, both of which are equally undesirable (*Underestimation may lead to an unnecessary reduction in programs and services and overestimation may lead to an expansion of services and programs that cannot be supported with available resources*).
 - c. A section that describes major revenue sources, illustrates historical trends, and establishes projections that form the basis for the revenue estimate. This section will also include an analysis of the assumptions underlying each projection.
 - d. An accounting of expenditures/expenses in each Fund by Department and Division according to sub-class categories established for operating expenditures. The Legal Budget will include two previous years of actual expenditures, budgeted and projected actual expenditures/expenses for the year preceding the biennial budget, and budgeted expenditures/expenses for both years of the biennial budget period.
 - e. Specific objectives for every operating Department. These objectives will be consistent with strategic organizational goals as described in the transmittal letter and will be explicitly linked to these goals in an explanatory paragraph.
 - f. A Capital Improvements section that describes each major category of projects, analyzes the work to be performed in the biennial budget period, illustrates the expenditure budget for the biennial budget period, and forecasts future capital project funding needs.
4. The Biennial Budget submitted to the Village Board will include a balanced budget, as defined by Village Policy (*see Pages 33 – 35*) in each Accounting Fund. The transmittal letter will highlight and explain any circumstances in which a budget in any Fund is not balanced.

5. Public hearings for each fiscal year of the Biennial Budget will be held before the Village Board. The public hearing format will provide Village residents with the opportunity to express their opinions regarding estimated revenues, proposed fee or tax increases, and proposed expenditures/expenses. Residents will have the opportunity to express their reasons for wishing to increase or decrease any expenditures/expenses. The notice of public hearing will be published in newspapers circulating in the community not less than seven days in advance of the date of the public hearing (ILCS 5/8-2-9.9)
6. The Budget Document will be published in a format that satisfies all criteria of the Government Finance Officer's Association Distinguished Budget Program. The final budget document will be published no later than 90 days following the adoption of the second year of the biennial budget and will be made available to the public on the Village's web site.
7. The Budget Officer of the Village may approve the transfer of money between accounts within an Accounting Fund at his/her discretion as long as these transfers do not result in a change to the total expenditure amounts included in the approved budget for the respective Accounting Fund. If it becomes necessary to effectuate a change that impacts total expenditure dollars budgeted in a particular Accounting Fund, such change can only be made following the approval, by a two-thirds vote of the members of the Corporate Authorities then holding office (65 ILCS 5/8-2-9.6), of an ordinance amending the budget for the respective Accounting Fund.

Minimum Fund Balances and Balanced Budgets

1. The Village will avoid the appropriation of fund balance for recurring operating expenditures. If at any time the utilization of a fund balance to pay for operating expenditures is necessary to maintain the quality or level of current services, an explanation of the circumstances of the utilization of fund balance and the strategy to arrest the future use of fund balance will be included in the Transmittal Letter.
2. The Village will maintain a minimum Undesignated/Unreserved General Fund Balance that is sufficient to provide financial resources for the Village in the event of an emergency or the loss of a major revenue source. Therefore, the Village has set the minimum Undesignated/Unreserved Balance for the General Fund at an amount equal to three months of General Fund operating expenditures. Any General Fund Balance that the Village has designated as a contingency reduces the amount of Undesignated/Unreserved Balance that must be maintained in accordance with this policy (the formula is: Three months budgeted operating expenditures – any General Fund Balance designated as a contingency).
3. The minimum Fund Balance for the Unreserved – Undesignated Fund Balance in the Capital Improvement Fund has been established at one half (50%) of the amount needed to fund the annual Street Maintenance Program. This is necessary to ensure sufficient resources are available in the Fund to begin work on the following year's program early in the following year before the Fund has received the majority of its revenues for the year. The maximum Fund Balance allowable in the Capital Improvement Fund is equal to 3% of the equalized assessed value of the taxable real property located in the corporate boundaries of the Village (ILCS 5/8-2-9.5). Based on the 2007 equalized assessed value of the Village, this limit was equal to \$19,747,032.
4. No minimum Fund Balance has been established for the TIF Fund. This Fund was established to account for the resources associated with capital infrastructure construction and maintenance within the TIF District. Throughout the majority of its existence, it is likely that the TIF Fund will have a negative Unreserved – Undesignated Fund Balance because capital projects within the Fund will require more resources in the beginning than have been accumulated. The TIF Fund, in order to pay for these capital projects, may receive loans from other accounting funds of the Village and these loans will lead to a negative Fund Balance until they are repaid by the TIF Fund.
5. No minimum Fund Balance is set for the Debt Service Fund. The Fund collects Property Tax Revenue

for the payment of General Obligation Bonds that have been authorized by referendum. The amount of Property Tax collected is set at the time the General Obligation Bonds are issued and is directly tied to the amount needed to pay the debt related to the bonds during any particular fiscal year. Therefore there is no need to set a minimum Fund Balance as the Property Tax revenue should always offset expenditures in the Fund.

6. The minimum Unrestricted Net Assets for the Enterprise Funds is established at three months of operating expenditures plus one quarter (25%) of the accumulated depreciation of the Capital Assets of the Fund. Enterprise fund revenues are traditionally stable and predictable; establishing a minimum fund balance of three months operating expenditures should provide sufficient security for operating activities in these Funds. The addition of one quarter (25%) of accumulated depreciation of the Capital Assets of the enterprise funds is necessary to ensure adequate resources are available to reconstruct or rehabilitate capital assets as they reach the end of their useful lives. The expense of reconstructing or rehabilitating capital assets in enterprise funds can be prohibitive unless an adequate reserve has been accumulated in the fund for the purpose of reconstruction or rehabilitation.
7. Minimum Unrestricted Net Assets for the Internal Service Funds have been established at three months of operating expenditures plus the amount needed for future equipment replacement purchases. Internal Service Funds have stable revenue sources and which are predictable enough to safely establish a three month operating expenditure spending limit. Equipment replacement schedules are maintained for each Internal Service Fund. The schedules establish the minimum fund balance needed in each year to replace equipment in the future; each of these funds will maintain a fund balance sufficient to provide resources for the future replacement of equipment as required according to the appropriate equipment replacement schedule.
8. The Pension Trust Funds minimum fund balances are established by actuarial projections. The Village will strive to provide enough resources to fully fund current estimates of future pension liabilities.
9. An assessment of the minimum Unrestricted Net Assets for the enterprise and internal service funds will be conducted once the Village's Comprehensive Annual Financial Report (CAFR) becomes available for each Fiscal Year. The Minimum Unrestricted Net Assets is not predictable and therefore a balanced budget in the enterprise and internal service funds (*as defined below*) may not necessarily indicate that minimum Unrestricted Net Assets are equal to an amount set by policy (*please see the Village's most recent CAFR to assess whether the Village has been able to comply this policy*).
10. The definition of a balanced budget for each accounting fund for which budget appropriations occur shall be:
 - a. General Fund – A General Fund balanced budget is determined by the positive or negative results of the Unreserved – Undesignated Fund Balance. The expenditures associated with General Fund operating activities are supported by the revenues and accumulated resources of this category of Fund Balance. Increases or decreases in this Fund Balance category are indicative of the General Fund's ability to support continuing operations.
 - b. Capital Improvement Fund – A balanced budget in the Capital Improvement Fund is determined by whether the Unreserved – Undesignated Fund Balance is greater than the minimum Fund Balance required by Village Policy; in 2009 this amount is \$425,000 and in 2010 the amount is \$594,000.
 - c. Tax Increment Financing Fund – A balanced budget in the TIF Fund is determined by the Fund's ability to provide resources for anticipated projects. An analysis of a balanced budget for the TIF Fund must therefore focus on the cash balance of the Fund and its ability to provide funding for future projects.
 - d. Debt Service Fund - A balanced budget in the Debt Service Fund has been established by Village Policy as a positive Net Change in Fund Balance (*i.e., a Net Change in Fund Balance greater*

than \$0). A positive Net Change in Fund Balance indicates that the Fund is receiving sufficient revenues to pay the Village's obligations.

- e. Water & Sewer Fund - A balanced budget in the Water and Sewer Fund is determined by the positive or negative change in Net Assets. The budgeted Change in Net Assets is indicative of the Fund's ability to generate sufficient resources to meet operating and non-operating expenses. If the Change in Net Assets is equal to or greater than \$0, the Fund's budget is considered to be balanced.
- f. Recycling & Refuse Fund - A balanced budget in the Recycling and Refuse Fund is determined by the positive or negative change in Net Assets. The budgeted Change in Net Assets is indicative of the Fund's ability to generate sufficient resources to meet operating and non-operating expenses. If the Change in Net Assets is equal to or greater than \$0, the Fund's budget is considered to be balanced.
- g. Motor Vehicle System Parking Fund - A balanced budget in the Motor Vehicle Parking System Fund is determined by the positive or negative change in Net Assets. The budgeted Change in Net Assets is indicative of the Fund's ability to generate sufficient resources to meet operating and non-operating expenses. If the Change in Net Assets is equal to or greater than \$0, the Fund's budget is considered to be balanced.
- h. Information Systems Fund - A balanced budget in the Information Systems Fund is determined by the positive or negative change in Net Assets. The budgeted Change in Net Assets is indicative of the Fund's ability to generate sufficient resources to meet operating and non-operating expenses. If the Change in Net Assets is equal to or greater than \$0, the Fund's budget is considered to be balanced.
- i. Central Garage Fund - A balanced budget in the Central Garage Fund is determined by the positive or negative change in Net Assets. The budgeted Change in Net Assets is indicative of the Fund's ability to generate sufficient resources to meet operating and non-operating expenses. If the Change in Net Assets is equal to or greater than \$0, the Fund's budget is considered to be balanced.
- j. Firefighter's Pension Fund - A balanced budget in the Firefighter' Pension Fund is achieved when additions exceed deductions in the Fund.
- k. Police Pension Fund - A balanced budget in the Police Pension Fund is achieved when additions exceed deductions in the Fund.

Revenues

1. To ensure the Village's continuing financial health, the Village will strive to maintain a diversified and stable revenue system so that fluctuations in any one revenue source will not have a devastating effect on the Village's financial integrity.
2. The Village shall utilize property taxes as a "stop gap" Revenue source. For each tax levy, the Village will determine the level of service it wishes to provide to its residents and the cost of providing this level of service. The cost of those services will be compared to projected revenues, excluding property tax. The shortfall between projected revenues and estimated expenditures is "theoretically" the amount to be considered for the property tax levy.
3. The Village will establish user charges and fees at a level that attempts to recover the full cost of providing the service.
 - a. User Fees, particularly utility rates, should identify the relative costs of serving different classes of customers.
 - b. The Village will set user fees to include the full cost of providing the service, including the

construction, rehabilitation, and maintenance of the capital assets necessary to provide the service.

- c. The Village will consider rates and fees charged by comparable units of local government providing similar services when establishing user charges and fees.
4. The Village will attempt to maximize its financial resources by encouraging Intergovernmental Cooperation. The establishment of intergovernmental service agreements with other units of local government allows the Village to provide residents higher levels of service at a reduced cost. It is the objective of the Village to continue to maintain and improve these intergovernmental agreements while evaluating whether there are other service areas that could be enhanced through intergovernmental cooperation.
5. The Village will attempt to maximize its financial resources by investing excess funds in a manner that provides the highest investment return while maintaining the maximum security of invested funds and meeting the daily cash flow demands of the Village. The Village will invest funds in a manner conforming to all state statutes and local regulations governing the investment of public funds. The rules and regulations required by State Statutes are detailed in the Village's Investment Policy which was adopted by the Village Board on December 3, 1999.

Operating Expenditures

1. The Village will fund all operating expenditures in a particular Fund from the operating revenues generated by that Fund. In developing the budget, recommendations will be made regarding services level adjustments that may be necessary to meet this objective. Services will not be expanded beyond the Village's ability to utilize current revenues to pay for the expansion of these services.
2. The Village will continually assess its organization and service provision efforts in order to provide service enhancements by increasing efficiency or effectiveness. During each budget process the Village will assess its current organization and service provision strategy and make adjustments if the analysis demonstrates that a particular enhancement would improve operations.
3. The Village shall continually examine its service provision efforts in an effort to reduce operating expenditures and/or enhance the quality and level of services without increasing cost.
4. The Village will establish Personnel Services budgets necessary to continue to provide quality and level of services to residents. To attract and retain quality employees, the Village will maintain a compensation and benefits package that is competitive with other public sector employers.
5. The Village will provide sufficient resources to train Employees and thereby develop the specialized knowledge and expertise necessary to maintain and improve the quality of Village services.
6. The Village will strive to adopt new technologies and techniques that will allow the Village to maintain and improve the level of services provided to residents while maintaining a stable workforce. To achieve this objective, the Village will investigate, fund, and implement information and communication technology solutions that allow for the automation of functions.
7. Operating Expenditures will be budgeted, accounted for, and reported in the following major categories:
 - i. Personnel Services
 - Salaries
 - Fringe Benefits

- ii. Operating Expenditures
 - Professional Development
 - Contractual Services
 - Commodities
 - Program Expenditures
- iii. Other Expenditures
 - Equipment Purchases
 - Interfund Charges
- iv. Capital Expenditures
 - Contractual Services (Legal, Architectural, Engineering, Other Professional)
 - Land Acquisition
 - Capital Equipment
 - Capital Construction

Capital Projects

1. The Village will develop a multi-year plan for capital projects. This plan will identify projects likely to be constructed within a five year time period and will also identify the likely source of funding for the project.
2. To maintain its excellent debt standing, the Village will attempt to support capital projects with recurring revenues or excess fund balances in the Capital Improvement, TIF Redevelopment, and Water and Sewer Fund.
3. The Village will set utility rates that are sufficient to provide funding for future capital improvements necessary to maintain utility infrastructure. Rates shall be set at a minimum to maintain sufficient cash resources to fund capital expenditures on a pay as you go basis. This minimum level will be set through the use of the Village's Water and Sewer Rate Analysis.
4. Capital maintenance expenditures will be sufficient to address need for the deterioration of the Village's capital infrastructure as necessary to protect the community's quality of life. Capital maintenance expenditures will be sufficient to ensure a relatively stable level of expenditures in every budget year.

Debt

1. The Village will issue debt or utilize low interest loans only for projects that cannot be reasonably funded through recurring revenues. Recent examples include the Village Facilities Project (reconstruction of Village Hall and the Public Safety Facility), the construction of the Station Street Reservoir and the Iron Removal Facility, and the renovation of the Wastewater Treatment Plant.
2. The Village will not issue debt or undertake low interest loans that will last beyond the useful life of the asset for which the debt is to be issued.
3. To minimize interest payments on assumed debt, the Village will strive to maintain or improve upon its current bond rating of Aa3 (Moody's Investor Services) when issuing bonds. When considering loans, the Village will utilize, to the extent available, low interest loans (with interest rates below current rates of interest) such as Illinois Environmental Protection Agency (IEPA) loans for Water and Sewer Infrastructure construction and rehabilitation.

Financial Reporting

1. Following the conclusion of the fiscal year, the Village will prepare a Comprehensive Annual Financial Report (CAFR) in accordance with generally accepted accounting and reporting principles established by the Governmental Accounting Standards Board (GASB). The CAFR shall also satisfy all criteria of the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting.
2. Included as part of the CAFR shall be the audit report prepared by independent certified public accountants designated by the Village Board to audit the Village's financial statements.
3. The Village will capitalize projects in compliance with the Capitalization Policy established in conjunction with the conversion of the Comprehensive Annual Financial Report to the GASB Statement #34 format (*this Policy is included in this document in Appendix C on Pages 335-338*).
4. On a continual basis, the Community & Financial Services Department will prepare and present to the Committee of the Whole month end financial reports that will include revenue and expenditure summaries for each Fund and a cash and investment report for each Fund. These reports will not necessarily be presented to the Committee at the end of the month on which they report (it takes approximately 20 days after the end of the month for Financial Services to make all concluding entries for a month), but the Committee will have the opportunity to review the financial reports for each month in a fiscal year.