



CITY OF
Crystal Lake Illinois

COMPREHENSIVE ANNUAL FINANCIAL
REPORT FOR THE YEAR ENDED APRIL 30, 2020

CITY OF CRYSTAL LAKE, ILLINOIS

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended
April 30, 2020

Prepared by the Finance Department

Jodie Hartman
Director of Finance

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INTRODUCTORY SECTION



CITY OF
Crystal Lake
ILLINOIS

October 13, 2020

Acting Mayor Haig Haleblian
Members of the City Council
Citizens of the City of Crystal Lake, Illinois

We submit to you the Comprehensive Annual Financial Report of the City of Crystal, Illinois, for the fiscal year ended April 30, 2020. State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report (CAFR) of the City of Crystal Lake for the fiscal year ended April 30, 2020.

This report consists of management's representations concerning the finances of the City of Crystal Lake. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis to make these representations, management of the City of Crystal Lake has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Crystal Lake's financial statements in conformity with GAAP. The Finance Department takes responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including disclosures. We believe the information, as presented, is accurate in all material respects, is presented in a manner designed to fairly set forth the financial position of the City and the results of its operations as measured by the financial activity of its various funds, and includes all the disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs.

The City of Crystal Lake's financial statements have been audited by Sikich LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Crystal Lake for the fiscal year ended April 30, 2020 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified ("clean") opinion that the City of Crystal Lake's financial statements for the fiscal year ended April 30, 2020, are fairly presented in conformity with GAAP. This "clean" opinion is the highest obtainable opinion, a statement of not

only reliability of the financial information, but also to the high level of professionalism and integrity of the staff. The independent auditor's report is presented as the first component of the financial section of this report.

The City of Crystal Lake's comprehensive annual report presents the Management's Discussion and Analysis (MD&A), basic financial statements and required supplemental information. The MD&A provides an analytical overview of the City's financial activity. Included in the basic financial statements are the government-wide financial statements, fund financial statements and notes to the financial statements. The required supplementary information presents the budgetary comparison schedules and other schedules. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

PROFILE OF THE CITY OF CRYSTAL LAKE

The City of Crystal Lake, incorporated in 1914, is located in the southeastern portion of McHenry County, which is the furthest northwestern county in the Chicago metropolitan region. McHenry County was recognized as the fastest growing county in the State of Illinois in the 1990 census. This particular development trend is most prevalent in the southeastern portion of McHenry County, which includes the Crystal Lake area. The 2010 Census further substantiated this experience. The City of Crystal Lake currently occupies a land area of 19.24 square miles and serves a certified population of 40,743. The City of Crystal Lake is empowered by State Statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the City Council.

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 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.

This report encompasses all funds of the City of Crystal Lake. The City of Crystal Lake provides a full range of services, including police and fire protection; recreation; construction and maintenance of highways, streets, and infrastructure; maintenance of the public storm drainage system; water, sanitary sewer service and wastewater treatment; and growth management, planning and development control through the activities of the Community Development Department. In addition to these general governmental activities, the City has certain information relative to the public library (a discretely presented component unit) and police and fire pension systems (blended component units). Therefore, these activities have been included in the City of Crystal Lake's financial reporting entity.

The annual budget serves as the foundation for the City of Crystal Lake's financial planning and control. All agencies of the City of Crystal Lake are required to submit requests for appropriation to the City Manager. The City Manager and Director of Finance use these requests as the starting point for developing a proposed budget. The City Manager then presents this proposed budget to

the City Council for review. The City Council is required to hold a public hearing on the proposed budget and to adopt a final budget by no later than April 30th, the close of the City of Crystal Lake's fiscal year. The budget is prepared by fund and department. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Crystal Lake operates.

Local Economy

The City of Crystal Lake enjoys a rather stable economic environment. With the onset of the COVID-19 pandemic early 2020 having a substantial effect on the local economy, as well as the global impacts, the City was able to withstand the financial consequences without reducing services. The largest single source of revenue is sales tax, which reflects the current economic trends with the attractions of new retail and restaurants. Sales tax receipts have rebounded to levels just shy of pre-pandemic proportions and indicators point to pent up demand continuing the upward trend for sales tax.

Development and property 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 illustrate the fact that the City has 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.

Assessed property values in Crystal Lake increased 5.33% in fiscal year 2020 (2018 tax levy) to \$1,148,033,441, which follows a 5.38% increase in fiscal year 2019 (2017 tax levy). New construction in the residential and commercial sectors helped contribute to an increase in property values. Of particular note, Lennar, the nation's largest homebuilder began construction on a 500-unit residential development, Woodlore Estates, on the northeast section of Crystal Lake. As a home rule unit of government, the City's tax levy is not subject to the Property Tax Extension Limitation Law (PTELL).

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.

Route 14 serves as a retail corridor for the City of Crystal Lake, with a variety of tenants occupying space in several shopping centers. This corridor houses large national tenants such as Kohl's, Sam's Club, Target and Best Buy. In 2019, 416,026 square feet of commercial space was occupied,

compared to 338,000 square feet in 2014. The Route 14 corridor provides a variety of dining options as well, from fine dining to fast casual.

The downtown sector of the City has continued to show substantial strength, exhibiting a very low vacancy rate of less than 5%. The downtown continues to be a vibrant commercial destination, with its own unique dining, specialty shops, services and entertainment options. 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. Downtown Crystal Lake also offers Crystal Lake's first microbrewery.

The City is home to several large auto retailers. Anderson Motors, a major auto retailer of BMW, Volkswagen, and Mazda vehicles, has expanded their facilities with the construction of a new dealership in the Route 14 corridor, and maintaining the remaining two flags at their other facility within the City. In addition, Pauly Toyota relocated their auto dealership to the Lutter Center. Brilliance Honda completed a major expansion and relocated also within Crystal Lake, consolidating their car inventory locations and rebuilt an automobile dealership. Martin Chevrolet completed a substantial renovation of their automobile dealership that features a restored showroom, service area and customer lounge with amenities.

Crystal Lake continues to be an attractive place to live and conduct business. In 2019 and early 2020, highlights of the new businesses that have either occupied space or leased space and are under construction, or relocated to larger buildings include: Camfil, Chicago Plastic Systems Inc., Steinhafels, Binny's Beverage Depot, Pet Supplies Plus, Hickory Hall, Popeyes Louisiana Kitchen, Carlos Pancake House, Triple Berry Café, Antigua Mexican Grill, AROMA Coffee & Wine, Smoothology, Mookie's Steak & Seafood, McAlister's Deli, Freddy's Frozen Custard and Steakburgers, Vine and Plate, Shopko Optical, Salon Cora, Acme Concrete Inc., Withania Natural Health, Northern Illinois Foot & Ankle Specialists, Athletico Physical Therapy, Smooth Brick Club, Music Makers for Life, Northwest Obedience Club, Freedom Fitness, Abantu Arts Fusion, Studio 912, Holiday Envy, Ortho Illinois, Spartan Axe Throwing, Indian Spice & Indian Chatpata Swad, Fork It Foods, Just 4 You Treats, Fireplace by Design, and Coco Rolls.

The City is fortunate to have two Metra train stations within the corporate limits. The second station, a 2,000-square-foot Pingree Road Metra Station, was completed in the winter of 2005. 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.

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 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.

LONG-TERM FINANCIAL PLANNING

The City of Crystal Lake is well-positioned for growth, both geographically and economically. Located 50 miles northwest of Chicago, Crystal Lake benefits from a continually-growing population and workforce. The City's population has experienced a 66% increase in population since 1990, making Crystal Lake the largest community in McHenry County. On many statistical measures, the City fares well compared to the rest of the country. The City's average household income is approximately 23% above the national average and approximately 17% above the State average. The City also has a high percentage of its residents with a college degree.

Crystal Lake, like all municipalities, must continually evolve to meet the changing needs of its citizens. Because the City is a service provider, its main expenditures are personnel related. City staff continuously examine municipal services for efficiency, effectiveness, usefulness and sustainability, and develops options and strategies that enable the City to match resources (financial, physical and human) to the desired level of service.

The City is committed to maintaining a low property tax rate. On December 3, 2019, the Crystal Lake City Council adopted a property tax levy ordinance that maintained a zero General Fund levy, which has been in place since 1997. The City was able to mitigate tax levy increases through spending controls and by utilizing available fund balance for capital equipment and replacement.

The City sponsors single-employer defined benefit pension plans for its sworn police officers and for its sworn firefighters. Each year, an independent actuary calculates the amount of the annual contribution. As a matter of policy, the City fully funds each year's annual required contributions as determined by the actuary. As of April 30, 2020, the Police Pension plan's fiduciary net position as a percentage of the total pension liability was 51.18%. As of April 30, 2020, the Fire Pension plan's fiduciary net position as a percentage of the total pension liability was 68.10%. Unfunded amounts are being systematically funded as part of the annual required contribution until 2040 when each fund's assets shall be equal to its pension obligations.

The City also provides pension benefits for its non-public safety employees. These benefits are provided through a state-wide plan that is managed by the Illinois Municipal Retirement Fund (IMRF). Additional information on the City's pension arrangements can be found in Note 14 of the financial statements. As of December 31, 2019, the date of the most recent actuarial valuation, the IMRF plan's fiduciary net position as a percentage of the total pension liability was 90.3%

At the end of the current fiscal year, the City had \$42.05 million of debt instruments outstanding. Under current state statute, the City has no legal debt limit on general obligation debt. Since 2009, Standard and Poor's has rated and affirmed the City with a AA+ rating.

FINANCIAL POLICIES

The City of Crystal Lake's Financial Policies provide the basic framework for the fiscal management of the City. The policies provide guidelines for evaluating both current activities and proposals for future programs. Most of the policies represent longstanding principles, traditions and practices that have guided the City in the past and have helped maintain the City's financial stability. The following are detailed in the City of Crystal Lake's Financial Policies:

- Budget Policy
- Purchasing Authority Policy
- Purchase Card Policy
- Capital Asset Policy
- Debt Management Policy
- Fund Balance Policy
- Investment Policy
- Revenue and Cash Management Policy
- Personal Information Protection Policy
- Red Flag Policy

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Crystal Lake for its comprehensive annual financial report (CAFR) for the fiscal year ended April 30, 2018. As of the writing of this report, the City has not received the results of the application for the award for the fiscal year ended April 30, 2019. This results in twenty-nine consecutive years that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The City of Crystal Lake received the Distinguished Budget presentation award for the Fiscal Year 2020 Budget document for the eleventh consecutive year. Similar to the CAFR award submission, GFOA has not yet announced results of the application of the budget award for the fiscal year 2021 application. It is an honor for the City of Crystal Lake to receive these two awards from the National GFOA.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. We would like to express our appreciation to all staff members who assisted and contributed to the preparation of this report, especially Assistant Finance Director Laura Herrig. Without the support given by the Acting Mayor and the City Council and their unfailing commitment to maintaining the highest standards of professionalism in the management of the City of Crystal Lake's finances, this report would not be possible. Recognition and acknowledgement of the essential nature of their support and commitment to effective and responsible local government financial operations, which has enabled a report that is believed to meet the requirements of the GFOA Certificate of Achievement Program again this year, is an appropriate conclusion to this year's report.



Gary J. Mayerhofer
City Manager



Jodie Hartman
Director of Finance/Treasurer



CITY OF CRYSTAL LAKE, ILLINOIS

CITY OFFICIALS

ACTING MAYOR

Haig Haleblian

COUNCILMEMBERS

Ellen Brady
Ian Philpot
Cameron Hubbard

Brett Hopkins
Cathy A. Ferguson
Mandy Montford

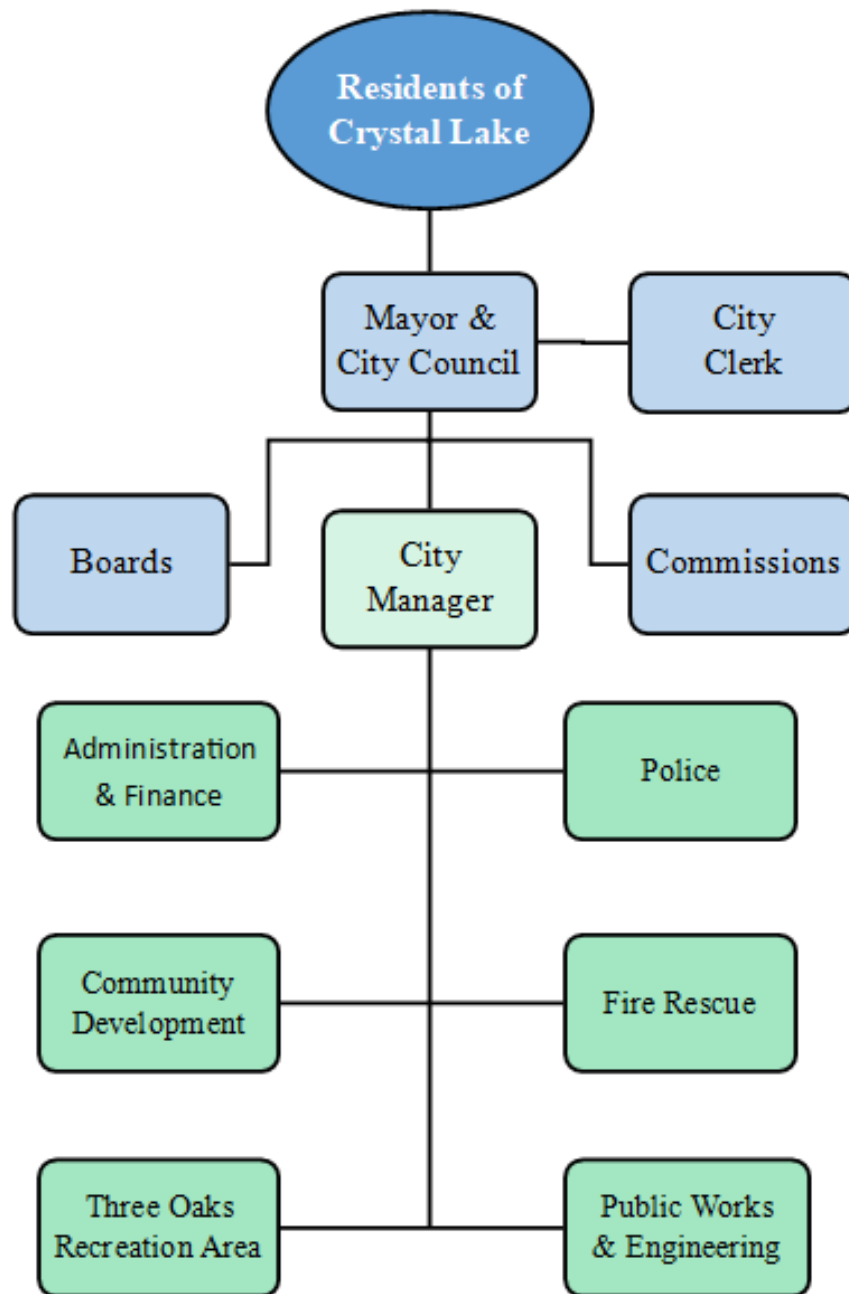
CITY CLERK

Nick Kachiroubas

ADMINISTRATION

Gary J. Mayerhofer
Eric T. Helm
Michelle V. Rentzsch
Jodie Hartman
Julie Meyer
Gregory A. Fettes
Michael P. Magnuson
Paul DeRaedt
James Black

City Manager
Deputy City Manager
Director of Community Development
Director of Finance/Treasurer
Director of Human Resources
Director of Information Technology
Director of Public Works
Chief of Fire Rescue
Chief of Police





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Crystal Lake
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

April 30, 2018

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

SIKICH.COM

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor
Members of the City Council
City of Crystal Lake, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Crystal Lake, Illinois (the City), as of and for the year ended April 30, 2020, and the related notes to financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Southeast Emergency Communications (SEECOM), which represent 1.08%, 1.73%, and 0.58% of the assets, net position, and revenues of the governmental activities, respectively. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it related to the amounts included for SEECOM, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of the Crystal Lake Public Library, a discretely presented component unit, and the financial statements of SEECOM, were not audited in accordance with *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Crystal Lake, Illinois, as of April 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

The City adopted GASB Statement No. 83, *Certain Asset Retirement Obligations*, which required a liability and deferred outflow of resources to be recorded in the business type activities, and GASB Statement No. 84, *Fiduciary Activities*, which changed the reporting of certain fiduciary funds during the current fiscal year. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the basic financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual fund statements and schedules and statistical section as listed in the table of contents are presented for the purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 13, 2020, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Sikich LLP

Naperville, Illinois
October 13, 2020

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

**CITY OF CRYSTAL LAKE
MANAGEMENT'S DISCUSSION AND ANALYSIS**

The City of Crystal Lake Management Discussion and Analysis (MD&A) is designed to 1) assist the reader in focusing on significant financial issues, 2) provide an overview of the City's financial activity, 3) identify changes in the City's financial position (its ability to address the next and subsequent years' challenges), 4) identify any material deviations from the financial plan (the approved budget), and 5) identify individual fund issues and concerns.

As management of the City of Crystal Lake (City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended April 30, 2020. We encourage readers of this document to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i to vi of this report.

FINANCIAL HIGHLIGHTS

CITY FUNDS AS A WHOLE

The statement of net position presents information on all of the City's assets/deferred outflows and liabilities/deferred inflows as of April 30, 2020, with the difference reported as net position.

- **Net position**, excluding the Crystal Lake Public Library, was \$209.18 million.
- **Change in net position** due to activity during the year was an increase of \$2.21 million.
- **Combined revenues** totaled \$68.49 million, an increase of 8.1%
- **Combined expenses** totaled \$66.28 million, an increase of 6.7%

GENERAL FUND

- **Revenues** for the fiscal year totaled \$33.89 million, an increase of \$815k.
- **Expenditures** for the fiscal year totaled \$27.84 million, a decrease of \$47k.
- **Fund Balance** as of April 30, 2020 was \$22.38 million. The net change in fund balance due to activity during the fiscal year was an increase of \$2.80 million.

BUSINESS-TYPE ACTIVITIES (Waterworks and Sewerage Fund)

- **Operating revenues** for the fiscal year totaled \$13.41 million, an increase of \$528k.
- **Operating expenses** for the fiscal year totaled \$12.35 million, an increase of \$590k. This includes \$3.85 million in depreciation of capital assets, a non-cash expense.

LONG-TERM DEBT

- **Bonded Debt for governmental activities outstanding** as of April 30, 2020 decreased \$1.93 million to \$8.55 million during the year.
- **Bonded Debt for business-type activities outstanding** as of April 30, 2020 increased \$3.66 million to \$19.11 million during the year.
- **New bonded debt issued during the year**, the Series 2019 Refunding Bonds, was issued in the amount of \$14.33 million to refund \$9.54 million of the Series 2009 Build America Bonds and Recovery Zone Bonds. Through this refunding, the City reduced debt service on the 2009 bonds by \$642k.
- **Net Pension Liability for Public Safety Pensions** increased \$9.56 million to \$56.44 million. This includes the liabilities for both Police and Firefighters' Pension Funds.
- **Net Pension Liability for IMRF** (non-sworn employees) decreased \$5.8 million to \$7.51 million as of April 30, 2020.

**CITY OF CRYSTAL LAKE
MANAGEMENT'S DISCUSSION AND ANALYSIS**

CAPITAL INVESTMENT

- **City-wide assets**, net of depreciation, total \$263.26 million at April 30, 2020, an increase of \$3.12 million.
- **Governmental capital assets** net of depreciation decreased \$246k to \$184.16 million.
- **Business-type capital assets** net of depreciation increased \$3.36 million to \$79.10 million, primarily for infrastructure.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The notes to the financial statements are considered integral to the financial statements. In addition to the basic financial statements and notes, this report also contains required supplementary information, other supplementary information and statistical information.

The City's basic financial statements comprise two components: 1) Government-wide financial statements and 2) Fund financial statements. The combination of government-wide and fund financial statements allows the City to present fairly and with full disclosure, the funds and activities of the City and to demonstrate compliance with finance-related legal and contractual provisions.

Government-wide Financial Statements are intended to provide an aggregated overview of the City's net position and changes in net position. The government-wide financial statements report on the government as a whole using the same basis of accounting and measurement focus as private-sector business.

The government-wide financial statements include not only the City itself (known as the primary government), but also a legally separate library for which the City is accountable. This component unit is reported separately from the financial information presented for the primary government itself. The government-wide financial statements can be found on pages 4 – 7 of this report.

Fund financial statements assist in assessing whether the government has raised and spent financial resources in accordance with budget plans and in compliance with finance-related legal requirements. Certain funds, referred to as governmental funds, focus on the short-term flow of *current* financial resources, rather than on the flow of economic resources. Other funds, referred to as proprietary and fiduciary funds, account for the business-type and certain fiduciary activities of the government. These funds follow accounting and reporting principles similar to those of business organizations.

Governmental funds. These funds are a generic classification used to refer to all funds other than proprietary and fiduciary funds. The City has twenty (20) governmental funds to account for governmental functions. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balance for those governmental funds considered to be "major" funds.

Governmental funds account for the inflows and outflows of *current* financial resources. No long-lived assets such as land, buildings, and equipment, nor any long-term liabilities such as bonds payable, are reported on the governmental funds balance sheet. Financial resources must be available to pay current-period obligations. The basic governmental fund financial statements can be found on pages 8 - 15 of this report.

**CITY OF CRYSTAL LAKE
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Proprietary funds. These funds are sometimes referred to as *business-like* funds of local government. Examples of proprietary funds are enterprise funds and internal service funds. The City maintains one proprietary fund. The Waterworks and Sewerage enterprise fund is used to account for the acquisition, operations and maintenance of Waterworks and Sewerage facilities and services and is predominately self-supporting through user charges. The Waterworks and Sewerage Fund is considered to be a major fund of the City. The basic proprietary fund financial statements can be found on pages 16 - 20 of this report.

Fiduciary funds. These funds are used to account for resources held for the benefit of parties outside the government. This includes the City's two pension trust funds and custodial Special Service Area Funds. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City's own programs. The basic fiduciary fund financial statements can be found on pages 21 - 22 of this report.

Notes to the financial statements. These notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 23 - 80 of this report.

Required supplementary information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City's progress in funding its obligation to provide pension benefits, as well as budgetary comparison schedules for major funds for which an appropriation was approved. Required supplementary information can be found on pages 81 - 92 of this report.

Other supplementary information. This includes combining and individual fund statements and schedules, which can be found beginning on page 93 of this report.

Statistical information. The statistical section of the annual report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementation information says about the City's overall financial health. Statistical information can be found beginning on page 146.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Net Position

The Statement of Net Position is a high-level view of the total assets, deferred outflows, liabilities and deferred inflows of the primary government. The resulting net position is allocated to three categories: Net Investment in Capital Assets, Restricted funds and Unrestricted Funds. Net assets may serve over time as a useful indicator of a government's financial position.

**CITY OF CRYSTAL LAKE
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Statement of Net Position
As of April 30, 2019 and 2020

Category	Governmental Activities		Business-type Activities		Total Primary Government	
	4/30/2020	4/30/2019	4/30/2020	4/30/2019	4/30/2020	4/30/2019
Current and other assets	\$ 59,394,147	\$ 51,921,792	\$ 18,200,060	\$ 12,619,112	\$ 77,594,207	\$ 64,540,904
Capital assets	184,158,729	184,404,681	79,101,542	75,739,541	263,260,271	260,144,222
Total assets	243,552,876	236,326,473	97,301,602	88,358,653	340,854,478	324,685,126
Deferred Outflows	15,449,325	17,269,512	1,464,143	1,507,395	16,913,468	18,776,907
Total assets & deferred outflows	259,002,201	253,595,985	98,765,745	89,866,048	357,767,946	343,462,033
Current liabilities	7,657,788	7,854,829	5,768,908	4,532,195	13,426,696	12,387,024
Long-term liabilities	77,076,759	68,449,915	35,071,985	31,713,292	112,148,744	100,163,207
Total liabilities	84,734,547	76,304,744	40,840,893	36,245,487	125,575,440	112,550,231
Deferred Inflows	22,293,361	20,913,143	720,137	245,590	23,013,498	21,158,733
Total liabilities and deferred inflows	107,027,908	97,217,887	41,561,030	36,491,077	148,588,938	133,708,964
Net position:						
Net Invest. In Capital Assets	174,038,413	173,931,309	49,163,769	44,395,007	223,202,182	218,326,316
Restricted	9,379,343	8,500,749	-	-	9,379,343	8,500,749
Unrestricted	(31,443,463)	(26,053,960)	8,040,946	8,979,964	(23,402,517)	(17,073,996)
Total net position	\$ 151,974,293	\$ 156,378,098	\$ 57,204,715	\$ 53,374,971	\$ 209,179,008	\$ 209,753,069

Total assets increased \$16.2 million during the year. Cash and investments increased \$8.81 million, partially due to healthy investment income as well as unspent bond proceeds awaiting disbursement. The current year also includes recording of the City's equity investment of \$2.63 million in Southeast Emergency Communications (SEECOM), a consolidated emergency communications center which provides dispatch services. Investment in capital assets accounts for an additional increase of \$3.12 million for the year.

Deferred outflow of resources decreased \$1.86 million over the year. This is mostly attributable to the pension item for the Illinois Municipal Retirement Fund (IMRF), which decreased \$3.66 million from positive investment experience during calendar year 2019. Countering this decrease was an increase in Other Post-Employment Benefits (OPEB) of \$855k. OPEB liability relates to health insurance provided to 1) retired eligible employees who pay the full premium, and 2) health insurance costs for any public safety employees awarded Public Safety Employee Benefits Act (PSEBA) benefits due to sustained catastrophic injuries while responding to emergencies. A new required deferred outflow this year represents the cost to retire water wells from service, calculated at \$940,500.

Total liabilities increased \$13.03 million for the year. Current liabilities account for \$1.04 million of the increase. Long-term liabilities increased \$11.99 million. Of this amount, the increase to net pension liability for public safety pensions (sworn employees) totaled \$9.56 million. The net pension liability for non-sworn employees through the Illinois Municipal Retirement Fund (IMRF) decreased \$5.80 million. Also, a component of long-term liabilities, capital lease obligations increased \$827k as the City progressed into the fleet leasing program. Outstanding bonded debt increased \$1.73 million.

**CITY OF CRYSTAL LAKE
MANAGEMENT'S DISCUSSION AND ANALYSIS**

As of April 30, 2020, net position for the City was \$209.18 million. The largest portion of the City's net position reflects its investment in capital assets (e.g., land, infrastructure, buildings, and equipment) less any related debt used to acquire those assets still outstanding. Although the City's investment in its capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the City's net assets (4.5%) represents resources that are subject to external restrictions relative to their use.

The remaining *balance of unrestricted net position* may be used to meet the City's ongoing obligations to citizens and creditors. It is in a deficit position at April 30, 2020 as GASB requires the City to recognize net pension liability totaling \$62.5 million at April 30, 2020 for its three pension plans and requires the City to recognize net other post-employment benefit obligations totaling \$5.33 million.

Statement of Activities

The Statement of Activities illustrates the change in net position throughout the fiscal year. A snapshot of the statement is provided below, with greater detail on pages 6 – 7 of this report.

**Statement of Activities
For the Fiscal Years Ended April 30, 2019 and 2020**

Category	Governmental Activities		Business-type Activities		Total Primary Government	
	2019/20	2018/19	2019/20	2018/19	2019/20	2018/19
Revenues:						
Program revenues:						
Charges for services	\$ 6,877,460	\$ 7,374,991	\$ 14,279,570	\$ 13,953,200	\$ 21,157,030	\$ 21,328,191
Operating grants	2,037,038	1,394,947	-	-	2,037,038	1,394,947
Capital grants	878,919	492,693	69,920	-	948,839	492,693
General revenues:						
Taxes	21,381,445	20,486,057	1,000,000	-	22,381,445	20,486,057
Intergovernmental	17,477,992	17,676,913	-	-	17,477,992	17,676,913
Investment earnings	1,317,219	1,036,053	578,038	283,436	1,895,257	1,319,489
Other	2,295,775	415,609	297,458	230,776	2,593,233	646,385
Total revenues	52,265,848	48,877,263	16,224,986	14,467,412	68,490,834	63,344,675
Expenses:						
General Government	10,132,372	8,975,593	-	-	10,132,372	8,975,593
Public Safety	30,628,583	28,418,257	-	-	30,628,583	28,418,257
Highways and Streets	10,577,802	10,526,101	-	-	10,577,802	10,526,101
Culture and Recreation	1,295,958	1,316,230	-	-	1,295,958	1,316,230
Interest on long-term debt	295,700	357,479	-	-	295,700	357,479
Water/Sewer	-	-	13,345,604	12,508,300	13,345,604	12,508,300
Total expenses	52,930,415	49,593,660	13,345,604	12,508,300	66,276,019	62,101,960
Change in Net Position	(664,567)	(716,397)	2,879,382	1,959,112	2,214,815	1,242,715
Beginning net position	156,378,098	157,094,495	53,374,971	51,415,859	209,753,069	208,510,354
Prior Period Adjustment	(3,739,238)	-	950,362	-	(2,788,876)	-
Ending net position	151,974,293	156,378,098	57,204,715	53,374,971	209,179,008	209,753,069

**CITY OF CRYSTAL LAKE
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Overall, revenues for the City totaled \$68.49 million, an increase of \$5.15 million from the prior fiscal year. Expenses city-wide totaled \$66.28 million, an increase of \$4.17 million from the prior fiscal year. The resulting change from the fiscal year activities is an increase in net position of \$2.21 million.

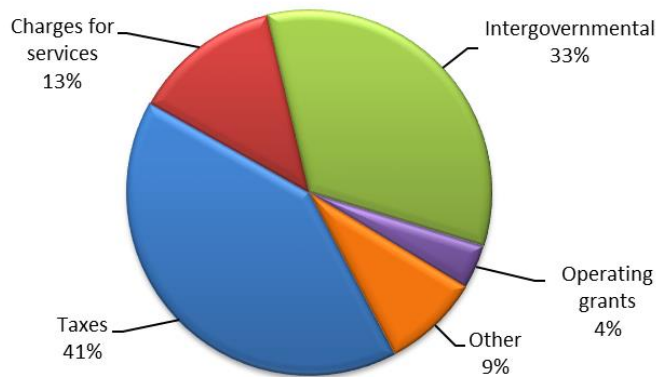
Governmental Activities

As is typical for governmental activities of local governments, program revenues cover a small percentage of program expenses, with general revenues covering the majority of expenses. For this fiscal year, governmental program expenses of \$52.93 million exceeded program revenues of \$9.79 million by \$43.17 million. General revenues of \$42.47 million make up the majority of the deficiency. The balance of expenses was paid using available fund balance as planned.

Revenues

The following graph indicates the breakdown of governmental revenue by type for the fiscal year. Diversification by source is an important factor in financial stability. The City does not rely heavily on any one particular category.

Governmental Activity Revenue



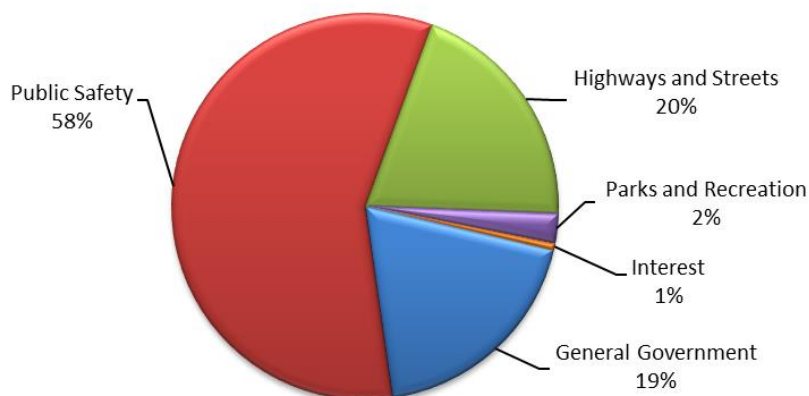
- Charges for services decreased \$498k for the year, while grant revenues increased by \$1.03 million. Investment earnings ended the year at \$1.32 million, an increase of \$281k despite early 2020 market uncertainty.
- Revenue from taxes increased \$895k. While the City recorded \$1.07 million from utility taxes (gas and electric) implemented during the fiscal year, other tax revenues decreased, such as the Telecommunications Tax (down \$159k) and Home Rule Sales Tax (down \$107k). The utility taxes are dedicated funding sources for capital needs.
- Other revenues increased \$1.95 million. This category includes recognition of interest on funds held with the Intergovernmental Risk Management Agency (IRMA), formerly classified as investment earnings and chargebacks of group insurance to operating accounts in excess of amounts paid for group insurance. This category also includes capital facility fees, reimbursements from other agencies, sale proceeds of assets and the recovery of funds from the Illinois Metropolitan Investment Fund.

**CITY OF CRYSTAL LAKE
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Expenses

Governmental activity expenses represent the costs to operate the City's core services, excluding water and sewer service. The following chart shows the breakdown of governmental expenses by activity.

Governmental Activity Expenses



The category with the largest share also experienced the largest increase. Public safety expenses increased \$2.12 million to \$30.63 million. As the change in pension obligation is not a source or use of funds, it is only shown in the high-level Statement of Activities and not the remainder of financial reports within the report.

General Government expenses increased \$1.16 million over the prior year. This increase is a mix of \$909k in operational spending trends and several smaller items. Sales tax incentives increased \$192k as an agreement was reached with a new major retailer in the City. Legal services increased \$236k as unforeseen costs were incurred relating to the legalization of marijuana and a high profile police investigation. An additional \$412k in insurance costs are reflective of a change in how insurance costs are reported, with revenues and expenses now shown gross instead of net.

Highway and Streets increased \$52k (0.50%) from the prior year. Starting in fiscal year 2019/20, activities of the Storm Sewer Division of Public Works were moved from the General Fund (Governmental Highway and Streets) to the Waterworks and Sewerage Fund (Business-Type). Storm-sewer Division costs in the prior year were \$257k.

Interest expense on long-term debt for governmental activities decreased \$62k.

Business-type activities

The Waterworks and Sewerage Fund activity resulted in an increase to net position of \$2.88 million from the fiscal year's activity. Net position ended the fiscal year with \$57.20 million.

Revenues

Charges for services increased \$326k (2.3%) from the prior year. Charges for Waterworks and Sewerage services reflect a 3.78% increase in Waterworks and Sewerage rates that went into effect on May 1, 2019. The increase provides a funding mechanism that allows the Waterworks and Sewerage Fund to remain financially independent and provide for some capital investment to maintain Waterworks and Sewerage infrastructure systems. Connection fees decreased \$66k to \$875k, most likely due to a temporary slow-down of construction during the early stages of the COVID-19 pandemic.

**CITY OF CRYSTAL LAKE
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Taxes in business-type funds increased \$1 million as the utility taxes were implemented in 2019. Receipts from this revenue source are dedicated to funding capital needs. Investment income for business-type revenues increased \$295k to \$578k.

Expenses

Expenses of the Waterworks and Sewerage Fund were \$837k higher than the previous year, an increase of 6.69%. Starting in fiscal year 2019/20, activities of the Storm-sewer Division of Public Works were recorded in the Waterworks and Sewerage Fund, formerly charged to Governmental Activities (General Fund). Storm-sewer activities totaled \$257k in fiscal year 2018/19 and have been blended into the Water Operations Division for 2019/20 forward. Interest expenses increased \$169k to \$922k. Depreciation expense increased \$179k to \$3.85 million.

GOVERNMENTAL FUND FINANCIAL STATEMENTS

The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the fiscal year 2020, the City's governmental funds reported combined ending fund balances of \$38.75 million, an increase of \$4.17 million from the prior year. Of this amount, \$15.48 million, 40%, constituted unassigned fund balance which would be available to spend at the City's discretion. The remainder of the combined ending fund balance is restricted or assigned to indicate it is not available for spending because. Restricted and assigned funds are reserved to pay debt service, retirement, street improvement or other specific costs, or is reserved for prepaid items such as insurance and inventories.

General Fund

At the end of the fiscal year, the General Fund had a fund balance of \$22.38 million, with \$15.48 million as unassigned. As a measure of the General Fund's capacity to provide a sufficient cash flow for day-to-day operations, offset unanticipated downturns to General Fund revenues or provide an ability to make emergency purchases, it may be useful to compare unassigned fund balance to operating expenditures. The unassigned fund balance represented 55.7% of General Fund operating expenditures.

The ending fund balance of the General Fund increased by \$2.80 million due to fiscal year activity. General Fund revenues totaled \$33.89 million, an increase of \$815k. Miscellaneous revenue is up \$1.48 million, a combination of \$557k interest credit from IRMA and \$220k in recovered funds from the City's former investment in the Illinois Metropolitan Investment Fund (IMET). Many of the City's revenue sources decreased from the prior year, attributable to impacts from the COVID-19 pandemic. Charges for services within the General Fund was down \$309k, as review fees, parking receipts and police services revenues were all lower than the prior year. Sales Tax decreased \$197k to \$11.86 million. General Fund expenditures totaled \$27.84 million, an increase of \$47k.

**CITY OF CRYSTAL LAKE
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Motor Fuel Tax Fund

The Motor Fuel Tax Fund is a major governmental fund of the City. As of April 30, 2020, the Motor Fuel Tax Fund had a fund balance of \$6.25 million, a decrease of \$275k. The entire balance is restricted for purposes of roadway improvements. Expenditures of Motor Fuel Tax dollars require authorization from the Illinois Department of Transportation, as well as the Crystal Lake City Council. Other financing uses (transfers out to the Capital and Equipment Replacement Fund) of \$1.75 million provided roadway and intersection improvements.

Fire Rescue Fund

The Fire Rescue Fund is also a major governmental fund, with an ending fund balance of \$4.48 million. This was a decrease of \$144k from annual activity. Revenues increased \$171k to \$11.03 million. Primary revenue sources of the Fire Rescue Fund include charges for services to other agencies, as well as property taxes. Expenditures increased \$404k, primarily due to personnel costs (\$317k). Other financing uses, a transfer out to the Capital and Equipment Replacement Fund, totaled \$693k; this transfer provided for the purchase of Starcom radio equipment and other replacement equipment for the Fire Rescue Department.

Capital and Equipment Replacement Fund

The ending fund balance in the Capital and Equipment Replacement Fund was \$2.03 million, an increase of \$1.31 million from the prior year. Revenues for the year of \$1.26 million included \$1.2 million in taxes from video gaming and utility taxes. Other financing sources included \$813k in financing for new leased vehicles and \$5.5 million from other funds as transfers in for capital purchases. Expenditures totaled \$6.26 million. Major projects for the year included implementation of the Starcom system for radio communication (\$697k), new vehicle and equipment leases (\$1 million) and road/intersection improvements (\$3.97 million). To mitigate tax increases, one-time capital and equipment replacement expenditures are funded using unassigned fund balance and/or bond proceeds.

Other Governmental Funds

The City maintains several other governmental funds. In aggregate, fund balances of other governmental funds increased \$171k from the previous year. Highlights from some of these funds include:

- The IMRF/FICA Fund is used to account for revenues derived from a separate tax levy. Disbursement of these funds are restricted to the payment of employer contributions to Social Security, Medicare and to the Illinois Municipal Retirement Fund. The ending fund balance in the IMRF/FICA Fund is \$1.75 million, an increase of \$159k.
- The Road/Vehicle License Fund is used to account for revenues received from County road and bridge taxes and to account for revenue from vehicle license fees. Funds transferred to the Capital Equipment & Replacement Fund (Other Financing Uses) are used toward the City's annual City-wide road resurfacing program, annual pavement marking program, sidewalk repairs and curb replacement, and traffic safety improvements. The ending fund balance in the Road/Vehicle License Fund is \$27k, an increase of \$27k as the prior fund balance was \$0.

**CITY OF CRYSTAL LAKE
MANAGEMENT'S DISCUSSION AND ANALYSIS**

- 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 by the Police Department for purposes directly related to DUI and drug related enforcement and prevention. The ending fund balance in the Restricted Police Fund is \$282k, a decrease of \$279k.
- The Vulcan Lakes TIF Debt Service Fund accounts for debt service costs associated with a tax increment financing redevelopment project within the Vulcan Lake TIF District. This fund had no revenues during fiscal year 2019/20, but received other financing sources of \$9.77 million. This includes \$8.74 million relating to funds from a bond refunding, with a correlating expense of \$9.48 million in principal retirement. The remaining other financing source is a transfer in from the General Fund of \$1.03 million to cover the remaining debt service obligation after refunding. The ending fund balance is \$0.
- The Three Oaks Development Fund accounts for funds from developers, set aside for future development within the Three Oaks Recreation Area. Revenues derived from developer donations in lieu of land dedications balance at April 30, 2020 is \$410,555.

Proprietary Funds

Proprietary funds are sometimes referred to as *business-like* funds of a local government. The City maintains one proprietary fund. The Waterworks and Sewerage enterprise fund is used to account for the acquisition, operations and maintenance of Waterworks and Sewerage facilities and services and is predominately self-supporting through user charges.

Total net position of the Waterworks and Sewerage Fund increased \$2.88 million through fiscal year activity to \$57.20 million at April 30, 2020. Of the total, \$49.16 million represents the City's net investment in capital assets (capital assets less accumulated depreciation and outstanding bonds and notes issued to acquire capital assets). The \$8.04 million, 14% of total net position, represents unrestricted net position.

Revenues in the Waterworks and Sewerage Fund reflect a 3.78% rate increase that went into effect on May 1, 2020. Expenses include the replacement of culverts, roof replacement at wastewater treatment facilities, SCADA system upgrades and the engineering and design work to replace equipment for wastewater treatment.

GENERAL FUND BUDGETARY HIGHLIGHTS

As the main operating fund of the City, the General Fund represents a range of revenues and expenditures. Revenues that are not restricted, committed or assigned to other functions are recorded in the General Fund. Operating costs of most major departments are recorded here as well, such as aspects of police protection, street maintenance, economic development, planning, engineering, fleet maintenance and administration.

Actual revenues of \$33.89 million surpassed budget expectations by \$2.38 million. Combined with other financing sources, inflows exceeded budget by \$2.46 million. Expenditures ended the year \$970k below budget. Other financing uses also ended the year below budget, as necessary transfers to other funds ended the fiscal year \$2.04 million below expectations.

**CITY OF CRYSTAL LAKE
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**General Fund Budgetary Highlights
Fiscal Year Ended April 30, 2020**

	Final Budget	Actual	Variance \$	Variance %
Revenues & Other Financing Sources				
Taxes	\$ 11,480,857	\$ 11,377,698	\$ (103,159)	-0.9%
Licenses and permits	484,711	664,877	180,166	37.2%
Intergovernmental	17,346,064	17,505,083	159,019	0.9%
Charges for services	695,030	564,354	(130,676)	-18.8%
Fines and forfeits	446,350	392,492	(53,858)	-12.1%
Investment Income	66,553	1,028,881	962,328	1446.0%
Other revenue	988,695	2,353,478	1,364,783	138.0%
Sub-total revenues	\$ 31,508,260	\$ 33,886,863	\$ 2,378,603	7.5%
Other financing sources	54,350	133,069	78,719	144.8%
Total Revenues and Other Financing Sources	\$ 31,562,610	\$ 34,019,932	\$ 2,457,322	7.8%
Expenditures and Other Financing Uses				
General government	\$ 8,196,175	\$ 7,948,976	\$ (247,199)	-3.0%
Public safety	15,038,784	14,477,401	(561,383)	-3.7%
Highways and streets	4,749,407	4,708,981	(40,426)	-0.9%
Culture and recreation	768,480	647,276	(121,204)	-15.8%
Debt service	53,647	53,445	(202)	-0.4%
Sub-total expenditures	\$ 28,806,493	\$ 27,836,079	\$ (970,414)	-3.4%
Other financing uses			-	
Transfers to Other Funds	5,422,620	3,379,933	(2,042,687)	-37.7%
Total Expenditures and Other Financing Uses	34,229,113	31,216,012	(3,013,101)	-8.8%
Change in Fund Balance	\$ (2,666,503)	\$ 2,803,920	\$ 5,470,423	

During the fiscal year, the City of Crystal Lake Council approved one amendment to the General Fund budget, increasing the transfer out to the Capital and Equipment Replacement Fund to fund the migration to Starcom radios (\$161k).

Many of the City's General Fund revenues were negatively impacted by the COVID-19 pandemic and resulting shelter-in-place declaration that began in March and extended beyond the end of the fiscal year. With many businesses required to close their locations to the public and a large number of commuters working remotely from home, the final two months of the fiscal year saw dramatic drops in revenue levels. Impacted General Fund revenues that ended the year short of budget expectations due to the pandemic include State Sales Tax, Hotel Tax, plan review fees and parking fees. Spending was adjusted accordingly to the extent possible, given the short-time frame.

Major General Fund Revenues

State Sales Tax receipts of \$11.86 million fell short of budget by \$260k. Receipts from sales through February 2020 had been exceeding expectations prior to the COVID-19 impact, softening the impact of the last two months of the fiscal year. Purchases of groceries, staples, and online purchases also mitigated the impact.

**CITY OF CRYSTAL LAKE
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Home Rule Sales Tax receipts of \$5.30 million were on target for budget. Similar to State Sales Tax receipts, sales through February 2020 had been exceeding expectations prior to the COVID-19 impact, softening the impact of the last two months of the fiscal year. Purchases of groceries are exempt from Home Rule Sales Tax, however staple items and online retail orders are not exempted.

Income Tax receipts of \$4.01 million exceeded amounts budgeted by \$105k. Increased receipts are attributable to higher final 2019 tax-return payments from individual and corporate income tax returns. The majority of growth came from non-wage income such as dividends and capital gains.

Use Tax of \$1.46 million exceeded amounts budgeted by \$280k. Rising online sales allow the State to collect use tax (6.25% for general merchandise and 1% for qualifying food and drugs) from online retailers then distribute a portion of the tax to local municipalities.

Hotel Tax receipts of

Building permits of \$518k exceeded expectations by \$171k. Lennar Homes is constructing nearly 500 single-family and age-targeted single-family homes in addition to townhomes in the northeast corner of the City near Routes 176 and 31.

Investment earnings of \$1.03 million exceeded budget expectations by \$962k. The City invests idle funds with a professional investment management firm to maximize earning potential while remaining compliant with restrictive investment options allowed by Illinois Statute. The fiscal year budget assumed a conservative interest rate of 0.5% earnings, which was surpassed significantly.

Other revenue of \$2.35 million exceeded budget expectations by \$1.36 million. This category includes an interest earnings credit of \$557k arising from assets held in trust at the Intergovernmental Risk Management Agency (IRMA). IRMA is an entity that was created under Illinois state law which allows municipalities to band together in order to pool risk management needs for general liability and workers' compensation insurance. It also includes \$220k in recovered funds from the City's former investment in the Illinois Metropolitan Investment Fund (IMET) and chargebacks for group insurance that exceeded actual amounts paid to the Intergovernmental Personnel Benefit Cooperative (IPBC).

Major General Fund Expenditures

Across all functions, spending within the General Fund ended the fiscal year under budget. This is a combination of savings from a variety of items. Some savings include the following:

- Personnel related expenditures ended the year below budget due to vacated positions, which will remain open unless deemed critical to City operations.
- Improved claim experience coupled with an election by the City to raise its deductible resulted in a reduction in the premium cost for liability insurance.
- Training costs were low for the year as COVID-19 restrictions were put in place limiting gatherings of large numbers of people and travel was reduced for safety precautions.
- Professional services expenditures were under budget in several areas as projects were delayed or managed internally.
- High rain falls negatively impacted revenues and expenditures of the Three Oaks Recreation Area during the summer of 2019 as lake levels reduced swimming areas, hiking trails, and limited access to amenities. The expenditure reduction is reflective in the Culture and Recreation function of expenditures.

**CITY OF CRYSTAL LAKE
MANAGEMENT'S DISCUSSION AND ANALYSIS**

CAPITAL ASSETS

The City's investment in capital assets for its governmental and business-type activities as of April 30, 2020, totaled \$263.26 million (net of accumulated depreciation). This investment in capital assets includes land, infrastructure, buildings, improvements, and machinery and equipment.

	Governmental Activities		Business-type Activities		Total Primary Government	
	FYE 20	FYE 19	FYE 20	FYE 19	FYE 20	FYE 19
Land and Improvements	\$ 103,734,813	\$ 103,584,779	\$ 782,279	\$ 646,599	\$ 104,517,092	\$ 104,231,378
Building and Improvements	20,590,537	21,359,558	23,130,110	23,359,648	43,720,647	44,719,206
Machinery, Equip. & Vehicles	7,433,317	6,109,363	5,474,821	5,137,665	12,908,138	11,247,028
Other	825,588	4,995,713	2,432,916	1,920,451	3,258,504	6,916,164
Infrastructure	51,574,474	48,355,268	47,281,416	44,675,178	98,855,890	93,030,446
Total	\$ 184,158,729	\$ 184,404,681	\$ 79,101,542	\$ 75,739,541	\$ 263,260,271	\$ 260,144,222

During the fiscal year, the City invested \$7.97 million in capital (buildings, equipment and infrastructure). Major capital asset acquisitions made during the fiscal year included:

- Nine leased vehicles for Police and Fire Departments. Eleven new leased vehicles for Public Works Streets Division
- Starcom radio migration for Police and Fire Departments
- Intersection improvements at Crystal Lake Avenue and Main Street (land and infrastructure)
- Annual road resurfacing program
- Storm sewer system improvements
- Water and wastewater treatment plant improvements
- Three new leased vehicles for Public Works Water & Sewer Division use

Additional information on the City's capital assets can be found in Note 5 of this report.

LONG-TERM DEBT

The City maintains a AA+ bond rating from Standard and Poors with a stable outlook. Some factors cited by Standard and Poors for the rating as of 2019 include:

- **Strong economy, with access to a broad and diverse metropolitan statistical area.**
- **Very strong management, with strong financial policies and practices.**
- **Very strong budgetary flexibility and liquidity**

At the end of the current fiscal year, the City had \$42.05 million of debt instruments outstanding.

The City issued Series 2019 bonds in July 2019 to refund the Series 2009 Build America and Recovery Zone Bond issuances, as well as additional funds. The refunding reduced debt service obligation of the 2009 bonds by \$643k. The new funds were issued to finance the costs associated with water transmission and distribution main improvements as well as sewer collection system improvements.

**CITY OF CRYSTAL LAKE
MANAGEMENT'S DISCUSSION AND ANALYSIS**

The City's loan agreement with the Illinois Environmental Protection Agency began in 2015. The loan authorized the City to borrow up to \$14.84 million to fund improvements to the City's wastewater treatment plants on a reimbursement basis. The loan, including interest at 1.86%, is to be paid on a semi-annual basis over 20 years with payments commencing March 2018. As of April 30, 2020, the City borrowed \$14.78 million and has a total outstanding loan payable of \$13.28 million.

The City also has an outstanding balance of \$1.11 million on a general obligation promissory note. This note was issued in 2015 with interest at 2.151% over nine years. The note was issued to finance costs of water main replacements and water capacity enhancements. The note will be repaid December 2024.

Additional information on the City's long-term debt can be found in Note 6 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The COVID-19 pandemic has had widespread effects on all factors of the economy. Some industries remain closed, such as movie theatres. Others may operate on a limited basis, such as restaurants, bars and sporting facilities. Illinois residents filing for unemployment hit record highs during the spring/summer of 2020. While the economy has rebounded to almost prior year levels as of the early fall, a resurgence of the virus may result in more closures or slow-downs in the economy. The City enjoys a healthy mix of retail diversity which has proven to weather economic downturns well.

Some revenue sources of the City rely on the allocation and distribution of funds from the State of Illinois, such as Income Tax and Use Tax. The State has reduced the municipal share of Income Tax historically and may look to this source again to offset their own fiscal shortages. The State budget contains a structural financial imbalance. Since the pressures of this imbalance will continue into the next budget, it is likely that additional local government diversions may be proposed in future years.

To keep the fiscal year 2020/21 budget balanced, the City of Crystal Lake will continue to follow spending control measures that include taking advantage of cooperative purchasing opportunities through joint purchasing agreements, seeking competitive bids, and avoid filling vacated positions unless they are critical to City operations. Whenever possible, grant funding shall be sought to offset program and project costs.

The fiscal year 2020 budget continues funding General Fund services without the use of a General Fund property tax. General Fund services include Police, Community Development, Streets, Storm Sewers, Fleet and Facilities Maintenance, as well as Legal, City Administration and the Three Oaks Recreation Area. In order to mitigate tax increases, one-time capital and equipment replacement expenditures shall continue to be funded using unassigned fund balance and/or bond proceeds. Bonds shall not be used to finance operating deficits and fund balances shall be maintained in accordance with City financial policies.

**CITY OF CRYSTAL LAKE
MANAGEMENT'S DISCUSSION AND ANALYSIS**

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Jodie Hartman, Director of Finance, 100 W. Woodstock Street, Crystal Lake, Illinois 60014.

BASIC FINANCIAL STATEMENTS

CITY OF CRYSTAL LAKE, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2020

	Governmental Activities	Business-Type Activities	Total	Component Unit Crystal Lake Public Library
ASSETS				
Cash and Investments	\$ 33,461,539	\$ 16,036,497	\$ 49,498,036	\$ 6,449,581
Receivables (Net, Where Applicable, of Allowances for Uncollectible)				
Property Taxes	13,221,584	-	13,221,584	4,629,375
Accounts Receivable	1,686,839	2,102,327	3,789,166	-
Accrued Interest on Investments	127,849	51,887	179,736	51,670
Other	353,997	-	353,997	-
Prepaid Items	3,049,153	28,857	3,078,010	80,570
Internal Balances	19,508	(19,508)	-	-
Due from Custodial Funds	156,810	-	156,810	-
Due from Other Governments	4,583,998	-	4,583,998	-
Due from Primary Government	-	-	-	59,415
Inventory	105,128	-	105,128	-
Investment in Joint Venture	2,627,742	-	2,627,742	-
Capital Assets Not Being Depreciated	104,560,401	3,215,195	107,775,596	2,363,040
Capital Assets (Net of Accumulated Depreciation)	79,598,328	75,886,347	155,484,675	4,080,386
Total Assets	243,552,876	97,301,602	340,854,478	17,714,037
DEFERRED OUTFLOWS OF RESOURCES				
Other Postemployment Benefits	890,797	36,904	927,701	-
Pension Items - IMRF	1,451,249	486,739	1,937,988	443,629
Pension Items - Police Pension	8,660,112	-	8,660,112	-
Pension Items - Firefighters' Pension	4,447,167	-	4,447,167	-
Well Asset Retirement Obligation	-	940,500	940,500	-
Total Deferred Outflows of Resources	15,449,325	1,464,143	16,913,468	443,629
Total Assets and Deferred Outflows of Resources	259,002,201	98,765,745	357,767,946	18,157,666
LIABILITIES				
Accounts Payable	2,581,908	2,171,556	4,753,464	121,834
Recapture Fees Payable	33,002	-	33,002	-
Accrued Salaries	396,020	48,240	444,260	157,699
Accrued Interest Payable	227,377	378,379	605,756	-
Escrows and Refundable Deposits	1,530,046	232,473	1,762,519	12,985
Due to Component Unit	59,415	-	59,415	-
Unearned Revenue	193,411	-	193,411	-
Long-Term Liabilities				
Due Within One Year	2,636,609	2,938,260	5,574,869	77,071
Due in More than One Year	77,076,759	35,071,985	112,148,744	1,551,801
Total Liabilities	84,734,547	40,840,893	125,575,440	1,921,390
DEFERRED INFLOWS OF RESOURCES				
Deferred Revenue - Property Taxes	13,221,584	-	13,221,584	4,629,375
Other Postemployment Benefits	57,575	2,385	59,960	-
Pension Items - IMRF	1,886,867	717,752	2,604,619	685,432
Pension Items - Police Pension	4,386,268	-	4,386,268	-
Pension Items - Firefighters' Pension	2,741,067	-	2,741,067	-
Total Deferred Inflows of Resources	22,293,361	720,137	23,013,498	5,314,807
Total Liabilities and Deferred Inflows of Resources	107,027,908	41,561,030	148,588,938	7,236,197

(This statement is continued on the following page.)

CITY OF CRYSTAL LAKE, ILLINOIS

STATEMENT OF NET POSITION (Continued)

April 30, 2020

	Governmental Activities	Business-Type Activities	Total	Component Unit Crystal Lake Public Library
NET POSITION				
Net Investment in Capital Assets	\$ 174,038,413	\$ 49,163,769	\$ 223,202,182	\$ 6,443,426
Restricted				
Highways and Streets	6,251,939	-	6,251,939	-
Retirement	1,752,583	-	1,752,583	315,849
Public Safety	557,705	-	557,705	-
Parking	143,293	-	143,293	-
Debt Service	263,268	-	263,268	-
Capital Projects	410,555	-	410,555	86,769
Library	-	-	-	549,526
Working cash	-	-	-	50,000
Unrestricted (Deficit)	(31,443,463)	8,040,946	(23,402,517)	3,475,899
TOTAL NET POSITION	<u>\$ 151,974,293</u>	<u>\$ 57,204,715</u>	<u>\$ 209,179,008</u>	<u>\$ 10,921,469</u>

See accompanying notes to financial statements.

CITY OF CRYSTAL LAKE, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2020

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	\$ 10,132,372	\$ 1,221,025	\$ -	\$ 348,224
Public Safety	30,628,583	4,815,622	28,361	-
Highways & Streets	10,577,802	440,929	2,008,677	120,168
Culture and Recreation	1,295,958	399,884	-	410,527
Interest	295,700	-	-	-
Total Governmental Activities	52,930,415	6,877,460	2,037,038	878,919
Business-Type Activities				
Waterworks and Sewerage	13,345,604	14,279,570	-	69,920
Total Business-Type Activities	13,345,604	14,279,570	-	69,920
TOTAL PRIMARY GOVERNMENT	\$ 66,276,019	\$ 21,157,030	\$ 2,037,038	\$ 948,839
COMPONENT UNIT				
Crystal Lake Public Library	\$ 5,080,795	\$ 218,543	\$ 50,929	\$ -

	<u>Net (Expense) Revenue and Change in Net Position</u>			Component Unit
	Primary Government			Crystal Lake Public Library
	Governmental Activities	Business-Type Activities	Total	
	\$ (8,563,123)	\$ -	\$ (8,563,123)	\$ -
	(25,784,600)	-	(25,784,600)	-
	(8,008,028)	-	(8,008,028)	-
	(485,547)	-	(485,547)	-
	(295,700)	-	(295,700)	-
	(43,136,998)	-	(43,136,998)	-
	-	1,003,886	1,003,886	-
	-	1,003,886	1,003,886	-
	(43,136,998)	1,003,886	(42,133,112)	-
	-	-	-	(4,811,323)
General Revenues				
Taxes				
Property	13,034,033	-	13,034,033	4,579,795
Home Rule Sales	5,296,696	-	5,296,696	-
Auto Rental	42,370	-	42,370	-
Franchise Fees	700,274	-	700,274	-
Telecommunications Fee	829,847	-	829,847	-
Hotel Occupation	278,558	-	278,558	-
Other	1,199,667	1,000,000	2,199,667	-
Intergovernmental				
Personal Property Replacement	153,893	-	153,893	-
State Sales and Use	13,315,600	-	13,315,600	-
State Income Tax	4,008,499	-	4,008,499	-
Investment Income	1,317,219	578,038	1,895,257	158,023
Miscellaneous	2,295,775	297,458	2,593,233	98,331
Total	42,472,431	1,875,496	44,347,927	4,836,149
CHANGE IN NET POSITION	(664,567)	2,879,382	2,214,815	24,826
NET POSITION, MAY 1	156,378,098	53,374,971	209,753,069	10,843,896
Prior Period Adjustment	(3,739,238)	950,362	(2,788,876)	52,747
NET POSITION, MAY 1 (RESTATED)	152,638,860	54,325,333	206,964,193	10,896,643
NET POSITION, APRIL 30	\$ 151,974,293	\$ 57,204,715	\$ 209,179,008	\$ 10,921,469

See accompanying notes to financial statements.

CITY OF CRYSTAL LAKE, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

April 30, 2020

	General	Motor Fuel Tax Fund	Fire Rescue Fund
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
ASSETS			
Cash and Investments	\$ 17,703,939	\$ 6,203,118	\$ 4,093,550
Receivables (Net of Allowance Where Applicable)			
Property Taxes	4,527,024	-	6,782,417
Accounts Receivable	483,428	424,435	724,529
Accrued Interest on Investments	89,564	35,936	2,349
Other	-	-	-
Prepaid Items	3,041,285	-	5,833
Inventory	105,128	-	-
Due from Other Governments	4,451,386	120,838	-
Due from Other Funds	249,002	3,891	-
	<hr/>	<hr/>	<hr/>
Total Assets	30,650,756	6,788,218	11,608,678
DEFERRED OUTFLOWS OF RESOURCES			
None	<hr/>	<hr/>	<hr/>
	-	-	-
Total Deferred Outflows of Resources	<hr/>	<hr/>	<hr/>
	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	\$ 30,650,756	\$ 6,788,218	\$ 11,608,678

Three Oaks Debt Service Fund	Capital Equipment and Replacement	Nonmajor Governmental Funds	Total Governmental Funds
\$ 1,637	\$ 1,876,770	\$ 3,582,525	\$ 33,461,539
-	-	1,912,143	13,221,584
-	32,041	22,406	1,686,839
-	-	-	127,849
-	225,396	128,601	353,997
-	-	2,035	3,049,153
-	-	-	105,128
-	6,379	5,395	4,583,998
-	433,879	3,964	690,736
<u>1,637</u>	<u>2,574,465</u>	<u>5,657,069</u>	<u>57,280,823</u>
-	-	-	-
-	-	-	-
<u>\$ 1,637</u>	<u>\$ 2,574,465</u>	<u>\$ 5,657,069</u>	<u>\$ 57,280,823</u>

(This statement is continued on the following page.)

CITY OF CRYSTAL LAKE, ILLINOIS

BALANCE SHEET (Continued)
GOVERNMENTAL FUNDS

April 30, 2020

	General	Motor Fuel Tax Fund	Fire Rescue Fund
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 1,857,027	\$ 102,400	\$ 75,629
Recapture Fees	(42,327)	-	-
Accrued Salaries	246,608	-	149,412
Escrows and Refundable Deposits	1,530,046	-	-
Due to Component Unit	59,415	-	-
Due to Other Funds	16,335	433,879	-
Unearned Revenue	75,408	-	118,003
Total Liabilities	3,742,512	536,279	343,044
DEFERRED INFLOWS OF RESOURCES			
Deferred Revenue - Property Tax	4,527,024	-	6,782,417
Total Deferred Inflows of Resources	4,527,024	-	6,782,417
Total Liabilities and Deferred Inflows of Resources	8,269,536	536,279	7,125,461
FUND BALANCES			
Nonspendable			
Prepaid Items	3,041,285	-	5,833
Inventory	105,128	-	-
Restricted			
Retirement purposes	-	-	-
Public Safety	-	-	-
Parking	-	-	-
Highway and Street Maintenance	-	6,251,939	-
Debt Service	-	-	-
Park Development	-	-	-
Assigned			
Promotion of Tourism	33,172	-	-
Next years fiscal year expenditures	3,599,534	-	-
Capital Projects Funds	-	-	-
Special Revenue Funds	-	-	4,144,682
Committed			
Capital Facilities	122,612	-	332,702
Unassigned			
General Fund	15,479,489	-	-
Total Fund Balances	22,381,220	6,251,939	4,483,217
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 30,650,756	\$ 6,788,218	\$ 11,608,678

Three Oaks Debt Service Fund	Capital Equipment and Replacement	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ 537,565	\$ 9,287	\$ 2,581,908
-	-	75,329	33,002
-	-	-	396,020
-	-	-	1,530,046
-	-	-	59,415
1,637	3,891	58,676	514,418
-	-	-	193,411
1,637	541,456	143,292	5,308,220
-	-	1,912,143	13,221,584
-	-	1,912,143	13,221,584
1,637	541,456	2,055,435	18,529,804
-	-	2,035	3,049,153
-	-	-	105,128
-	-	1,752,583	1,752,583
-	-	557,705	557,705
-	-	143,293	143,293
-	-	-	6,251,939
-	-	263,268	263,268
-	-	410,555	410,555
-	-	-	33,172
-	-	-	3,599,534
-	2,033,009	341,904	2,374,913
-	-	130,291	4,274,973
-	-	-	455,314
-	-	-	15,479,489
-	2,033,009	3,601,634	38,751,019
\$ 1,637	\$ 2,574,465	\$ 5,657,069	\$ 57,280,823

See accompanying notes to financial statements.

CITY OF CRYSTAL LAKE, ILLINOIS

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION

April 30, 2020

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 38,751,019
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	184,158,729
Investment in joint venture is not considered to represent a financial resource and, therefore, is not reported in the funds	2,627,742
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
Bonds Payable	(8,545,362)
Capital Lease Payable	(780,680)
Compensated Absences Payable	(3,576,590)
Interest Payable	(227,377)
Premiums or discounts on long-term liabilities and gains and losses on debt refundings are capitalized and amortized at the government-wide level	
Premiums	(794,276)
The net pension liability for the Illinois Municipal Retirement Fund is shown as a liability on the statement of net position	(4,457,327)
The other postemployment benefit liability is shown as a liability on the statement of net position	(5,119,568)
The net pension liability for the Police Pension Fund is shown as a liability on the statement of net position	(37,629,310)
The net pension liability for the Firefighters' Pension Fund is shown as a liability on the statement of net position	(18,810,255)
Differences between expected and actual experiences and assumption changes for the Other Postemployment Benefit Plan are recognized as deferred outflows and inflows of resources on the statement of net position	833,222
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings and contributions after the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows and inflows of resources on the statement of net position	(435,618)
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings for the Police Pension Fund are recognized as deferred outflows and inflows of resources on the statement of net position	4,273,844
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings for the Firefighters' Pension Fund are recognized as deferred outflows and inflows of resources on the statement of net position	<u>1,706,100</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 151,974,293</u></u>

See accompanying notes to financial statements.

CITY OF CRYSTAL LAKE, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended April 30, 2020

	General	Motor Fuel Tax Fund	Fire Rescue Fund
REVENUES			
Charges for Services	\$ 564,354	\$ -	\$ 4,175,417
Licenses and Permits	664,877	-	-
Intergovernmental	17,505,083	1,985,155	2,732
Fines and Forfeitures	392,492	-	-
Property Taxes	4,229,953	-	6,599,958
Other Taxes	7,147,745	-	-
Developer Donations	-	-	-
Investment Income	1,028,881	157,280	101,506
Miscellaneous	2,353,478	-	151,129
Total Revenues	33,886,863	2,142,435	11,030,742
EXPENDITURES			
Current			
General Government	7,948,976	-	-
Public Safety	14,477,401	-	10,481,559
Highways and Streets	4,708,981	664,892	-
Culture and Recreation	647,276	-	-
Debt Service			
Principal	39,476	-	-
Interest and Fiscal Charges	13,969	-	-
Capital Outlay	-	-	-
Total Expenditures	27,836,079	664,892	10,481,559
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	6,050,784	1,477,543	549,183
OTHER FINANCING SOURCES (USES)			
Bonds Issued, at Par	-	-	-
Premium on Bonds Issued	-	-	-
Capital Lease Issued	-	-	-
Proceeds from Sale of Capital Assets	52,807	-	-
Transfers In	80,262	-	-
Transfers (Out)	(3,379,933)	(1,752,219)	(693,459)
Total Other Financing Sources (Uses)	(3,246,864)	(1,752,219)	(693,459)
NET CHANGE IN FUND BALANCES	2,803,920	(274,676)	(144,276)
FUND BALANCES, MAY 1	19,353,213	6,526,615	4,547,493
Prior Period Adjustment	224,087	-	80,000
FUND BALANCES, MAY 1 (RESTATED)	19,577,300	6,526,615	4,627,493
FUND BALANCES, APRIL 30	\$ 22,381,220	\$ 6,251,939	\$ 4,483,217

Three Oaks Debt Service Fund	Capital Equipment and Replacement	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 500,107	\$ 5,239,878
-	44,100	190,666	899,643
-	-	66,467	19,559,437
-	-	69,801	462,293
-	-	2,204,122	13,034,033
-	1,187,604	12,063	8,347,412
-	-	410,527	410,527
-	-	29,552	1,317,219
-	26,631	97,860	2,629,098
-	1,258,335	3,581,165	51,899,540
103,848	-	1,068,711	9,121,535
-	-	592,219	25,551,179
-	-	574,811	5,948,684
-	-	14,320	661,596
9,477,553	87,269	371,083	9,975,381
187,510	20,032	7,422	228,933
-	6,150,077	-	6,150,077
9,768,911	6,257,378	2,628,566	57,637,385
(9,768,911)	(4,999,043)	952,599	(5,737,845)
7,954,054	-	-	7,954,054
787,327	-	-	787,327
-	813,338	-	813,338
-	-	-	52,807
1,027,530	5,499,562	2,020	6,609,374
-	-	(783,763)	(6,609,374)
9,768,911	6,312,900	(781,743)	9,607,526
-	1,313,857	170,856	3,869,681
-	719,152	3,430,778	34,577,251
-	-	-	304,087
-	719,152	3,430,778	34,881,338
\$ -	\$ 2,033,009	\$ 3,601,634	\$ 38,751,019

See accompanying notes to financial statements.

CITY OF CRYSTAL LAKE, ILLINOIS

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES**

For the Year Ended April 30, 2020

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 3,869,681
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	3,136,156
Contributions of capital assets are reported only in the statement of activities	348,224
Proceeds from the disposal of capital assets is reported in the governmental funds, but gain or loss on the disposal of capital assets is calculated and reported in the statement of activities	(34,723)
The repayment of the principal portion long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	9,975,381
The issuance of long-term debt and related costs are shown on the fund financial statements as other financing sources (uses) and current expenditures, but are recorded as long-term liabilities and deferred outflows of resources on the government-wide statements	
Bonds Issued, Par	(7,954,054)
Premium on issuance of bonds	(787,327)
Capital Lease	(813,338)
The change in accrued interest payable is reported as interest expense on the statement of activities	(53,770)
The change in compensated absences is an increase of expenses on the statement of activities	(47,081)
The change in other postemployment benefit liability and deferred outflows/inflows of resources is not a source or use of a financial resource and is reported on the statement of activities	20,241
The change in Illinois Municipal Retirement Fund net pension liability and deferred outflows/inflows of resources is not a source or use of a financial resource and is reported on the statement of activities	(557,850)
The change in Police Pension Fund net pension liability and deferred outflows/inflows of resources is not a source or use of a financial resource and is reported on the statement of activities	(2,651,318)
The change in Firefighters' Pension Fund net pension liability and deferred outflows/inflows of resources is not a source or use of a financial resource and is reported on the statement of activities	(1,707,243)
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	
Depreciation	(3,695,609)
Change in investment in joint venture	301,060
Amortization of bond premiums or discounts	(12,997)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ (664,567)

See accompanying notes to financial statements.

CITY OF CRYSTAL LAKE, ILLINOIS

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

April 30, 2020

	Business-Type Activities
	Waterworks and Sewerage Fund
CURRENT ASSETS	
Cash and Investments	\$ 16,036,497
Receivables	
Accounts	2,102,327
Accrued Interest	51,887
Prepaid Items	28,857
Due from Other Funds	14,008
	<hr/>
Total Current Assets	18,233,576
	<hr/>
NONCURRENT ASSETS	
Capital Assets	
Capital Assets Not Being Depreciated	3,215,195
Capital Assets Being Depreciated, Net	75,886,347
	<hr/>
Net Capital Assets	79,101,542
	<hr/>
Total Noncurrent Assets	79,101,542
	<hr/>
Total Assets	97,335,118
	<hr/>
DEFERRED OUTFLOWS OF RESOURCES	
Other Postemployment Benefits	36,904
Pension Items - IMRF	486,739
Well Asset Retirement Obligation	940,500
	<hr/>
Total Deferred Outflows of Resources	1,464,143
	<hr/>
Total Assets and Deferred Outflows of Resources	98,799,261
	<hr/>

(This statement is continued on the following page.)

CITY OF CRYSTAL LAKE, ILLINOIS

STATEMENT OF NET POSITION (Continued)
 PROPRIETARY FUNDS

April 30, 2020

	Business-Type Activities
	Waterworks and Sewerage Fund
CURRENT LIABILITIES	
Accounts Payable	\$ 2,171,556
Accrued Salaries	48,240
Accrued Interest Payable	378,379
Escrows and Customer Deposits	232,473
Accrued Compensated Absences	207,006
Due to Other Funds	33,516
Total OPEB Liability	8,012
General Obligation Bonds Payable	1,834,150
Promissory Note Payable	215,000
IEPA Loan Payable	648,494
Capital Lease Payable	25,598
	5,802,424
LONG-TERM LIABILITIES	
Compensated Absences	207,006
IMRF Net Pension Liability	1,582,631
Total OPEB Liability	204,084
General Obligation Bonds Payable	18,467,521
Promissory Note Payable	895,000
IEPA Loan Payable	12,630,659
Capital Lease Payable	135,084
Well Asset Retirement Obligation	950,000
	35,071,985
Total Long-Term Liabilities	35,071,985
Total Liabilities	40,874,409
DEFERRED INFLOWS OF RESOURCES	
Other Postemployment Benefits	2,385
Pension Items - IMRF	717,752
	720,137
Total Deferred Inflows of Resources	720,137
Total Liabilities and Deferred Inflows and Resources	41,594,546
NET POSITION	
Net Investment in Capital Assets	49,163,769
Unrestricted	8,040,946
TOTAL NET POSITION	\$ 57,204,715

See accompanying notes to financial statements.

CITY OF CRYSTAL LAKE, ILLINOIS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 PROPRIETARY FUNDS

For the Year Ended April 30, 2020

	<u>Business-Type Activities Waterworks and Sewerage Fund</u>
OPERATING REVENUES	
Charges for Services	\$ 13,115,668
Miscellaneous Income	297,458
Total Operating Revenues	<u>13,413,126</u>
OPERATING EXPENSES	
Administration	1,195,554
Water Operations	4,403,633
Sewer Operations	2,886,779
Depreciation	3,852,934
Well ARO Amortization	9,500
Total Operating Expenses	<u>12,348,400</u>
OPERATING INCOME	<u>1,064,726</u>
NON-OPERATING REVENUES (EXPENSES)	
Interest Expense	(921,981)
Other Tax	1,000,000
Loss on Sale of Capital Assets	(75,223)
Investment Income	578,038
Connection Fees	874,903
Rental Income	288,999
Total Non-Operative Revenues (Expenses), Net	<u>1,744,736</u>
NET INCOME BEFORE TRANSFERS, CAPITAL GRANTS AND CONTRIBUTIONS	2,809,462
CAPITAL GRANTS AND CONTRIBUTIONS	<u>69,920</u>
CHANGE IN NET POSITION	<u>2,879,382</u>
NET POSITION, MAY 1	53,374,971
Prior Period Adjustment	<u>950,362</u>
NET POSITION, MAY 1 (RESTATED)	<u>54,325,333</u>
NET POSITION, APRIL 30	<u><u>\$ 57,204,715</u></u>

See accompanying notes to financial statements.

CITY OF CRYSTAL LAKE, ILLINOIS

STATEMENT OF CASH FLOWS
 PROPRIETARY FUND

For the Year Ended April 30, 2020

	Business-Type Activities
	Waterworks and Sewerage Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Customers and Users	\$ 13,164,174
Receipts from Miscellaneous Revenues	297,458
Payments to Suppliers	(5,057,054)
Payments to Employees	(3,379,459)
	<hr/>
Net Cash from Operating Activities	5,025,119
	<hr/>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Amounts Received from (Paid to) Other Funds	(10,540)
Other Tax	1,000,000
Connection Charges	874,903
Rental Income	288,999
	<hr/>
Net Cash from Noncapital Financing Activities	2,153,362
	<hr/>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Capital Assets Purchased	(5,693,232)
Proceeds of Long-Term Debt	6,982,895
Principal Payments on Long-Term Debt	(3,558,484)
Principal Payments on Capital Lease	(13,939)
Proceeds from Capital Grant	25,000
Interest Payments on Long-Term Debt	(866,787)
	<hr/>
Net Cash from Capital and Related Financing Activities	(3,124,547)
	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of Investment Securities	(8,976,997)
Proceeds from Sale and Maturities of Investment Securities	5,827,773
Interest Received	279,175
	<hr/>
Net Cash from Investing Activities	(2,870,049)
	<hr/>
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,183,885
CASH AND CASH EQUIVALENTS, MAY 1	3,277,407
	<hr/>
CASH AND CASH EQUIVALENTS, APRIL 30	\$ 4,461,292
	<hr/> <hr/>

(This statement is continued on the following page.)

CITY OF CRYSTAL LAKE, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)
PROPRIETARY FUNDS

For the Year Ended April 30, 2020

	Business-Type Activities
	Waterworks and Sewerage Fund
CASH AND INVESTMENTS	
Cash and Cash Equivalents	\$ 4,461,292
Investments	11,575,205
TOTAL CASH AND INVESTMENTS	\$ 16,036,497
NONCASH TRANSACTIONS	
Contributions of Capital Assets	\$ 44,920
Capital Assets Financed by Capital Lease	114,957
Loss on Disposal of Capital Assets	(75,223)
Capital Assets Purchased in Accounts Payable	1,650,524
Unrealized Gain/Loss on Investments	288,886
TOTAL NONCASH TRANSACTIONS	\$ 2,024,064
CASH FLOWS FROM OPERATING ACTIVITIES	
Operating Income	\$ 1,064,726
Adjustments to Reconcile Operating Income to Net Cash From Operating Activities	
Depreciation	3,852,934
Amortization	9,500
Changes in Assets and Liabilities	
Receivables	33,933
Prepays	(22,007)
Deferred Outflows of Resources -	
Pension Items - IMRF	1,020,656
OPEB	(36,904)
Accounts Payable	(321,640)
Accrued Salaries	18,735
Accrued Compensated Absences	(19,010)
Net Pension Liability - IMRF	(1,277,020)
Total OPEB Liability	212,096
Deferred Inflows of Resources	
Pension Items - IMRF	472,162
OPEB	2,385
Customer Deposits	14,573
NET CASH FROM OPERATING ACTIVITIES	\$ 5,025,119

See accompanying notes to financial statements.

CITY OF CRYSTAL LAKE, ILLINOIS

**STATEMENT OF NET POSITION
FIDUCIARY FUNDS**

April 30, 2020

	Pension Trust Funds	Custodial Funds
ASSETS		
Cash and Short-Term Investments	\$ 27,924	\$ 318,620
Investments, at Fair Value		
Money Market Accounts	1,239,040	-
U.S. Treasury and U.S. Agency Securities	16,272,443	-
Corporate Bonds	12,370,441	-
Municipal Bonds	1,758,117	-
Mutual Funds - Stocks	47,734,596	-
Receivables		
Accounts Receivable	-	12
Accrued Interest on Investments	218,265	-
	79,620,826	318,632
LIABILITIES		
Accounts Payable	4,018	-
Due to Other Funds	-	156,810
	4,018	156,810
NET POSITION		
Restricted for Pensions	79,616,808	-
Restricted for Debt Service	-	161,822
	79,616,808	161,822
TOTAL NET POSITION	\$ 79,616,808	\$ 161,822

See accompanying notes to financial statements.

CITY OF CRYSTAL LAKE, ILLINOIS

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS**

For the Year Ended April 30, 2020

	Pension Trust Funds	Custodial Funds
ADDITIONS		
Contributions		
Employer	\$ 4,229,522	\$ -
Employee	1,268,890	-
Property Owner	-	189,404
Miscellaneous	-	14,374
	<hr/>	<hr/>
Total Contributions	5,498,412	203,778
	<hr/>	<hr/>
Investment Income		
Net Depreciation in Fair Value of Investments	(2,880,229)	-
Interest	2,509,255	4,611
	<hr/>	<hr/>
Total Investment Income	(370,974)	4,611
	<hr/>	<hr/>
Less Investment Expense	(330,315)	-
	<hr/>	<hr/>
Net Investment Income	(701,289)	4,611
	<hr/>	<hr/>
Total Additions	4,797,123	208,389
	<hr/>	<hr/>
DEDUCTIONS		
Pension Benefits	4,792,125	-
Miscellaneous	38,583	-
Debt Service		
Principal	-	120,000
Interest and Fiscal Charges	-	101,825
	<hr/>	<hr/>
Total Deductions	4,830,708	221,825
	<hr/>	<hr/>
NET DECREASE	(33,585)	(13,436)
NET POSITION		
May 1 (AS RESTATED)	79,650,393	175,258
	<hr/>	<hr/>
April 30	\$ 79,616,808	\$ 161,822
	<hr/>	<hr/>

See accompanying notes to financial statements.

CITY OF CRYSTAL LAKE, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Crystal Lake, Illinois (the City) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

A. Reporting Entity

The City was incorporated in 1914. The City is a home-rule community operating under a Council-Manager form of government and provides services that include: police, fire, water and sewer utility, street maintenance, community development and general administrative services.

As required by GAAP, these financial statements present the City (the primary government) and its component units. As defined by GAAP and established by GASB, the financial reporting entity consists of the primary government, as well as its component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. Financial accountability is defined as:

- 1) Appointment of a voting majority of the component unit's board and either (a) the ability to impose will by the primary government or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or
- 2) Fiscal dependency on the primary government

Discretely Presented Component Unit

The City's component unit is reported in a separate column to emphasize that it is legally separate from the City.

The Crystal Lake Public Library (Library) is governed by a nine-member Board of Trustees appointed by the Mayor of the City. The Library is financially accountable to the City, as the City's approval is needed for the Library to issue bonded debt. The Library's fiscal year end is the same as the City's. Separate financial statements for the Library are not available.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (Continued)

Other Governmental Entities

Several other governmental entities have operations within the City, but are separate legal entities. These entities include School District Nos. 47 and 155, Crystal Lake Civic Center Authority and the Crystal Lake Park District. The City is not financially accountable for these entities nor is there a financial benefit/burden relationship with these entities and, therefore, they are not included in the City's reporting entity. In addition, the City does not believe that it is a component unit of any other entity.

B. Fund Accounting

The City uses funds to report on its financial position and the changes in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain city functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Funds are classified into the following categories: governmental, proprietary and fiduciary.

Governmental funds are used to account for all or most of the City's general activities, including the collection and disbursement of restricted or committed monies (special revenue funds), the funds committed, restricted or assigned for the acquisition or construction of capital assets (capital projects funds) and the funds committed, restricted or assigned for the servicing of long-term debt (debt service funds). The General Fund is used to account for all activities of the City not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the City (internal service funds).

Fiduciary funds are used to account for fiduciary activities that meet the definition contained in GASB Statement No. 84, *Fiduciary Activities*. The City utilizes pension trust funds (for its Police and Firefighters' Pension Funds) and custodial funds (for its Special Service Area debt service funds), which are generally used to account for assets that the City holds in a fiduciary capacity.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. The effect of material interfund activity other than interfund service transactions has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and (2) grants and standard revenues that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund. The service administered by the City and accounted for in the General Fund include general government, public safety and public works.

The Motor Fuel Tax Fund accounts for the maintenance and various street improvements in the City. Financing is provided by the City's share of motor fuel tax allotments. State statutes require those allotments to be used to maintain streets. The City has elected to present this non-major fund as a major fund for consistency purposes.

The Fire Rescue Fund accounts for revenues and expenditures related to fire protection, ambulance response and emergency rescue operations.

The Three Oaks Debt Service fund accounts for debt service costs associated with the Three Oaks Recreation Area within the Vulcan Lake TIF.

The Capital Equipment and Replacement Fund accounts for revenues for and expenditures related to major capital improvements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Government-Wide and Fund Financial Statements (Continued)

The City reports the following major proprietary funds:

The Waterworks and Sewerage Fund accounts for all provision of water and sewer services to the residents of the City. All activities necessary to provide such services are account for in this fund, including but not limited to, administration, operations, maintenance, financing and related debt service and billing and collection.

The City reports pension trust funds as fiduciary funds to account for the Police Pension Fund and Firefighters' Pension Fund. Furthermore, the City reports three Special Service Area debt service funds as custodial funds.

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues/expenses include all revenues/expenses directly related to providing proprietary fund services. Incidental revenues/expenses are reported as non-operating.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for sales taxes and telecommunication taxes which use a 90-day period.

Expenditures generally are recorded when a fund liability is incurred. However, debt service expenditures are recorded only when payment is due.

Property taxes, sales taxes and telecommunication taxes owed to the state by others at year end, franchise taxes, licenses, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Fines and permit revenue are considered to be measurable and available only when cash is received by the City.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

In applying the susceptible to accrual concept to intergovernmental revenues (e.g., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures/expenses recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are generally revocable only for failure to comply with prescribed eligibility requirements, such as equal employment opportunity. These resources are reflected as revenues at the time of receipt or earlier if they meet the eligibility criterion.

The City reports unearned revenue and deferred revenue on its financial statements. Unearned revenue and deferred revenue arises when a potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Unearned revenue also arises when resources are received by the City before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability or deferred inflow of resources for unearned revenue or deferred revenue is removed from the financial statements and revenue is recognized.

E. Cash and Investments

Cash and Cash Equivalents

For purposes of the statement of cash flows, the City's enterprise fund considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments

Investments with a maturity of less than one year when purchased and non-negotiable certificates of deposit are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased and all investments of the pension trust funds are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Cash and Investments (Continued)

Investments (Continued)

The City categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

F. Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due to/from other funds” on the financial statements. Interfund loans, if any, are classified as advances to/from other funds.

G. Inventories

Inventories are valued at cost, which approximates market, using the average cost method on a first-in/first-out (FIFO) basis. Inventories are accounted for under the consumption method, whereby acquisitions are recorded in inventory accounts initially and charged as expenditures when used.

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items using the consumption method.

I. Capital Assets

Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, storm sewers and similar items) and intangible assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost in excess of \$25,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs, including street overlays that do not add to the value of the asset or materially extend asset lives are not capitalized.

CITY OF CRYSTAL LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Capital Assets (Continued)

Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant and equipment is depreciated using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Buildings and Improvements	25-50
Machinery, Equipment and Vehicles	3-15
Infrastructure - Streets and Bridges	50-80
Infrastructure - Water and Sewer System	60

J. Compensated Absences

Vested or accumulated vacation and sick leave that is owed to retirees or terminated employees is reported as an expenditure and a fund liability of the governmental fund that will pay it in the fund financial statements. Vested or accumulated vacation and sick leave of proprietary funds at both levels and governmental activities at the government-wide level is recorded as an expense and liability as the benefits accrue to employees.

K. Long-Term Obligations

In the government-wide financial statements and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund financial statements. Bond premiums and discounts and accounting gains/losses on refundings are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount and accounting gains/losses on refunding. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Fund Balance/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose or externally imposed by outside entities or from enabling legislation adopted by the City. Committed fund balance is constrained by formal actions of the City Council, which is considered the City's highest level of decision-making authority. Formal actions include ordinances approved by the City Council. Assigned fund balance represents amounts constrained by the City's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the City's Administrator and Finance Director. Any residual fund balance in the General Fund, including fund balance targets and any deficit fund balance of any other governmental fund is reported as unassigned. In accordance with the City's fund balance policy, the unassigned General Fund balance will be maintained at a target level of 25% to 50% of annual budgeted expenditures. Balances in excess of 50% may be transferred to the Capital Replacement Fund to support future capital projects.

The City's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the City considers committed funds to be expended first followed by assigned funds and then unassigned funds.

In the government-wide financial statements, restricted net positions are legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the book value of capital assets less any outstanding long-term debt issued to acquire or construct the capital assets.

M. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Interfund Transactions

Interfund services are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions, except interfund services and reimbursements, are reported as transfers.

O. Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

2. DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds, except the Pension Trust Funds. The deposits and investments of the Pension Trust Funds are held separately from those of other funds and are controlled by the respective pension boards.

The City is limited to investments allowed by Illinois Compiled Statutes (ILCS). The City's investment policy further restricts what it may invest in to the following types of investment instruments: U.S. Government obligations, U.S. Government agency obligations, and U.S. Government instrumentality obligations, which have a high liquid market with readily determinable market value, interest-bearing savings accounts, interest-bearing certificates of deposit or interest-bearing time deposits or any other investment constituting director obligations of any bank that is insured by the FDIC, local government investment pools, either state-administered or through joint powers statutes or other intergovernmental agreement legislation and investment-grade obligations (rated A or better) of state, provincial and local government and public authorities, The Illinois Funds and the Illinois Metropolitan Investment Fund (IMET), a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold. The City's investment policy does limit their deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance.

CITY OF CRYSTAL LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

It is the policy of the City to invest its funds in a manner which will provide the highest investment return with the maximum security, safety and risk avoidance while meeting the daily cash flow demands of the City and conforming to all state and local statutes governing the investment of public funds, using the “prudent person” standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, legality, safety, liquidity and total return.

A. City Deposits with Financial Institutions

Custodial credit risk is the risk that in the event of a bank failure, the City’s deposits may not be returned to it. The City’s deposit policy requires that funds on deposit in excess of FDIC limits be secured by some form of collateral. The City shall enter into a collateral agreement with the financial institution; and the agreement shall outline the types of assets that may be utilized as collateral, the amount of collateral required, and the methodology. The amount of collateral provided would not be less than 105% of the fair market value of the net amount of public funds secured. Pledged collateral will be held by the City or in safekeeping and evidenced by a written agreement. If collateral is held in safekeeping, it must be held at an independent third-party institution. A collateral agreement will preclude the release of the pledged assets, without an authorized signature from the City, but the agreement will allow for an exchange of collateral of like value. The City will accept any of the following assets as collateral: negotiable obligations of the United States Government and negotiable obligations of any agency or instrumentality of the United States Government guaranteed by the full faith and credit of the United States Government.

B. City Investments

The following table presents the investments and maturities of the City’s debt securities as of April 30, 2020:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	Greater Than 10
U.S. Treasury Securities	\$ 6,296,781	\$ 4,040,747	\$ 2,256,034	\$ -	\$ -
U.S. Agency Securities	11,768,174	3,720,823	8,047,351	-	-
Certificates of Deposits	17,356,562	5,176,304	12,180,258	-	-
Municipal Bonds	3,209,524	1,215,776	1,993,748	-	-
TOTAL	\$ 38,631,041	\$ 14,153,650	\$ 24,477,391	\$ -	\$ -

The City has the following recurring fair value measurements as of April 30, 2020: The U.S. agency obligations, U.S. Treasury obligations, the state and municipal obligations and the negotiable CDs are valued using quoted matrix pricing models (Level 2 inputs).

2. DEPOSITS AND INVESTMENTS (Continued)

B. City Investments (Continued)

In accordance with its investment policy, the City limits its exposure to interest rate risk by limiting the weighted average maturity of the portfolio to no more than two years and limits the maximum maturity of any investment to three years from the date of purchase, unless matched to a specific future cash flow need, as a means of managing its exposure to fair value losses arising from increasing interest rates.

The City limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by limiting investment in commercial paper and corporate bonds to the top three ratings issued by nationally recognized statistical rating organizations (NRSROs).

The U.S. agency obligations are rated AAA, and the state and municipal bonds are rated Aa3 to AAA. The negotiable CDs are not rated.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the City will not be able to recover the value of its investments that are in possession of an outside party. The City's policy requires that all security transactions, including collateral for repurchase agreements, be held by an independent third-party custodian designated by the City and evidenced by safekeeping receipts and a written custodial agreement.

Concentration of credit risk is the risk that the City has a high percentage of their investments invested in one type of investment. The City's investment policy limits the amount the City may invest in any one issuer to the 10% of the portfolio.

3. RECEIVABLES - PROPERTY TAXES

Property taxes for the 2019 levy year attach as an enforceable lien on January 1, 2019, on property value assessed as of the same date. Taxes are levied by December 31 of the subsequent fiscal year end by passage of a Tax Levy Ordinance. Tax bills are prepared by the County and issued on or about May 1 and August 1, and are payable in two installments, on or about June 1 and September 1. The County collects such taxes and remits them periodically.

The 2019 taxes are intended to finance the 2021 fiscal year and are not considered available or earned for current operations and, therefore, are shown as deferred revenue. The 2020 tax levy has not been recorded as a receivable at April 30, 2020, as the tax attached as a lien on property as of January 1, 2020; however, the tax will not be levied until December 2020 and, accordingly, is not measurable at April 30, 2020.

CITY OF CRYSTAL LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. DUE FROM OTHER GOVERNMENTS

Due from other governments consisted of the following amounts at April 30, 2020:

GOVERNMENTAL ACTIVITIES

Sales Tax	\$ 2,423,807
Home Rule Sales Tax	1,056,042
Income Tax	410,773
Local Use Tax	366,499
Cannabis Tax	5,395
Motor Fuel Tax	120,838
Video Gaming Tax	6,379
Telecommunications Tax	<u>194,265</u>

TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 4,583,998</u>
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5. CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2020 is as follows:

	Balances May 1	Increases	Decreases	Balances April 30
GOVERNMENTAL ACTIVITIES				
Capital Assets not Being Depreciated				
Land	\$ 103,584,779	\$ 150,034	\$ -	\$ 103,734,813
Construction in Progress	<u>4,995,713</u>	<u>327,545</u>	<u>4,497,670</u>	<u>825,588</u>
Total Capital Assets not Being Depreciated	<u>108,580,492</u>	<u>477,579</u>	<u>4,497,670</u>	<u>104,560,401</u>
Capital Assets Being Depreciated				
Buildings and Improvements	35,074,463	-	-	35,074,463
Machinery, Equipment and Vehicles	18,025,854	2,840,944	509,157	20,357,641
Infrastructure	<u>72,319,689</u>	<u>4,647,065</u>	<u>-</u>	<u>76,966,754</u>
Total Capital Assets Being Depreciated	<u>125,420,006</u>	<u>7,488,009</u>	<u>509,157</u>	<u>132,398,858</u>
Less Accumulated Depreciation for				
Buildings and Improvements	13,714,905	769,021	-	14,483,926
Machinery, Equipment and Vehicles	11,916,491	1,498,729	490,896	12,924,324
Infrastructure	<u>23,964,421</u>	<u>1,427,859</u>	<u>-</u>	<u>25,392,280</u>
Total Accumulated Depreciation	<u>49,595,817</u>	<u>3,695,609</u>	<u>490,896</u>	<u>52,800,530</u>
Total Capital Assets Being Depreciated, Net	<u>75,824,189</u>	<u>3,792,400</u>	<u>18,261</u>	<u>79,598,328</u>
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 184,404,681</u>	<u>\$ 4,269,979</u>	<u>\$ 4,515,931</u>	<u>\$ 184,158,729</u>

CITY OF CRYSTAL LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. CAPITAL ASSETS (Continued)

	Balances May 1	Increases	Decreases	Balances April 30
BUSINESS-TYPE ACTIVITIES				
Capital Assets not Being Depreciated				
Land	\$ 646,599	\$ 135,680	\$ -	\$ 782,279
Construction in Progress	1,920,451	2,010,132	1,497,667	2,432,916
Total Capital Assets not Being Depreciated	2,567,050	2,145,812	1,497,667	3,215,195
Capital Assets Being Depreciated				
Buildings and Improvements	36,064,113	1,161,948	-	37,226,061
Machinery, Equipment and Vehicles	9,392,159	748,617	22,730	10,118,046
Infrastructure	97,686,719	4,726,247	114,982	102,297,984
Total Capital Assets Being Depreciated	143,142,991	6,636,812	137,712	149,642,091
Less Accumulated Depreciation for				
Buildings and Improvements	12,704,465	1,391,486	-	14,095,951
Machinery, Equipment and Vehicles	4,254,494	410,428	21,697	4,643,225
Infrastructure	53,011,541	2,051,020	45,993	55,016,568
Total Accumulated Depreciation	69,970,500	3,852,934	67,690	73,755,744
Total Capital Assets Being Depreciated, Net	73,172,491	2,783,878	70,022	75,886,347
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	\$ 75,739,541	\$ 4,929,690	\$ 1,567,689	\$ 79,101,542

Depreciation expense was charged to governmental activities functions/programs of the primary government as follows:

GOVERNMENTAL ACTIVITIES

General and Administrative	\$ 471,159
Public Safety	1,188,163
Highways and Streets	1,483,314
Culture and Recreation	552,973

**TOTAL DEPRECIATION EXPENSE -
GOVERNMENTAL ACTIVITIES**

\$ 3,695,609

CITY OF CRYSTAL LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT

A. General Obligation Bonds

General obligation bonds are direct obligations and pledge the full faith and credit of the City and are payable from governmental activities/funds and business-type activities/enterprise funds. General obligation bonds currently outstanding are as follows:

Issue	Fund Debt Retired by	Balances May 1	Issuances	Retirements/ Refundings	Balances April 30	Current Portion
\$22,110,000 General Obligation Bonds of 2009, annual installments of \$900,000 to \$1,205,000 interest at 3.00% to 5.75% payable each July 1 and January 1.	General and Debt Service	\$ 9,477,553	\$ -	\$ 9,477,553	\$ -	\$ -
	Waterworks and Sewerage	962,445	-	962,445	-	-
\$9,235,000 General Obligation Bonds of 2012, annual installments of \$245,000 to \$850,000 interest at 2.000% to 2.625% payable each June 15 and December 15.	General and Debt Service	1,001,866	-	410,559	591,307	40,316
	Waterworks and Sewerage	3,363,134	-	434,441	2,928,693	199,684
\$9,465,000 General Obligation Bonds of 2013, annual installments of \$395,000 to \$675,000, interest at 3.25% to 4.00% payable each June 15 and December 15.	Waterworks and Sewerage	7,815,000	-	395,000	7,420,000	410,000
	Waterworks and Sewerage	3,310,000	-	920,000	2,390,000	945,000
\$14,330,000 General Obligation Bonds of 2019, annual installments of \$270,000 to \$1,860,000 interest at 3.00% to 5.00% payable each June 15 and December 15.	General and Debt Service	-	7,954,055	-	7,954,055	470,534
	Waterworks and Sewerage	-	6,375,945	-	6,375,945	279,466
TOTAL GENERAL OBLIGATION BONDS		\$25,929,998	\$14,330,000	\$12,599,998	\$27,660,000	\$2,345,000

CITY OF CRYSTAL LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

B. General Obligation Promissory Note

General Obligation Promissory Notes currently outstanding are as follows:

	Fund Debt Retired by	Balance May 1	Additions	Retirements/ Refundings	Balance April 30	Current Portion
\$1,900,000 General Obligation Promissory Notes, Series 2015, annual installments of \$210,000 to \$230,000, interest at 2.151% payable each June 15 and December 15.	Waterworks and Sewerage	\$ 1,320,000	\$ -	\$ 210,000	\$ 1,110,000	\$ 215,000
TOTAL		\$ 1,320,000	\$ -	\$ 210,000	\$ 1,110,000	\$ 215,000

C. IEPA Loan

The City, through the Illinois Environmental Protection Agency (IEPA), received a low interest loan to fund improvements to two of the City's wastewater treatment plants on a reimbursement basis. Under the terms of the agreement, the City can borrow up to \$14,840,101. The City borrowed \$14,779,811 and has total outstanding loan payable of \$13,279,153 as of April 30, 2020. The loan is to be paid on a semi-annual basis over 20 years, including interest at 1.86%.

D. Capital Lease Obligation

The City leases vehicles and other equipment under capital leases, which expire between April 2019 and March 2025. Annual lease payments, including interest ranging from 2.47% to 4.75%, range from \$3,595 to \$27,830. The cost of the capital assets acquired under capital leases was \$1,050,995, which is included in governmental activities, and business-type activities vehicles and machinery and equipment.

CITY OF CRYSTAL LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

D. Capital Lease Obligation (Continued)

Minimum future lease payments under the capital lease together with the present value of the net minimum lease payments as of April 30, 2020 are as follows:

Fiscal Year Ending April 30,	Payment
2021	\$ 198,152
2022	197,634
2023	195,956
2024	143,444
2025	<u>43,146</u>
Total minimum lease payments	778,332
Depreciation reserve	241,870
Less amount representing interest	<u>(78,839)</u>
Present value of future minimum lease payments	941,363
Less current portion	<u>(169,675)</u>
LONG-TERM PORTION	<u>\$ 771,688</u>

E. Debt Service Requirements to Maturity

Debt service requirements to maturity for governmental activities long-term debt is as follows:

Fiscal Year	<u>Governmental Activities</u>	
	<u>General Obligation Bonds</u>	
	Principal	Interest
2021	\$ 510,850	\$ 468,159
2022	668,535	316,432
2023	699,904	284,240
2024	1,208,921	250,479
2025	586,725	191,293
2026-2030	2,332,454	607,865
2031-2035	152,026	365,751
2036-2040	<u>2,385,947</u>	<u>230,727</u>
TOTAL	<u>\$ 8,545,362</u>	<u>\$ 2,714,946</u>

CITY OF CRYSTAL LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

E. Debt Service Requirements to Maturity (Continued)

Debt service requirements to maturity for business-type activities long-term debt is as follows:

Fiscal Year	Business-Type Activities					
	IEPA Loans		General Obligation Bonds		General Obligation Note	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 648,494	\$ 243,991	\$ 1,834,150	\$ 772,674	\$ 215,000	\$ 23,876
2022	660,612	231,873	1,966,465	621,050	220,000	19,251
2023	672,957	219,528	1,515,096	554,517	220,000	14,519
2024	685,532	206,953	1,356,079	498,877	225,000	9,787
2025	698,342	194,143	1,063,275	441,863	230,000	4,947
2026-2030	3,692,401	770,024	5,807,546	1,558,228	-	-
2031-2035	4,050,527	411,898	3,302,974	639,286	-	-
2036-2040	2,170,288	60,925	2,269,053	219,423	-	-
TOTAL	\$ 13,279,153	\$ 2,339,335	\$ 19,114,638	\$ 5,305,918	\$ 1,110,000	\$ 72,380

F. Changes in Long-Term Liabilities

During the fiscal year the following changes occurred in long-term liabilities for governmental activities:

	Balances May 1, Restated	Issuances	Retirements/ Refundings	Balances April 30	Current Portion
General Obligation Bonds Payable	\$ 10,479,419	\$ 7,954,055	\$ 9,888,112	\$ 8,545,362	\$ 510,850
Unamortized Bond (Discount)	(30,005)	-	(30,005)	-	-
Unamortized Bond Premium	23,958	787,327	17,009	794,276	-
Capital Leases	54,611	813,338	87,269	780,680	144,077
Compensated Absences*	3,529,509	1,811,836	1,764,755	3,576,590	1,788,296
Net Pension Liability - IMRF*	7,758,486	-	3,301,159	4,457,327	-
Net Pension Liability -Fire*	15,884,987	2,925,268	-	18,810,255	-
Net Pension Liability - Police*	30,996,823	6,632,487	-	37,629,310	-
Total OPEB Liability*	4,379,280	740,288	-	5,119,568	193,386
TOTAL	\$ 73,077,068	\$ 21,664,599	\$ 15,028,299	\$ 79,713,368	\$ 2,636,609

*The General Fund resources are used to liquidate these liabilities.

CITY OF CRYSTAL LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

F. Changes in Long-Term Liabilities (Continued)

During the fiscal year, the following changes occurred in long-term liabilities for business-type activities:

	Balances May 1	Issuances	Retirements/ Refundings	Balances April 30	Current Portion
General Obligation Bonds Payable	\$ 15,450,579	\$ 6,375,945	\$ 2,711,886	\$ 19,114,638	\$ 1,834,150
Promissory Note Payable	1,320,000	-	210,000	1,110,000	215,000
IEPA Loans Payable	13,915,751	-	636,598	13,279,153	648,494
Unamortized Bond (Discount)	(6,503)	-	(6,503)	-	-
Unamortized Bond Premium	664,707	606,950	84,624	1,187,033	-
Capital Leases	59,664	114,957	13,939	160,682	25,598
Well Asset Retirement Obligation	-	950,000	-	950,000	-
Compensated Absences	433,022	197,501	216,511	414,012	207,006
Net Pension Liability	2,859,651	-	1,277,020	1,582,631	-
Total OPEB Liability	-	212,096	-	212,096	8,012
TOTAL	\$ 34,696,871	\$ 8,457,449	\$ 5,144,075	\$ 38,010,245	\$ 2,938,260

G. Refundings

General Obligation Bond Series 2019

On July 25, 2019, the City issued the \$14,330,000 General Obligation Refunding Bonds, 2019A and 2019B, to refund, through a current refunding, \$9,540,000 of the Series 2009A Build America Bonds and Series 2009B Recovery Zone Bonds. Through the refunding, the City reduced its debt service by \$642,562 and achieved an economic gain of \$622,353.

H. Legal Debt Margin

The City is a home rule municipality. Article VII, Section 6(k) of the 1970 Illinois Constitution governs computation of the legal debt margin.

“The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property ... (2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent: ... indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum... shall not be included in the foregoing percentage amounts.”

To date the General Assembly has set no limits for home rule municipalities.

6. LONG-TERM DEBT (Continued)

I. Noncommitment Debt

Special Service Area Bonds

Special service area bonds outstanding are not a direct responsibility of the City. The City will continue to collect taxes assessed on the SSA bonds and forward to bondholders any payments received. The amounts collected are accounted for in an Agency Fund until they are remitted to the bondholders.

The City has the following SSA bond issues outstanding at April 30, 2020:

Special Service Area No. 45 Bonds, Series 2006 - original principal \$5,935,000, due in annual installments of \$80,000 to \$435,000, commencing February 2007 through February 2031; interest at 4.40% to 5.50% payable semiannually on August 1 and February 1. The outstanding principal balance at April 30, 2020, was \$5,440,000.

Special Service Area No. 44 Bonds, Series 2007 - original principal \$750,000, due in annual installments of \$50,000 through December 2021; interest at 4.10% to 4.75% payable annually on December 1. The outstanding principal balance at April 30, 2020, was \$100,000.

Special Service Area No. 46 Refunding Bonds, Series 2016 - original principal \$2,445,000 issued in December 2016, due in annual installments of \$30,000 to \$245,000, commencing March 2017 through March 2036; interest at 2.75% to 4.40% payable semiannually on September 1 and March 1. The outstanding principal balance at April 30, 2020 was \$2,220,000.

J. Asset Retirement Obligation

The City has recognized an asset retirement obligation (ARO) and related deferred outflow of resources in connection with its obligation to seal and abandon various shallow water wells at the end of their estimated useful lives in accordance with federal, state and/or local requirements. The ARO was measured using actual historical costs for similar abandonments, adjusted for inflation through the end of the year. The estimated remaining useful lives of the water wells is 100 years.

CITY OF CRYSTAL LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City accounts for and finances its uninsured risks of loss in the General, Waterworks and Sewerage (Enterprise) and Fire Rescue (Special Revenue) funds. These funds provided coverage for group health and dental coverage up to \$125,000 per claim.

In addition, the City has contracted with third party carriers for specific and aggregate stop loss coverage to limit the City's exposure to losses. Losses have not exceeded coverages for the last three years.

The City also participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of municipalities and special districts in Northeastern Illinois that have formed an association under the Illinois Intergovernmental Cooperation's Statute to pool their risk management needs. The agency administers a mix of self-insurance and commercial services, unemployment claim administration, extensive risk management/loss control consulting and training programs, and a risk information system and financial reporting services for its members. The City's payments to IRMA are displayed on the financial statements as expenditures/expenses in appropriate funds. Each member assumes their deductible portion of each occurrence (\$10,000 for the City), and IRMA has a mix of self-insurance and commercial insurance at various amounts above that level.

8. INDIVIDUAL FUND DISCLOSURES

As of April 30, 2020, individual fund interfund receivables and payables were as follows:

Payable Fund	Receivable Fund	Amount
General	Nonmajor Governmental	\$ 3,964
Motor Fuel Tax	Capital Replacement	433,879
Capital Replacement	Motor Fuel Tax	3,891
Three Oaks Debt Service	Waterworks and Sewerage	1,637
General	Waterworks and Sewerage	12,371
Waterworks and Sewerage	General	33,516
Custodial	General	156,810
Nonmajor Governmental	General	<u>58,676</u>
TOTAL DUE TO/FROM OTHER FUNDS		<u>\$ 704,744</u>

CITY OF CRYSTAL LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. INDIVIDUAL FUND DISCLOSURES (Continued)

The purposes of significant due from/due to other funds are as follows:

- \$433,879 due from the Motor Fuel Tax fund to the Capital Replacement Fund to pay for a capital project. Repayment is expected within one year.
- In 2012 the City used \$156,810 of its available resources to pay principal and interest on outstanding SSA #45 bonds because collections of SSA #45 property taxes were insufficient to cover amounts due on February 1, 2012. Efforts to recover money used to fund SSA #45 debt service are ongoing.
- \$58,676 due from Nonmajor Governmental Fund (NCLPB Project Fund) to the General Fund to eliminate negative cash. Repayment is expected within one year.

Interfund transfers during the year ended April 30, 2020 were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General		
Capital Replacement	\$ -	\$ 2,395,909
Three Oaks Debt Service		982,004
Nonmajor Governmental	80,262	2,020
Total General	<u>80,262</u>	<u>3,379,933</u>
Fire Rescue		
Capital Replacement	-	693,459
Total Fire Rescue Fund	<u>-</u>	<u>693,459</u>
Motor Fuel Tax		
Capital Replacement	-	1,752,219
Total Fire Rescue Fund	<u>-</u>	<u>1,752,219</u>
Capital Replacement		
General	2,395,909	-
Fire Rescue	693,459	-
Motor Fuel Tax	1,752,219	-
Nonmajor Governmental	657,975	-
Total Capital Replacement	<u>5,499,562</u>	<u>-</u>
Three Oaks Debt Service		
General	982,004	-
Nonmajor Governmental	45,526	-
Total Three Oaks Debt Service	<u>1,027,530</u>	<u>-</u>

CITY OF CRYSTAL LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. INDIVIDUAL FUND DISCLOSURES (Continued)

	<u>Transfers In</u>	<u>Transfers Out</u>
Nonmajor Governmental		
General	\$ 2,020	\$ 80,262
Capital Replacement	-	657,975
Three Oaks Debt Service	-	45,526
Total Nonmajor Governmental	<u>2,020</u>	<u>783,763</u>
TOTAL	<u>\$ 6,609,374</u>	<u>\$ 6,609,374</u>

The purpose of significant transfers is as follows:

- \$982,004 transfer from the General Fund to Three Oaks Debt Service Fund. This transaction relates to money transferred to debt service funds for payments of principal and interest on general obligation debt. This transfer will not be repaid.
- \$5,499,562 transferred to the Capital Equipment Replacement Fund from the General, Fire Rescue, Motor Fuel Tax and Nonmajor Governmental fund for the purchase of equipment and capital projects. This transfer will not be repaid.

The Vulcan Lakes Tax Increment Financing (TIF) District was created to spur comprehensive development around US 14 and Main Street, to include residential, retail, and recreational facilities (Three Oaks Recreation Area). Initial funding for land acquisition and engineering services (\$2,039,724) was provided using General Fund reserves. Available property tax increment will be used to retire outstanding bonds that were issued for the purposes of constructing the Three Oaks Recreation Area. Remaining increments, if any, are intended to be used to pay back the General Fund. The interfund receivable is reported net of an allowance of the same amount at April 30, 2020.

The Virginia Street Corridor Tax Increment Financing (TIF) District was intended to spur comprehensive revitalization of the Virginia Street Corridor and includes streetscape improvements/beautification and redevelopment of key identified sites. Initial funding (\$1,740,096) 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. The outstanding balance at April 30, 2020, was \$1,461,590, and is reported net of an allowance of the same amount.

A. Litigation

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's attorneys, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

9. CONTINGENT LIABILITIES (Continued)

B. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

C. Special Service Area

In 2012, the City used \$156,810 of its available resources to pay principal and interest on outstanding SSA #45 bonds because collections of SSA #45 property taxes were insufficient to cover amounts due on February 1, 2012. Efforts to recover money used to fund SSA #45 debt service are ongoing.

D. Illinois Metropolitan Investment Fund

During 2015, Illinois Metropolitan Investment Fund (IMET) was informed of defaults in repurchase agreements involving loans which occurred as a result of fraud by an approved lender of the United States Department of Agriculture (USDA). IMET has advised the City of its intent to seek to recover, liquidate and distribute any proceeds received to eligible participants. The City will monitor IMET's recovery efforts. During this process, the City will not have any access to these funds. Based on IMET's unknown certainty of net realizable value of investments affected by fraud, the City has written off their entire balance at IMET, less any current year recoveries.

10. JOINT VENTURE

The City is a founding member of SEECOM - Southeast Emergency Communication (SEECOM). SEECOM is a municipal corporation and public body politic and corporate established pursuant to the Constitution of the State of Illinois and the Intergovernmental Cooperation Act of the State of Illinois, as amended (the Act). SEECOM is a cooperative joint venture organized for the purpose of providing the equipment, services and other items necessary and appropriate for the establishment, operation and maintenance of the joint public safety communications system for the mutual benefit of the members of SEECOM. The founding members of SEECOM consist of the City of Crystal Lake, Illinois, the Village of Algonquin, Illinois and the Village of Cary, Illinois.

10. JOINT VENTURE (Continued)

SEECOM is governed by an Executive Board established with the three voting members consisting of the Village Manager/Village Administrator/City Manager, or their respective staff designees, from the three founding communities. Two nonvoting members also consist of one member from the Fire Services Advisory Board and one member from the Law Enforcement Advisory Board. These nonvoting Board members represent other user communities. Each member of the Executive Board is entitled to one vote.

Each of SEECOM's three members paid an initial entry fee as determined and agreed to by SEECOM's Executive Board and the three members. Each member also pays a portion of the initial capital cost financed by the issuance of a bond. Each member's portion of the initial capital costs is based on the actual capital cost multiplied by the member's proportionate share of the number of calls for services from the preceding year. Each member pays a percentage of the operating costs of SEECOM, as determined by the total operational cost less contracted services by each member's proportional share of the calls for service handled by SEECOM. Calls for service are one year in arrears.

All property, real and personal, acquired by SEECOM is owned in common by the members under the intergovernmental agreement. Each of the three members under the intergovernmental agreement are liable for the debts and liabilities of SEECOM. The intergovernmental agreement establishing SEECOM is in effect for a period of 15 years from the effective date of December 2002. Thereafter, it is automatically renewed with no affirmative action by the three members for successive five-year periods commencing May 1 until notice of termination is given. Any terminating member shall remain liable for their share of the capital expenditures incurred prior to the effective date of their termination. Upon termination by any member, SEECOM shall reimburse the terminated member for its share of the undepreciated value of SEECOM's capital assets. SEECOM is located at 100 Municipal Complex, Crystal Lake, Illinois 60014. A separate audit report for SEECOM is available through its office.

The City reports its activities in SEECOM as a governmental joint venture. In accordance with the joint venture agreement, the City remitted \$934,789 to SEECOM during fiscal year 2020. In addition, the City's equity interest in the joint venture's net position of \$2,627,742 is recorded within the governmental activities column of the statement of net position.

11. CONSTRUCTION COMMITMENTS

The City has commitments under construction contracts of approximately \$8,029,000 outstanding at April 30, 2020.

CITY OF CRYSTAL LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. TAX ABATEMENTS

The City has entered into identical redevelopment and enhanced sales tax incentive agreements with three local businesses whereby the city has agreed to reimburse these businesses for actual project costs related to the expansion of their existing facilities within the City. Under terms of two agreements, the City will pay 50% of the local sales tax attributable to the business and received by the City for the 12-month period preceding the annual payment date. The maximum cumulative payment under these agreements is the lower of 50% of the actual project costs or \$1,000,000. Under terms of a third agreement, the City will pay 40% of local sales tax attributable to the business and received by the City for the 12-month period preceding the annual payment date. The maximum cumulative payment under this agreement is the lower of 50% of actual project costs or \$600,000. Each of the three agreements shall terminate ten years after the effective date of the agreement or the date on which the business has been paid by the City an amount equal to the maximum cumulative payment. The three agreements are summarized as follows:

Effective Date of Agreement	Maximum Cumulative Payment	Current Year Payments	Cumulative Payments at April 30, 2020
December 4, 2012	\$ 1,000,000	\$ 144,777	\$ 847,769
June 3, 2014	1,000,000	155,375	767,264
February 13, 2019	600,000	33,907	35,384

13. OTHER POSTEMPLOYMENT BENEFITS

A. Plan Description

In addition to providing the pension benefits described, the City provides postemployment health care and life insurance benefits (OPEB) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions, and employer contributions are governed by the City and can be amended by the City through its personnel manual and union contracts. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the City's governmental and business-type activities.

B. Benefits Provided

The City provides postemployment health care and life insurance benefits to its retirees and certain disabled employees. To be eligible for benefits, an employee must qualify for retirement under one of the City's retirement plans. All health care benefits are provided through the City's health insurance plan. Eligible, full-time employees who retire and elect to continue their medical insurance must pay the full price of insurance.

13. OTHER POSTEMPLOYMENT BENEFITS (Continued)

B. Benefits Provided (Continued)

Benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous, and substance abuse care; vision care; and prescriptions. Upon a retiree reaching age 65 years, Medicare becomes the primary insurer and the City’s plan becomes secondary. For certain disabled employees who qualify for health insurance benefits under the Public Safety Employee Benefits Act (PSEBA), the City is required to pay 100% of the cost of basic health insurance for the employee and their dependents until they are Medicare eligible.

C. Membership

At April 30, 2020, membership consisted of:

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	22
Inactive Employees Entitled to but not yet Receiving Benefit Payments	-
Active Employees	<u>259</u>
TOTAL	<u><u>281</u></u>
Participating employers	<u>1</u>

D. Total OPEB Liability

The City’s total OPEB liability of \$5,331,664 was measured as of April 30, 2020 and was determined by an actuarial valuation as of May 1, 2019.

E. Actuarial Assumptions and Other Inputs

The total OPEB liability at April 30, 2020, as determined by an actuarial valuation as of May 1, 2019 actuarial valuation, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified. The total OPEB liability was rolled forward by the actuary using updating procedures to April 30, 2020, including updating the discount rate at April 30, 2020, as noted below.

CITY OF CRYSTAL LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

13. OTHER POSTEMPLOYMENT BENEFITS (Continued)

E. Actuarial Assumptions and Other Inputs (Continued)

Actuarial Cost Method	Entry-Age Normal
Actuarial Value of Assets	N/A
Inflation	2.25%
Salary Increases	2.75%
Discount Rate	2.56%
Healthcare Cost Trend Rates	4.80% Initial 5.00% Ultimate

The discount rate was based on The Bond Buyer 20-Bond GO Index, which is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA. Mortality rates follow the sex distinct raw rates as developed in the RP-2014 study or as developed in the Pubs-2010(A) study improved to 2017 using MP-2019 improvement rates. These rates are then improved generationally using MP-2019 improvement rates.

F. Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
BALANCES AT MAY 1, 2019	<u>\$ 4,379,280</u>
Changes for the Period	
Service Cost	109,111
Interest	159,615
Difference Between Expected and Actual Experience	(66,180)
Changes in Assumptions*	951,236
Benefit Payments	<u>(201,398)</u>
Net Changes	<u>952,384</u>
BALANCES AT APRIL 30, 2020	<u>\$ 5,331,664</u>

*There were changes in assumptions related to the projected total payroll increases, inflation rate, mortality rates, morality improvement rates, retirement rates, termination rates, disability rates, and the discount rate.

CITY OF CRYSTAL LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

13. OTHER POSTEMPLOYMENT BENEFITS (Continued)

G. Rate Sensitivity

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the City calculated using the discount rate of 2.56% as well as what the City total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.56%) or 1 percentage point higher (3.56%) than the current rate:

	1% Decrease (1.56%)	Current Discount Rate (2.56%)	1% Increase (3.56%)
Total OPEB Liability	\$ 5,894,123	\$ 5,331,664	\$ 4,840,649

The table below presents the total OPEB liability of the City calculated using the healthcare rate of 4.80% to 5.00% as well as what the City's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (3.80% to 4.00%) or 1 percentage point higher (5.80% to 6.00%) than the current rate:

	1% Decrease (3.80% to 4.00%)	Current Healthcare Rate (4.80% to 5.00%)	1% Increase (5.80% to 6.00%)
Total OPEB Liability	\$ 4,709,145	\$ 5,331,664	\$ 6,608,482

H. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended April 30, 2020, the City recognized OPEB expense of \$157,336. At April 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 59,960
Changes in Assumptions	927,701	-
TOTAL	\$ 927,701	\$ 59,960

CITY OF CRYSTAL LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

13. OTHER POSTEMPLOYMENT BENEFITS (Continued)

H. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

Year Ending April 30,	
2021	\$ 90,008
2022	90,008
2023	90,008
2024	90,008
2025	90,008
Thereafter	<u>417,701</u>
TOTAL	<u>\$ 867,741</u>

14. DEFINED BENEFIT PENSION PLANS

The City contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and the Firefighters' Pension Plan which is also a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for all plans are governed by ILCS and can only be amended by the Illinois General Assembly. The Police Pension Plan and the Firefighters' Pension Plan do not issue separate reports. IMRF does issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 or www.imrf.org.

The table below is a summary for all pension plans as of and for the year ended April 30, 2020:

	IMRF	Police Pension	Fire Pension	Total
Net Pension Liability (Asset)	\$ 7,514,688	\$ 37,629,310	\$ 18,810,255	\$ 63,954,253
Deferred Outflows of Resources	2,381,617	8,660,112	4,447,167	15,488,896
Deferred Inflows of Resources	3,290,051	4,386,268	2,741,067	10,417,386
Pension Expense	2,240,938	5,037,661	3,550,422	10,829,021

CITY OF CRYSTAL LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

14. DEFINED BENEFIT PENSION PLANS (Continued)

Illinois Municipal Retirement Fund

A. *Plan Membership*

At December 31, 2019, IMRF membership consisted of:

Inactive Employees or their Beneficiaries	
Currently Receiving Benefits	164
Inactive Employees Entitled to but not yet Receiving Benefits	130
Active Employees	<u>170</u>
 TOTAL	 <u><u>464</u></u>

B. *Benefits Provided*

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

C. *Contributions*

Participating members are required to contribute 4.50% of their annual salary to IMRF. The City is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution for the fiscal year ended April 30, 2020 was 12% of covered payroll.

14. DEFINED BENEFIT PENSION PLANS (Continued)

Illinois Municipal Retirement Fund (Continued)

D. *Actuarial Assumptions*

The City's net pension liability was measured as of December 31, 2019 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial Valuation Date	December 31, 2019
Actuarial Cost Method	Entry-Age Normal
Assumptions	
Price Inflation	2.50%
Salary Increases	3.35% to 14.25%
Investment Rate of Return	7.25%
Asset Valuation Method	Fair Value

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

E. *Discount Rate*

The discount rate used to measure the total pension liability was 7.25% at December 31, 2019. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF CRYSTAL LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

14. DEFINED BENEFIT PENSION PLANS (Continued)

Illinois Municipal Retirement Fund (Continued)

F. *Changes in the Net Pension Liability*

	(A)	(B)	(A) - (B)
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
BALANCES AT JANUARY 1, 2019	\$ 73,621,046	\$ 60,301,757	\$ 13,319,289
Changes for the Period			
Service Cost	1,160,290	-	1,160,290
Interest	5,275,067	-	5,275,067
Difference Between Expected and Actual Experience	283,884	-	283,884
Changes in Assumptions	-	-	-
Employer Contributions	-	1,260,041	(1,260,041)
Employee Contributions	-	553,793	(553,793)
Net Investment Income	-	11,122,244	(11,122,244)
Benefit Payments and Refunds	(2,883,298)	(2,883,298)	-
Administrative Expense	-	-	-
Other (Net Transfer)	-	(412,236)	412,236
Net Changes	3,835,943	9,640,544	(5,804,601)
BALANCES AT DECEMBER 31, 2019	\$ 77,456,989	\$ 69,942,301	\$ 7,514,688

The table above includes amounts for both the City and the Library. The City's collective share of the net pension liability at January 1, 2019, the employer contributions and the net pension liability at December 31, 2019 was \$10,618,137, \$994,172 and \$6,039,958, respectively. The Library's collective share of the net pension liability at January 1, 2019, the employer contributions and the net pension liability at December 31, 2019 was \$2,701,152, \$265,869 and \$1,474,730, respectively.

CITY OF CRYSTAL LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

14. DEFINED BENEFIT PENSION PLANS (Continued)

Illinois Municipal Retirement Fund (Continued)

G. *Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources*

For the year ended April 30, 2020, the City recognized pension expense of \$1,768,100 and the Library recognized pension expense of \$472,838.

At April 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 830,238	\$ -
Changes in Assumption	1,008,632	519,558
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	2,770,493
Employer Contributions After the Measurement Date	542,747	-
TOTAL	\$ 2,381,617	\$ 3,290,051

\$542,747 reported as deferred outflows of resources related to pensions resulting from City (\$428,227) and Library (\$114,520) contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ending April 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending April 30,	
2021	\$ (254,157)
2022	(86,923)
2023	250,713
2024	(1,360,814)
2025	-
Thereafter	-
TOTAL	\$ (1,451,181)

CITY OF CRYSTAL LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

14. DEFINED BENEFIT PENSION PLANS (Continued)

Illinois Municipal Retirement Fund (Continued)

G. *Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)*

The deferred outflows presented in the table above include amounts for both the City and the Library. The City's collective share of the deferred outflows and inflows of resources at April 30, 2020 was \$1,937,988 and \$2,604,619, respectively. The Library's collective share of the deferred outflows and inflows of resources at April 30, 2020 was \$443,629 and \$685,432, respectively.

H. *Discount Rate Sensitivity*

The following is a sensitive analysis of the net pension liability (asset) to changes in the discount rate. The table below presents the pension liability (asset) of the City calculated using the discount rate of 7.25% as well as what the City's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability (Asset)	\$ 17,780,112	\$ 7,514,688	\$ (910,156)

Police Pension Plan

A. *Plan Administration*

Police sworn personnel are covered by the Police Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The City accounts for the Police Pension Plan as a pension trust fund. A separate report is not issued for the Police Pension Fund.

The Police Pension Plan is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the City's Mayor, one member is elected by pension beneficiaries and two members are elected by active police employees.

The Police Pension Plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

14. DEFINED BENEFIT PENSION PLANS (Continued)

Police Pension Plan (Continued)

B. *Plan Membership*

At April 30, 2020, the measurement date, membership consisted of:

Inactive Plan Members Currently Receiving Benefits	45
Inactive Plan Members Entitled to but not yet Receiving Benefits	4
Active Plan Members	65
 TOTAL	 114

C. *Benefits Provided*

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the greater of the average monthly salary obtaining by dividing the total salary during the 48 consecutive months of service within the last of 60 months in which the total salary was the highest by the number of months in that period; or the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55).

14. DEFINED BENEFIT PENSION PLANS (Continued)

Police Pension Plan (Continued)

C. *Benefits Provided* (Continued)

The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the preceding calendar year.

D. *Contributions*

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. Effective January 1, 2011, ILCS requires the City to contribute a minimum amount annual calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by 2040. However, The City has adopted a funding policy using the entry-age normal cost method that will result in 100% funding by 2040. For the year ended April 30, 2020, the City's contribution was 38.81% of covered payroll.

E. *Investment Policy*

The Police Pension Fund's (the Fund) investment policy authorizes the Fund to invest in all investments allowed by the Illinois Pension Code contained in Chapter 40 of Illinois Compiled Statutes. ILCS require the Fund's Board of Trustees to adopt an investment policy which can be amended by a majority vote of the Board of Trustees. The Fund's investment policy authorizes the Fund to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, investment-grade corporate bonds and The Illinois Funds. The Fund may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, Illinois insurance company general and separate accounts, mutual funds, corporate equity and corporate debt securities and real estate investment trusts.

14. DEFINED BENEFIT PENSION PLANS (Continued)

Police Pension Plan (Continued)

E. *Investment Policy (Continued)*

The Fund's investment policy, in accordance with ILCS, establishes the following target allocation across asset classes:

Asset Class	Range	Target	Long-Term Expected Real Rate of Return
Fixed income/money market	33%-56.1%	45.00%	2.10%
Large Cap Domestic Equities	23.5%-35.3%	29.40%	6.90%
Small Cap Domestic Equities	6.0%-9.0%	7.5%	9.00%
International Equities	14.4%-21.8%	18.10%	7.10%

It is the policy of the Fund to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the cash flow demands of the Fund and conforming to all state and local statutes governing the investment of public funds. The primary objectives of the policy are, in order of priority, safety of principal, rate of return, public trust and liquidity.

F. *Investment Rate of Return*

For the year ended April 30, 2020, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 7.41%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

G. *Deposits with Financial Institutions*

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Fund's deposits may not be returned to it. The Fund's investment policy requires all bank balances to be covered by federal depository insurance or collateralized by the financial institutions. At April 30, 2020, all deposits are covered by federal depository insurance.

CITY OF CRYSTAL LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

14. DEFINED BENEFIT PENSION PLANS (Continued)

Police Pension Plan (Continued)

H. *Interest Rate Risk*

The following table presents the investments and maturities of the Fund's debt securities as of April 30, 2020:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	Greater Than 10
U.S. Treasury Obligations	\$ 4,436,552	\$ -	\$ 1,119,164	\$ 3,317,388	-
Mortgage Backed Securities	323,026	-	31,673	-	291,353
Other Agency Securities	261,977	261,977	-	-	-
Corporate Bonds	10,040,685	1,439,383	5,862,182	2,711,078	28,042
TOTAL	\$ 15,062,240	\$ 1,701,360	\$ 7,013,019	\$ 6,028,466	\$ 319,395

The Fund has the following recurring fair value measurements as of April 30, 2020: The U.S. Treasury obligations, and mutual funds are valued using quoted prices in active markets for identical assets (Level 1 inputs). The agency obligations and the corporate bonds are valued using quoted matrix pricing models (Level 2 inputs).

In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market. The Fund's investment policy indicates the average maturity/duration of the portfolio will be managed based on the existing interest rate environment, and under most circumstances will range from two to seven years.

I. *Credit Risk*

The Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by investing in obligations guaranteed by the United States Government, securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government and investment grade corporate bonds rated at or above Baa3 by Moody's. The U.S. agency obligations are rated Aaa. The mortgage backed securities are not rated. The corporate bonds are rated from Aaa-Baa2.

14. DEFINED BENEFIT PENSION PLANS (Continued)

Police Pension Plan (Continued)

J. *Custodial Credit Risk*

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Fund will not be able to recover the value of its investments that are in possession of an outside party. The Fund's policy requires third-party safekeeping for all securities owned by the Fund.

There are no significant investments (other than United States Government guaranteed obligations) in any one organization that represent 5% or more of the Fund's investments.

K. *Actuarial Assumptions*

The total pension liability above was determined by an actuarial valuation performed as of April 30, 2020 using the following actuarial methods and assumptions.

Actuarial Valuation Date	April 30, 2020
Actuarial Cost Method	Entry-Age Normal
Assumptions	
Inflation	2.25%
Salary Increases	3.75% to 21.54%
Investment Rate	7.25%
Cost of Living Adjustments	3.25%
Asset Valuation Method	Fair Value

Mortality rates were based on the PubS-2010 mortality table.

L. *Discount Rate*

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF CRYSTAL LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

14. DEFINED BENEFIT PENSION PLANS (Continued)

Police Pension Plan (Continued)

M. *Discount Rate Sensitivity*

The following is a sensitive analysis of the net pension liability to changes in the discount rate for year ended April 30, 2020.

The table below presents the pension liability of the City, for year ended April 30, 2020, calculated using the discount rate of 7.25% as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability	\$ 49,494,194	\$ 37,629,310	\$ 28,062,541

N. *Changes in the Net Pension Liability*

	(A) Total Pension Liability	(B) Plan Fiduciary Net Position	(A) - (B) Net Pension Liability
BALANCES AT MAY 1, 2019	\$ 72,096,114	\$ 41,099,291	\$ 30,996,823
Changes for the Period			
Service Cost	1,428,215	-	1,428,215
Interest	5,108,983	-	5,108,983
Difference Between Expected and Actual Experience	394,864	-	394,864
Changes in Assumptions	1,047,031	-	1,047,031
Changes in Benefit Terms	264,843	-	264,843
Employer Contributions	-	2,386,343	(2,386,343)
Employee Contributions	-	608,715	(608,715)
Net Investment Income	-	(1,363,475)	1,363,475
Benefit Payments and Refunds	(3,254,765)	(3,254,765)	-
Administrative Expense	-	(20,134)	20,134
Net Changes	4,989,171	(1,643,316)	6,632,487
BALANCES AT APRIL 30, 2020	\$ 77,085,285	\$ 39,455,975	\$ 37,629,310

CITY OF CRYSTAL LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

14. DEFINED BENEFIT PENSION PLANS (Continued)

Police Pension Plan (Continued)

N. *Changes in the Net Pension Liability* (Continued)

Changes in assumption related to the projected individual pay increases, inflation rate, mortality rates, morality improvement rates, retirement rates, termination rates and disability rates were made in since the prior measurement date.

O. *Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources*

For the year ended April 30, 2020, the City recognized police pension expense of \$5,037,661. At April 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to the police pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 1,115,238	\$ 2,264,821
Changes in Assumption	3,588,553	2,121,447
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	3,956,321	-
TOTAL	\$ 8,660,112	\$ 4,386,268

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the police pension will be recognized in pension expense as follows:

Fiscal Year Ending April 30,	
2021	\$ 1,160,657
2022	881,990
2023	1,066,263
2024	885,101
2025	18,496
Thereafter	261,337
TOTAL	\$ 4,273,844

14. DEFINED BENEFIT PENSION PLANS (Continued)

Firefighters' Pension Plan

A. *Plan Administration*

Firefighter sworn personnel are covered by the Firefighters' Pension Plan, a single-employer defined benefit pension plan sponsored by the City. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-101) and may be amended only by the Illinois legislature. The City accounts for the Firefighters' Pension Plan as a pension trust fund.

The Firefighters' Pension Plan is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the City's Mayor, one member is elected by pension beneficiaries and two members are elected by active firefighter employees.

The Firefighters' Pension Plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

B. *Plan Membership*

At April 30, 2020, the measurement date, membership consisted of:

Inactive Plan Members Currently Receiving Benefits	23
Inactive Plan Members Entitled to but not yet Receiving Benefits	2
Active Plan Members	64
 TOTAL	 89

C. *Benefits Provided*

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held at the date of retirement. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years but less than 20 years of credited

14. DEFINED BENEFIT PENSION PLANS (Continued)

Firefighters' Pension Plan (Continued)

C. *Benefits Provided (Continued)*

service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a covered employee who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

D. *Contributions*

Employees are required by ILCS to contribute 9.455% of their base salary to the Firefighters' Pension Fund (the Fund). If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the Fund, as actuarially determined by an enrolled actuary. Effective January 1, 2011, ILCS requires the City to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. However, the City has adopted a funding policy using the entry-age normal cost method that will result in funding of 100% of the past service cost by 2040. The City's contribution was 26.05% of covered payroll for the year ended April 30, 2020.

14. DEFINED BENEFIT PENSION PLANS (Continued)

Firefighters' Pension Plan (Continued)

E. *Investment Policy*

The Firefighters' Pension Fund's (the Fund) investment policy authorizes the Fund to invest in all investments allowed by ILCS and require the Fund's Board of Trustees to adopt an investment policy which can be amended by a majority vote of the Board of Trustees. The Fund's investment policy authorizes the Fund to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, investment-grade corporate bonds and The Illinois Funds. The Fund may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, Illinois insurance company general and separate accounts, mutual funds, corporate equity and corporate debt securities and real estate investment trusts.

The Fund's investment policy, in accordance with ILCS, establishes the following target allocation across asset classes:

Asset Class	Range	Target	Long-Term Expected Real Rate of Return
Fixed income/money market	35%-45%	40.00%	1.20%
Large Cap Domestic Equities	22%-65%	42.00%	6.20%
Small Cap Domestic Equities	0%-26%	12.00%	8.00%
International Equities	0%-13%	6.00%	6.70%

It is the policy of the Fund to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Fund and conforming to all state and local statutes governing the investment of public funds.

CITY OF CRYSTAL LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

14. DEFINED BENEFIT PENSION PLANS (Continued)

Firefighters' Pension Plan (Continued)

F. *Investment Rate of Return*

For the year ended April 30, 2020, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 1.67%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

G. *Deposits with Financial Institutions*

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Fund's deposits may not be returned to it. The Fund's investment policy requires all bank balances to be covered by federal depository insurance or collateralized by the financial institutions. All deposits at April 30, 2020 are covered by federal depository insurance.

H. *Interest Rate Risk*

The following table presents the investments and maturities of the Fund's debt securities as of April 30, 2020:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	Greater Than 10
U.S. Treasury Obligations	\$ 1,600,156	\$ 101,469	\$ 1,110,757	\$ 387,930	\$ -
Mortgage Backed Securities	20,116	69	-	2,751	17,296
Other Agency Securities	9,630,616	252,639	2,687,317	6,690,660	-
Corporate Bonds	2,329,756	101,214	672,217	1,556,325	-
Municipal Bonds	1,758,117	-	1,248,567	509,550	-
TOTAL	\$ 15,338,761	\$ 455,391	\$ 5,718,858	\$ 9,147,216	\$ 17,296

The Fund has the following recurring fair value measurements as of April 30, 2020: The U.S. Treasury obligations, and mutual funds are valued using quoted prices in active markets for identical assets (Level 1 inputs). The U.S. agency obligations, the corporate bonds, and municipal bonds are valued using quoted matrix pricing models (Level 2 inputs).

In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market. The Fund's investment policy indicates the average maturity/duration of the portfolio will be managed based on the existing interest rate environment, and under most circumstances will be maintained at approximately five years and will range from two to seven years.

14. DEFINED BENEFIT PENSION PLANS (Continued)

Firefighters' Pension Plan (Continued)

I. *Credit Risk*

The Firefighters' Pension Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by investing in obligations guaranteed by the United States government, securities issued by agencies of the United States government that are explicitly or implicitly guaranteed by the United States government and investment grade corporate bonds rated at or above Baa3 by Moody's. The U.S. agency obligations are either not rated or rated Aaa. The mortgage backed securities are not rated. The corporate bonds are rated from A1-Aa3. The municipal bonds are either not rated or rated from Aaa-A3.

J. *Custodial Credit Risk*

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Fund will not be able to recover the value of its investments that are in possession of an outside party. The Fund's policy requires third-party safe keeping for all securities owned by the Fund.

There are no significant investments (other than United States Government guaranteed obligations) in any one organization that represent 5% or more of the Fund's investments.

K. *Actuarial Assumptions*

The total pension liability above was determined by an actuarial valuation performed as of April 30, 2020 using the following actuarial methods and assumptions.

Actuarial Valuation Date	April 30, 2020
Actuarial Cost Method	Entry-Age Normal
Assumptions	
Inflation	2.25%
Salary Increases	3.50% to 8.78%
Investment Rate	7.25%
Cost of Living Adjustments	3.25%
Asset Valuation Method	Fair Value

Mortality rates were based on the PubS-2010 mortality table.

14. DEFINED BENEFIT PENSION PLANS (Continued)

Firefighters' Pension Plan (Continued)

L. *Discount Rate*

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

M. *Discount Rate Sensitivity*

The following is a sensitive analysis of the net pension liability to changes in the discount rate for year ended April 30, 2020.

The table below presents the net pension liability of the City, for year ended April 30, 2020, calculated using the discount rate of 7.25% as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability	\$ 28,977,850	\$ 18,810,255	\$ 10,682,351

CITY OF CRYSTAL LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

14. DEFINED BENEFIT PENSION PLANS (Continued)

Firefighters' Pension Plan (Continued)

N. *Changes in the Net Pension Liability*

	(A) Total Pension Liability	(B) Plan Fiduciary Net Position	(A) - (B) Net Pension Liability
BALANCES AT MAY 1, 2019	\$ 54,436,089	\$ 38,551,102	\$ 15,884,987
Changes for the Period			
Service Cost	1,593,494	-	1,593,494
Interest	3,890,887	-	3,890,887
Difference Between Expected and Actual Experience	(507,207)	-	(507,207)
Changes in Assumptions	598,398	-	598,398
Changes in Benefit Terms	496,787	-	496,787
Employer Contributions	-	1,843,179	(1,843,179)
Employee Contributions	-	660,175	(660,175)
Net Investment Income	-	662,186	(662,186)
Benefit Payments and Refunds	(1,537,360)	(1,537,360)	-
Administrative Expense	-	(18,449)	18,449
Net Changes	4,534,999	1,609,731	2,925,268
BALANCES AT APRIL 30, 2020	\$ 58,971,088	\$ 40,160,833	\$ 18,810,255

Changes in assumption related to the projected individual pay increases, inflation rate, mortality rates, morality improvement rates, retirement rates, termination rates and disability rates were made in since the prior measurement date.

CITY OF CRYSTAL LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

14. DEFINED BENEFIT PENSION PLANS (Continued)

Firefighters' Pension Plan (Continued)

O. *Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources*

For the year ended April 30, 2020, the City recognized firefighters' pension expense of \$3,550,422. At April 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to the firefighters' pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 377,206	\$ 1,928,769
Changes in Assumption	2,162,758	812,298
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	<u>1,907,203</u>	<u>-</u>
TOTAL	<u>\$ 4,447,167</u>	<u>\$ 2,741,067</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the firefighters' pension will be recognized in pension expense as follows:

<u>Fiscal Year Ending April 30,</u>	
2021	\$ 668,473
2022	557,089
2023	494,114
2024	453,656
2025	(181,713)
Thereafter	<u>(285,519)</u>
TOTAL	<u>\$ 1,706,100</u>

CITY OF CRYSTAL LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

15. PENSION TRUST FUNDS

Fiduciary Funds Summary Financial Information

The following is summary financial information for the Police Pension Plan and the Firefighters' Pension Plan.

a. Schedule of Net Position

	Police Pension	Firefighters' Pension	Total
ASSETS			
Cash and short-term investments	\$ 7,845	\$ 20,079	\$ 27,924
Investments			
Money Market Accounts	459,798	779,242	1,239,040
U.S. Treasury and U.S agency securities	5,021,555	11,250,888	16,272,443
Corporate bonds	10,040,685	2,329,756	12,370,441
Municipal bonds	-	1,758,117	1,758,117
Mutual funds - Stocks	23,818,931	23,915,665	47,734,596
Receivables			
Accrued interest	108,554	109,711	218,265
	<u>39,457,368</u>	<u>40,163,458</u>	<u>79,620,826</u>
LIABILITIES			
Accounts payable	<u>1,393</u>	<u>2,625</u>	<u>4,018</u>
	<u>1,393</u>	<u>2,625</u>	<u>4,018</u>
NET POSITION	<u>\$ 39,455,975</u>	<u>\$ 40,160,833</u>	<u>\$ 79,616,808</u>

CITY OF CRYSTAL LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

15. PENSION TRUST FUNDS (Continued)

Fiduciary Funds Summary Financial Information (Continued)

b. Changes in Plan Net Position

	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Employer	\$ 2,386,343	\$ 1,843,179	\$ 4,229,522
Employee	608,715	660,175	1,268,890
Total contributions	<u>2,995,058</u>	<u>2,503,354</u>	<u>5,498,412</u>
Investment income			
Net appreciation (depreciation) in fair value of investments	(2,528,473)	(351,756)	(2,880,229)
Interest earned	1,341,833	1,167,422	2,509,255
Less investment expense	(176,835)	(153,480)	(330,315)
Net investment income	<u>(1,363,475)</u>	<u>662,186</u>	<u>(701,289)</u>
Total additions	<u>1,631,583</u>	<u>3,165,540</u>	<u>4,797,123</u>
DEDUCTIONS			
Benefits and refunds	3,254,765	1,537,360	4,792,125
Administrative	20,134	18,449	38,583
Total deductions	<u>3,274,899</u>	<u>1,555,809</u>	<u>4,830,708</u>
NET INCREASE	(1,643,316)	1,609,731	(33,585)
NET POSITION RESTRICTED FOR PENSION BENEFITS			
January 1	<u>41,099,291</u>	<u>38,551,102</u>	<u>79,650,393</u>
December 31	<u>\$ 39,455,975</u>	<u>\$ 40,160,833</u>	<u>\$ 79,616,808</u>

CITY OF CRYSTAL LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

16. PRIOR PERIOD ADJUSTMENT

The City made the following prior period adjustments as of May 1, 2019 to fund balance and net position to record Police and Fire Pension beginning Net Pension Liability, deferred outflows and inflows as of the April 30, 2019 valuation date. The City additionally restated certain fund balances to record expense/expenditures and revenues in the proper period, and implemented GASB 84, *Fiduciary Activities*, to record the beginning net position of custodial funds.

ENTITY-WIDE STATEMENTS	Governmental Activities	Business-Type Activities
NET POSITION - MAY 1, 2019 (AS REPORTED)	\$ 156,378,098	\$ 53,374,971
Record Police Pension Activity at May 1, 2019	(3,844,073)	-
Record Fire Pension Activity at May 1, 2019	(2,525,934)	-
Record Water and Sewer Revenue in the Proper Period	-	950,362
Record Expense/Expenditure in the Proper Period	313,685	-
Record Governmental Joint Venture Equity	2,326,682	-
Change in Accounting Principal GASB84 Combine SA145 with the General Fund	(9,598)	-
NET POSITION - MAY 1, 2019 (AS RESTATED)	\$ 152,638,860	\$ 54,325,333

FUND LEVEL STATEMENTS	General	Fire Rescue	Waterworks and Sewerage
FUND BALANCE - MAY 1, 2019 (AS REPORTED)	\$ 19,353,213	\$ 4,547,493	\$ 53,374,971
Record Water and Sewer Revenue in the Proper Period	-	-	950,362
Record Expense/Expenditure in the Proper Period	233,685	80,000	-
Change in Accounting Principal GASB84 Combine SA145 with the General Fund	(9,598)	-	-
FUND BALANCE - MAY 1, 2019 (AS RESTATED)	\$ 19,577,300	\$ 4,627,493	\$ 54,325,333

FIDUCIARY FUNDS - CUSTODIAL FUND STATEMENTS	Custodial Funds
NET POSITION - MAY 1, 2019 (AS REPORTED)	\$ -
Change in Accounting Principal GASB84 Record Net Position of Custodial Funds	175,258
NET POSITION - MAY 1, 2019 (AS RESTATED)	\$ 175,258

17. SUBSEQUENT EVENT

Subsequent to year end, the City issued twenty capital leases for vehicles and other equipment for a total cost of \$1,942,318, which expire between June 2023 and August 2025. Annual lease payments, including interest ranging from 2.58% to 3.31%, range from \$4,924 to \$40,127.

18. COMPONENT UNIT - CRYSTAL LAKE PUBLIC LIBRARY

A. Summary of Significant Accounting Policies

The accounting policies of the Library conform to GAAP as applicable to governments. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies:

1. Fund Accounting

Governmental Funds

The accounts of the Library are organized on the basis of funds each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped in the financial statements in this report into three fund types and one broad fund category as follows:

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general capital assets (capital projects funds) and the servicing of general long-term debt (debt service funds). The General Fund is used to account for all activities of the general government not accounted for in some other fund.

2. Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and basis of accounting. Revenues are recorded when earned and expenses recorded when a liability is incurred.

18. COMPONENT UNIT - CRYSTAL LAKE PUBLIC LIBRARY(Continued)

A. Summary of Significant Accounting Policies (Continued)

2. Basis of Accounting (Continued)

The modified accrual basis of accounting is followed by the governmental funds on the fund financial statements. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Library considers property taxes as available if they are collected within 60 days after year end. A 60-day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due.

B. Deposits and Investments

The Library maintains a cash and investment pool that is available for use by all funds, including the Library’s funds and excluding the pension trust fund. Each fund’s portion of this pool is displayed on the financial statements as “cash and investments.” In addition, deposits and investments are separately held by several of the Library’s funds.

The Library is authorized to invest in all investments allowed by ILCS. These include deposits/investments insured by the FDIC, obligations or securities guaranteed by the United States of America, direct obligations of any bank as defined by the Illinois Banking Act, certain money market mutual funds and The Illinois Funds (a money market fund created by the State Legislature under the control of the State Treasurer that maintains a \$1 share value).

It is the policy of the Library to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Library and conforming to all state and local statutes governing the investment of public funds, using the “prudent person” standard for managing the overall portfolio. The primary objective of the policy is legality, safety (preservation of capital and protection of investment principal), liquidity and yield.

18. COMPONENT UNIT - CRYSTAL LAKE PUBLIC LIBRARY(Continued)

B. Deposits and Investments (Continued)

1. Library Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank’s failure, the Library’s deposits may not be returned to it. The Library’s investment policy requires pledging of collateral with a fair value of 110% of all bank balances in excess of federal depository insurance with the collateral held by the Library or the Library’s agent in the Library’s name.

2. Library Investments

As of April 30, 2020, the Library had investments and maturities as follows:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	Greater Than 10
Negotiable Certificates of Deposits	\$ 840,708	\$ 840,708	\$ -	\$ -	\$ -
TOTAL	\$ 840,708	\$ 840,708	\$ -	\$ -	\$ -

The Library categorizes the fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The negotiable certificates of deposits are valued using quoted matrix pricing models (Level 2 inputs).

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Library limits its exposure to interest rate risk by taking in account the cash flow needs of the Library regarding maturities on investments.

Credit risk is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment in securities allowed under the investment policy. The Library’s investment policy does not address credit risk. The Illinois Funds and money market mutual funds are rated AAA by Standard and Poor’s. The negotiable certificates of deposits are not rated.

18. COMPONENT UNIT - CRYSTAL LAKE PUBLIC LIBRARY(Continued)

B. Deposits and Investments (Continued)

2. Library Investments (Continued)

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Library will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Library's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Library's agent separate from where the investment was purchased or by the trust department of the bank where purchased, in the Library's name. The Illinois Funds are not subject to custodial credit risk.

Concentration of the credit risk is the risk that the Library has a high percentage of their investments invested in one investment. The Library's investment policy requires diversification of investments to avoid unreasonable risk but does not contain any specific diversification targets.

The Library's investment policy does not specifically prohibit the use of or the investment in derivatives.

C. Receivables

Property taxes for the 2019 levy year attach as an enforceable lien on January 1, 2019, on property values assessed as of the same date. Taxes are levied by December of the same year by passage of a Tax Levy Ordinance. Tax bills are prepared by the County and issued on or about May 1, and August 1, and are payable in two installments, on or about June 1, and September 1. The County collects such taxes and remits them periodically.

The Library has elected, under governmental accounting standards, to match its property tax revenues to the fiscal year that the tax levy is intended to finance. Therefore the 2019 taxes are intended to finance the 2021 fiscal year and are not considered available or earned for current operations and are, therefore, shown as deferred revenue. The 2020 tax levy, which attached as an enforceable lien on property as of January 1, 2020, has not been recorded as a receivable as of April 30, 2020 as the tax has not yet been levied by the Library and will not be levied until December 2020 and, therefore, the levy is not measurable at April 30, 2020.

CITY OF CRYSTAL LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

18. COMPONENT UNIT - CRYSTAL LAKE PUBLIC LIBRARY(Continued)

D. Capital Assets

The following is a summary of changes in the Library's capital assets during the fiscal year:

	Balances May 1	Additions	Retirements	Balances April 30
Capital Assets not Being Depreciated				
Land	\$ 2,363,040	\$ -	\$ -	\$ 2,363,040
Total Capital Assets not Being Depreciated	<u>2,363,040</u>	<u>-</u>	<u>-</u>	<u>2,363,040</u>
Capital Assets Being Depreciated				
Building and Improvements	7,919,794	-	-	7,919,794
Machinery, Equipment and Vehicles	336,536	-	-	336,536
Total Capital Assets Being Depreciated	<u>8,256,330</u>	<u>-</u>	<u>-</u>	<u>8,256,330</u>
Less Accumulated Depreciation for				
Building and Improvements	3,720,011	161,789	-	3,881,800
Machinery, Equipment and Vehicles	274,812	19,332	-	294,144
Total Accumulated Depreciation	<u>3,994,823</u>	<u>181,121</u>	<u>-</u>	<u>4,175,944</u>
Total Capital Assets Being Depreciated, Net	<u>4,261,507</u>	<u>(181,121)</u>	<u>-</u>	<u>4,080,386</u>
TOTAL CAPITAL ASSETS	<u>\$ 6,624,547</u>	<u>\$ (181,121)</u>	<u>\$ -</u>	<u>\$ 6,443,426</u>

E. Long-Term Debt

During the fiscal year the following changes occurred in liabilities reported in general long-term debt:

	Balances May 1	Issuances	Retirements/ Refundings	Balances April 30	Current Portion
Compensated absences	\$ 139,966	\$ 84,159	\$ 69,983	\$ 154,142	\$ 77,071
Net pension liability	<u>2,701,152</u>	<u>-</u>	<u>1,226,422</u>	<u>1,474,730</u>	<u>-</u>
TOTAL	<u>\$ 2,841,118</u>	<u>\$ 84,159</u>	<u>\$ 1,296,405</u>	<u>\$ 1,628,872</u>	<u>\$ 77,071</u>

F. Other Postemployment Benefits

1. Plan Description

The Library provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions, and any employer contributions are governed by the Library and can be amended by the Library through its personnel manual and union contracts. The plan does not issue a separate report.

CITY OF CRYSTAL LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

18. COMPONENT UNIT - CRYSTAL LAKE PUBLIC LIBRARY(Continued)

F. Other Postemployment Benefits (Continued)

2. Benefits Provided

The Library provides postemployment health care and life insurance benefits to its retirees and certain disabled employees. To be eligible for benefits, an employee must qualify for retirement under one of the Library’s retirement plans. All health care benefits are provided through the Library’s health insurance plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous, and substance abuse care; vision care; and prescriptions. Upon a retiree reaching age 65 years, Medicare becomes the primary insurer and the Library’s plan becomes secondary.

3. Total OPEB Liability

Based on an actuarial valuation performed for the City as of April 30, 2020, the Library’s total OPEB liability as of April 30,2020 is immaterial and, therefore, not recorded by the Library and no further disclosure is deemed necessary.

G. Prior Period Adjustment

The Library made a prior period adjustments as of May 1, 2019 to fund balance and net position to accrued interest in the prior period.

	General Operating Fund Balance	Special Reserve Fund Balance	Total Component Unit Net Position
FUND BALANCE/NET POSITION - MAY 1, 2019 (AS REPORTED)	\$ 2,690,531	\$ 2,025,728	\$ 10,843,896
Record revenue in the proper period	28,412	24,335	52,747
FUND BALANCE/NET POSITION - MAY 1, 2019 (RESTATED)	<u>\$ 2,718,943</u>	<u>\$ 2,050,063</u>	<u>\$ 10,896,643</u>

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF CRYSTAL LAKE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended April 30, 2020

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Charges for Service	\$ 695,030	\$ 695,030	\$ 564,354	\$ (130,676)
Licenses and Permits	484,711	484,711	664,877	180,166
Intergovernmental	17,346,064	17,346,064	17,505,083	159,019
Fines and Forfeitures	446,350	446,350	392,492	(53,858)
Property Taxes	4,238,356	4,238,356	4,229,953	(8,403)
Other Taxes	7,242,501	7,242,501	7,147,745	(94,756)
Investment Income	66,553	66,553	1,028,881	962,328
Miscellaneous	988,695	988,695	2,353,478	1,364,783
Total Revenues	31,508,260	31,508,260	33,886,863	2,378,603
EXPENDITURES				
General Government	8,196,175	8,196,175	7,948,976	(247,199)
Public Safety	15,038,784	15,038,784	14,477,401	(561,383)
Highway and Streets	4,749,407	4,749,407	4,708,981	(40,426)
Cultural Recreation	768,480	768,480	647,276	(121,204)
Debt Service				
Principal	39,477	39,477	39,476	(1)
Interest and Fees	14,170	14,170	13,969	(201)
Total Expenditures	28,806,493	28,806,493	27,836,079	(970,414)
EXCESS (DEFICIENCIES) OF REVENUES OVER EXPENDITURES	2,701,767	2,701,767	6,050,784	3,349,017
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	-	-	52,807	52,807
Transfers In	54,350	54,350	80,262	25,912
Transfers (Out)	(5,261,975)	(5,422,620)	(3,379,933)	2,042,687
Total Other Financing Sources (Uses)	(5,207,625)	(5,368,270)	(3,246,864)	2,121,406
NET CHANGE IN FUND BALANCE	\$ (2,505,858)	\$ (2,666,503)	2,803,920	\$ 5,470,423
FUND BALANCE, MAY 1			19,353,213	
Prior Period Adjustment			224,087	
FUND BALANCE, MAY 1 (AS RESTATED)			19,577,300	
FUND BALANCE, APRIL 30			\$ 22,381,220	

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MOTOR FUEL TAX FUND**

For the Year Ended April 30, 2020

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Intergovernmental	\$ 2,187,806	\$ 2,187,806	\$ 1,985,155	\$ (202,651)
Investment Income	29,487	29,487	157,280	127,793
Total Revenues	2,217,293	2,217,293	2,142,435	(74,858)
EXPENDITURES				
Highway and Streets				
Contractual Services	208,000	208,000	101,551	(106,449)
Materials and Supplies	733,000	733,000	554,494	(178,506)
Miscellaneous	-	-	8,847	8,847
Total Expenditures	941,000	941,000	664,892	(276,108)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,276,293	1,276,293	1,477,543	201,250
OTHER FINANCING SOURCES (USES)				
Transfers (Out)	(3,514,875)	(3,514,875)	(1,752,219)	1,762,656
NET CHANGE IN FUND BALANCE	\$ (2,238,582)	\$ (2,238,582)	(274,676)	\$ 1,963,906
FUND BALANCE, MAY 1			6,526,615	
FUND BALANCE, APRIL 30			\$ 6,251,939	

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FIRE RESCUE FUND**

For the Year Ended April 30, 2020

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Charges for Services	\$ 4,150,000	\$ 4,150,000	\$ 4,175,417	\$ 25,417
Intergovernmental	2,000	2,000	2,732	732
Property Taxes	6,613,748	6,613,748	6,599,958	(13,790)
Investment Income	21,000	21,000	101,506	80,506
Other	62,500	62,500	151,129	88,629
Total Revenues	10,849,248	10,849,248	11,030,742	181,494
EXPENDITURES				
Public Safety				
Personnel Services	8,987,518	8,987,518	8,890,313	(97,205)
Contractual Services	1,352,844	1,352,844	1,257,000	(95,844)
Materials and Supplies	321,322	321,322	322,249	927
Miscellaneous	-	-	11,997	11,997
Total Expenditures	10,661,684	10,661,684	10,481,559	(180,125)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	187,564	187,564	549,183	361,619
OTHER FINANCING SOURCES (USES)				
Transfers (Out)	(1,386,153)	(1,386,153)	(693,459)	692,694
NET CHANGE IN FUND BALANCE	\$ (1,198,589)	\$ (1,198,589)	(144,276)	\$ 1,054,313
FUND BALANCE, MAY 1			4,547,493	
Prior Period Adjustment			80,000	
FUND BALANCE, MAY 1 (AS RESTATED)			4,627,493	
FUND BALANCE, APRIL 30			\$ 4,483,217	

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2020

BUDGETS

Budgets are adopted on a basis consistent with GAAP. Annual budgets are adopted for the General, certain Special Revenue (except SSA 47 fund), Debt Service (except the Special Assessment No. 149 fund), Capital Projects (except the NCLPB Project fund and Three Oaks Development fund), Enterprise Fund and Pension Trust Funds. The annual budget is legally enacted and provides for a legal level of control at the function level. Management of the City can transfer budgeted amounts between object codes without City Council approval. Management of the City can over expend the object level, but any over expenditures at the function level requires City Council approval by two-thirds vote. All annual budgets lapse at fiscal year end.

The City Council follows these procedures in establishing the budgetary data reflected in the financial statements:

The City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following May 1. The operating budget includes proposed expenditures and the means of financing them. The budget is prepared on a basis consistent with GAAP, except for depreciation is not budgeted in the Waterworks and Sewerage Fund, principal issuances, capital outlay and pension and OPEB expenses.

A public hearing is conducted to obtain taxpayer comments. Prior to May 1, the budget is legally enacted for the General Fund, Special Revenue Funds (exception noted above), Debt Service Funds (exception noted above), Capital Projects Funds (exception noted above), Enterprise Funds and Pension Trust Funds.

Expenditures may not legally exceed the total appropriated amounts for each fund. The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, expenditures in excess of the total appropriated amount must be approved by the City Council. During the year, the budget was amended by the City Council. The Library's financial statements have been compared to the working budget, which is less than the appropriation amounts.

Expenditures exceed budget in the Three Oaks Debt Service Fund by \$8,598,820, the Police Pension Fund by \$143,799, and the Library IMRF Fund by \$8,932.

CITY OF CRYSTAL LAKE, ILLINOIS

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Five Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2016	2017	2018	2019	2020
Actuarially Determined Contribution	\$ 1,452,892	\$ 1,410,404	\$ 1,430,059	\$ 1,385,397	\$ 1,365,266
Contributions in Relation to the Actuarially Determined Contribution	1,452,892	1,410,404	1,430,059	1,385,397	1,365,266
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 11,133,366	\$ 10,753,366	\$ 11,069,426	\$ 11,160,501	\$ 11,377,411
Contributions as a Percentage of Covered Payroll	13.05%	13.12%	12.92%	12.41%	12.00%

Notes to the Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior calendar year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 24 years; the asset valuation method was at five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases of 3.35% to 14.50% compounded annually and postretirement benefit increases of 3.50% compounded annually.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND**

Last Seven Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2014	2015	2016	2017	2018	2019	2020
Actuarially Determined Contribution	\$ 1,860,207	\$ 1,973,564	\$ 1,869,923	\$ 1,992,354	\$ 2,091,066	\$ 2,418,845	\$ 2,391,323
Contributions in Relation to the Actuarially Determined Contribution	1,844,723	1,778,970	2,059,342	1,989,776	2,089,940	2,415,148	2,386,343
CONTRIBUTION DEFICIENCY (Excess)	\$ 15,484	\$ 194,594	\$ (189,419)	\$ 2,578	\$ 1,126	\$ 3,697	\$ 4,980
Covered Payroll	\$ 5,720,770	\$ 5,773,467	\$ 5,437,640	\$ 5,691,409	\$ 5,953,131	\$ 6,099,597	\$ 6,149,431
Contributions as a Percentage of Covered Payroll	32.25%	30.81%	37.87%	34.96%	35.11%	39.60%	38.81%

Notes to the Required Supplementary Information

Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 20 years; the asset valuation method was five-year smoothed market, and the interest rate assumption was 7.25%

The lag between information in actuarial reports and actual contributions made are the result of tax collection cycles.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
FIREFIGHTERS' PENSION FUND**

Last Seven Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2014	2015	2016	2017	2018	2019	2020
Actuarially Determined Contribution	\$ 1,649,811	\$ 1,720,093	\$ 1,767,767	\$ 1,518,852	\$ 1,609,399	\$ 1,884,348	\$ 1,847,033
Contributions in Relation to the Actuarially Determined Contribution	1,618,264	1,555,655	1,928,928	1,690,980	1,608,539	1,881,728	1,843,179
CONTRIBUTION DEFICIENCY (Excess)	\$ 31,547	\$ 164,438	\$ (161,161)	\$ (172,128)	\$ 860	\$ 2,620	\$ 3,854
Covered Payroll	\$ 5,278,118	\$ 5,531,971	\$ 5,744,609	\$ 5,908,574	\$ 6,229,293	\$ 6,482,045	\$ 7,075,908
Contributions as a Percentage of Covered Payroll	30.66%	28.12%	33.58%	28.62%	25.82%	29.03%	26.05%

Notes to the Required Supplementary Information

Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 20 years; the asset valuation method was five-year smoothed market; and the interest rate assumption was 7.25%

The lag between information in actuarial reports and actual contributions made are the result of tax collection cycles.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

**SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Five Calendar Years

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018	2019
TOTAL PENSION LIABILITY					
Service Cost	\$ 1,211,429	\$ 1,199,753	\$ 1,173,075	\$ 1,117,896	\$ 1,160,290
Interest	4,343,976	4,539,611	4,819,887	4,947,320	5,275,067
Changes of Benefit Terms	-	-	-	-	-
Differences Between Expected and Actual Experience	(1,001,063)	121,980	126,838	1,257,266	283,884
Changes of Assumptions	79,521	(248,700)	(1,994,006)	2,166,714	-
Benefit Payments, Including Refunds of Member Contributions	(1,903,179)	(1,959,499)	(2,251,265)	(2,546,931)	(2,883,298)
Net Change in Total Pension Liability	2,730,684	3,653,145	1,874,529	6,942,265	3,835,943
Total Pension Liability - Beginning	58,420,423	61,151,107	64,804,252	66,678,781	73,621,046
TOTAL PENSION LIABILITY - ENDING	\$ 61,151,107	\$ 64,804,252	\$ 66,678,781	\$ 73,621,046	\$ 77,456,989
PLAN FIDUCIARY NET POSITION					
Contributions - Employer	\$ 1,390,362	\$ 1,424,559	\$ 1,388,105	\$ 1,469,484	\$ 1,260,041
Contributions - Member	485,951	490,006	507,135	503,413	553,793
Net Investment Income	256,105	3,526,328	9,228,845	(3,068,591)	11,122,244
Benefit Payments, Including Refunds of Member Contributions	(1,903,179)	(1,959,499)	(2,251,265)	(2,546,931)	(2,883,298)
Other	(702,990)	335,991	(550,873)	1,044,285	(412,236)
Net Change in Plan Fiduciary Net Position	(473,751)	3,817,385	8,321,947	(2,598,340)	9,640,544
Plan Fiduciary Net Position - Beginning	51,234,516	50,760,765	54,578,150	62,900,097	60,301,757
PLAN FIDUCIARY NET POSITION - ENDING	\$ 50,760,765	\$ 54,578,150	\$ 62,900,097	\$ 60,301,757	\$ 69,942,301
EMPLOYER'S NET PENSION LIABILITY	\$ 10,390,342	\$ 10,226,102	\$ 3,778,684	\$ 13,319,289	\$ 7,514,688
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	83.01%	84.22%	94.33%	81.91%	90.30%
Covered Payroll	\$ 10,752,994	\$ 10,717,757	\$ 10,847,310	\$ 11,174,779	\$ 11,382,497
Employer's Net Pension Liability as a Percentage of Covered Payroll	96.63%	95.41%	34.84%	119.19%	66.02%

In 2016, there were no benefit changes during the year. Changes in assumptions related to the discount rate were made since the prior measurement date.

In 2017, there were no benefit changes during the year. Changes in assumptions related to salary rates, inflation rates, and mortality rates since the previous measurement date.

In 2018, there were no benefit changes during the year. Changes in assumptions related to the discount rate were made since the prior measurement date.

In 2019, there were no benefit changes or changes in assumption during the year.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

**SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
POLICE PENSION FUND**

Last Seven Fiscal Years

MEASUREMENT DATE APRIL 30,	2014	2015	2016
TOTAL PENSION LIABILITY			
Service Cost	\$ 1,427,537	\$ 1,420,407	\$ 1,406,344
Interest	3,522,872	3,863,133	4,154,656
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	(850,901)	925,823	(652,931)
Changes of Assumptions	874,435	-	4,302,384
Benefit Payments, Including Refunds of Member Contributions	(1,914,037)	(2,118,147)	(2,258,561)
Net Change in Total Pension Liability	3,059,906	4,091,216	6,951,892
Total Pension Liability - Beginning	51,283,760	54,343,666	58,434,882
TOTAL PENSION LIABILITY - ENDING	\$ 54,343,666	\$ 58,434,882	\$ 65,386,774
PLAN FIDUCIARY NET POSITION			
Contributions - Employer	\$ 1,844,723	\$ 1,778,970	\$ 2,059,342
Contributions - Member	553,800	568,526	579,535
Net Investment Income	2,835,560	1,700,649	(528,210)
Benefit Payments, Including Refunds of Member Contributions	(1,914,037)	(2,118,147)	(2,258,561)
Other	(156,150)	(30,088)	(53,004)
Net Change in Plan Fiduciary Net Position	3,163,896	1,899,910	(200,898)
Plan Fiduciary Net Position - Beginning	28,693,211	31,857,107	33,757,017
PLAN FIDUCIARY NET POSITION - ENDING	\$ 31,857,107	\$ 33,757,017	\$ 33,556,119
EMPLOYER'S NET PENSION LIABILITY	\$ 22,486,559	\$ 24,677,865	\$ 31,830,655
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.62%	57.77%	51.32%
Covered Payroll	\$ 5,720,770	\$ 5,773,467	\$ 5,437,640
Employer's Net Pension Liability as a Percentage of Covered Payroll	393.07%	427.44%	585.38%

Changes in assumption related to the projected individual pay increases, inflation rate, mortality rates, morality improvement rates, retirement rates, termination rates and disability rates were made in 2020.

In 2020, the results reflect plan benefit changes under PA-101-0610 (SB 1300). These legislative changes reflect modifications to the Tier II plan provisions.

Changes in assumptions related to the discount rate were made in 2019.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

	2017	2018	2019*	2020
\$	1,384,616	\$ 1,480,535	\$ 1,514,366	\$ 1,428,215
	4,647,595	4,740,074	4,795,473	5,108,983
	-	-	-	264,843
	(90,119)	(3,331,174)	1,017,819	394,864
	(2,002,799)	2,903,482	(1,868,828)	1,047,031
	(2,564,023)	(2,763,423)	(3,154,254)	(3,254,765)
	1,375,270	3,029,494	2,304,576	4,989,171
	65,386,774	66,762,044	69,791,538	72,096,114
\$	66,762,044	\$ 69,791,538	\$ 72,096,114	\$ 77,085,285
\$	1,989,776	\$ 2,089,940	\$ 2,415,148	\$ 2,386,343
	551,461	570,493	633,079	608,715
	3,391,766	2,829,729	1,623,122	(1,363,475)
	(2,564,023)	(2,763,423)	(3,154,254)	(3,254,765)
	(37,390)	(16,115)	(16,137)	(20,134)
	3,331,590	2,710,624	1,500,958	(1,643,316)
	33,556,119	36,887,709	39,598,333	41,099,291
\$	36,887,709	\$ 39,598,333	\$ 41,099,291	\$ 39,455,975
\$	29,874,335	\$ 30,193,205	\$ 30,996,823	\$ 37,629,310
	55.25%	56.74%	57.01%	51.18%
\$	5,691,409	\$ 5,953,131	\$ 6,099,597	\$ 6,149,431
	524.90%	507.18%	508.18%	611.92%

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

**SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
FIREFIGHTERS' PENSION FUND**

Last Seven Fiscal Years

MEASUREMENT DATE APRIL 30,	2014	2015	2016
TOTAL PENSION LIABILITY			
Service Cost	\$ 1,681,623	\$ 1,458,713	\$ 1,480,463
Interest	2,454,559	2,591,488	2,898,718
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	(1,823,175)	1,419,845	(85,631)
Changes of Assumptions	(507,215)	-	2,768,663
Benefit Payments, Including Refunds of Member Contributions	(1,073,750)	(1,178,766)	(1,286,016)
Net Change in Total Pension Liability	732,042	4,291,280	5,776,197
Total Pension Liability - Beginning	35,602,007	36,334,049	40,625,329
TOTAL PENSION LIABILITY - ENDING	\$ 36,334,049	\$ 40,625,329	\$ 46,401,526
PLAN FIDUCIARY NET POSITION			
Contributions - Employer	\$ 1,618,264	\$ 1,555,655	\$ 1,928,928
Contributions - Member	522,280	539,487	570,933
Net Investment Income	1,596,682	1,873,564	292,962
Benefit Payments, Including Refunds of Member Contributions	(1,073,750)	(1,178,766)	(1,286,016)
Other	(88,140)	(66,256)	(51,823)
Net Change in Plan Fiduciary Net Position	2,575,336	2,723,684	1,454,984
Plan Fiduciary Net Position - Beginning	22,383,225	24,958,561	27,682,245
PLAN FIDUCIARY NET POSITION - ENDING	\$ 24,958,561	\$ 27,682,245	\$ 29,137,229
EMPLOYER'S NET PENSION LIABILITY	\$ 11,375,488	\$ 12,943,084	\$ 17,264,297
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.69%	68.14%	62.79%
Covered Payroll	\$ 5,278,118	\$ 5,531,971	\$ 5,744,609
Employer's Net Pension Liability as a Percentage of Covered Payroll	215.52%	233.97%	300.53%

Changes in assumption related to the projected individual pay increases, inflation rate, mortality rates, morality improvement rates, retirement rates, termination rates and disability rates were made in 2020.

In 2020, the results reflect plan benefit changes under PA-101-0610 (SB 1300). These legislative changes reflect modifications to the Tier II plan provisions.

Changes in assumptions related to the discount rate were made in 2019.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

	2017	2018	2019	2020
\$	1,597,021	\$ 1,663,767	\$ 1,518,410	\$ 1,593,494
	3,314,039	3,466,784	3,583,943	3,890,887
	-	-	-	496,787
	20,498	(1,976,589)	221,515	(507,207)
	(1,386,277)	(48,865)	419,832	598,398
	(1,381,293)	(1,495,603)	(1,482,619)	(1,537,360)
	2,163,988	1,609,494	4,261,081	4,534,999
	46,401,526	48,565,514	50,175,008	54,436,089
\$	48,565,514	\$ 50,175,008	\$ 54,436,089	\$ 58,971,088
\$	1,690,980	\$ 1,608,539	\$ 1,881,728	\$ 1,843,179
	544,683	584,464	603,777	660,175
	2,510,351	2,061,996	2,384,267	662,186
	(1,381,293)	(1,495,603)	(1,482,619)	(1,537,360)
	(58,025)	(16,840)	(22,532)	(18,449)
	3,306,696	2,742,556	3,364,621	1,609,731
	29,137,229	32,443,925	35,186,481	38,551,102
\$	32,443,925	\$ 35,186,481	\$ 38,551,102	\$ 40,160,833
\$	16,121,589	\$ 14,988,527	\$ 15,884,987	\$ 18,810,255
	66.80%	70.13%	70.82%	68.10%
\$	5,908,574	\$ 6,229,293	\$ 6,482,045	\$ 7,075,908
	272.85%	240.61%	245.06%	265.84%

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

**SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND**

Last Seven Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2014	2015	2016	2017	2018	2019	2020
Annual money-weighted rate of return, net of investment expense	9.26%	5.30%	(1.60%)	9.98%	7.62%	4.20%	(2.96%)

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

**SCHEDULE OF INVESTMENT RETURNS
FIREFIGHTERS' PENSION FUND**

Last Seven Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2014	2015	2016	2017	2018	2019	2020
Annual money-weighted rate of return, net of investment expense	5.46%	7.26%	0.74%	7.77%	6.26%	7.25%	1.67%

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
TOTAL OPEB LIABILITY AND RELATED RATIOS
OTHER POSTEMPLOYMENT BENEFIT PLAN

Last Three Fiscal Years

MEASUREMENT DATE APRIL 30,	2018	2019	2020
TOTAL OPEB LIABILITY			
Service Cost	\$ 120,186	\$ 124,957	\$ 109,111
Interest	160,856	163,403	159,615
Differences Between Expected and Actual Experience	-	-	(66,180)
Changes of Benefit Terms	-	-	-
Changes of Assumptions	-	79,519	951,236
Benefit Payments	(224,631)	(209,087)	(201,398)
Net Change in Total OPEB Liability	56,411	158,792	952,384
Total OPEB Liability - Beginning	4,164,077	4,220,488	4,379,280
TOTAL OPEB LIABILITY - ENDING	\$ 4,220,488	\$ 4,379,280	\$ 5,331,664
Covered Payroll	\$ 21,087,988	\$ 23,410,540	\$ 23,397,653
Employer's Total OPEB Liability as a Percentage of Covered Payroll	20.01%	18.71%	22.79%

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Changes in assumption related to the projected total payroll increases, inflation rate, mortality rates, morality improvement rates, retirement rates, termination rates, disability rates, and the discount rate were made in 2020.

Changes in assumption related to the discount rate were made in 2019.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

MAJOR GOVERNMENTAL FUNDS

CITY OF CRYSTAL LAKE, ILLINOIS

**SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended April 30, 2020

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Charges for Services				
Review Fees	\$ 125,000	\$ 125,000	\$ 97,588	\$ (27,412)
Parking	145,000	145,000	120,168	(24,832)
Police Revenue	150,000	150,000	133,506	(16,494)
Other Fees	275,030	275,030	213,092	(61,938)
Total Charges for Services	695,030	695,030	564,354	(130,676)
Licenses and Permits				
Liquor Licenses	112,211	112,211	121,215	9,004
Miscellaneous Licenses and Permits	26,000	26,000	25,694	(306)
Building Permits	346,500	346,500	517,968	171,468
Total Licenses and Permits	484,711	484,711	664,877	180,166
Intergovernmental				
Income Tax	3,903,000	3,903,000	4,008,499	105,499
Local Use Tax	1,176,300	1,176,300	1,456,227	279,927
Replacement Tax	120,664	120,664	153,893	33,229
State Sales Tax	12,119,100	12,119,100	11,859,373	(259,727)
Grants	27,000	27,000	27,091	91
Total Intergovernmental	17,346,064	17,346,064	17,505,083	159,019
Fines and Forfeitures				
Police Fines	320,100	320,100	313,540	(6,560)
Adjudication Fines	126,250	126,250	78,952	(47,298)
Total Fines and Forfeitures	446,350	446,350	392,492	(53,858)
Property Taxes	4,238,356	4,238,356	4,229,953	(8,403)
Other Taxes				
Auto Rental Tax	41,915	41,915	42,370	455
Franchise Fees - Cable	665,000	665,000	700,274	35,274
Home Rule Sales Tax	5,288,190	5,288,190	5,296,696	8,506
Hotel Tax	318,000	318,000	278,558	(39,442)
Telecommunications Tax	929,396	929,396	829,847	(99,549)
Total Other Taxes	7,242,501	7,242,501	7,147,745	(94,756)
Investment Income	66,553	66,553	1,028,881	962,328
Miscellaneous				
Rental Income	385,236	385,236	351,407	(33,829)
Host Fees	313,959	313,959	385,984	72,025
Other	289,500	289,500	1,616,087	1,326,587
Total Miscellaneous	988,695	988,695	2,353,478	1,364,783
TOTAL REVENUES	\$ 31,508,260	\$ 31,508,260	\$ 33,886,863	\$ 2,378,603

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended April 30, 2020

	Original Budget	Final Budget	Actual	Variance Over (Under)
GENERAL GOVERNMENT				
Executive Department				
Personal Services	\$ 22,800	\$ 22,800	\$ 22,200	\$ (600)
Contractual Services	442,059	442,059	431,256	(10,803)
Total Executive Department	464,859	464,859	453,456	(11,403)
Legal and Judiciary Department				
Contractual Services	516,195	516,195	771,553	255,358
Total Legal and Judiciary Department	516,195	516,195	771,553	255,358
Administration Department				
Personal Services	1,568,582	1,568,582	1,541,057	(27,525)
Contractual Services	250,952	250,952	180,601	(70,351)
Materials and Supplies	99,453	99,453	64,592	(34,861)
Total Administration Department	1,918,987	1,918,987	1,786,250	(132,737)
Administration Adjudication Department				
Personal Services	77,083	77,083	74,770	(2,313)
Contractual Services	36,800	36,800	29,268	(7,532)
Materials and Supplies	2,450	2,450	192	(2,258)
Total Administration Adjudication Department	116,333	116,333	104,230	(12,103)
Community Development				
Personal Services	2,455,484	2,455,484	2,385,743	(69,741)
Contractual Services	840,589	840,589	753,478	(87,111)
Materials and Supplies	40,216	40,216	32,798	(7,418)
Total Community Development	3,336,289	3,336,289	3,172,019	(164,270)
Information Technology				
Personal Services	196,908	196,908	185,381	(11,527)
Contractual Services	343,585	343,585	257,504	(86,081)
Materials and Supplies	44,635	44,635	21,466	(23,169)
Total Information Technology	585,128	585,128	464,351	(120,777)
Health Services				
Contractual Services	132,000	132,000	94,493	(37,507)
Total Health Services	132,000	132,000	94,493	(37,507)

(This statement is continued on the following pages.)

CITY OF CRYSTAL LAKE, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2020

	Original Budget	Final Budget	Actual	Variance Over (Under)
GENERAL GOVERNMENT (Continued)				
Shared Services				
Contractual Services	\$ 638,792	\$ 638,792	\$ 618,616	\$ (20,176)
Materials and Supplies	141,700	141,700	138,051	(3,649)
Total Shared Services	780,492	780,492	756,667	(23,825)
Special Projects Department				
Personnel Services	13,842	13,842	-	(13,842)
Contractual Services	307,550	307,550	214,653	(92,897)
Materials and Supplies	24,500	24,500	14,929	(9,571)
Total Special Department Projects	345,892	345,892	229,582	(116,310)
Insurance				
Contractual Services	-	-	116,375	116,375
Total Insurance	-	-	116,375	116,375
Total General Government	8,196,175	8,196,175	7,948,976	(247,199)
PUBLIC SAFETY				
Police Department				
Personal Services	8,903,284	8,903,284	8,608,149	(295,135)
Contractual Services	1,530,881	1,530,881	1,311,711	(219,170)
Materials and Supplies	344,450	344,450	303,770	(40,680)
Total Police Department	10,778,615	10,778,615	10,223,630	(554,985)
Pension Obligation				
Police Pension Contribution	2,391,323	2,391,323	2,386,597	(4,726)
Fire Pension Contribution	1,847,033	1,847,033	1,843,356	(3,677)
Total Pension Obligation	4,238,356	4,238,356	4,229,953	(8,403)
Fire and Police Commission				
Contractual Services	21,813	21,813	23,818	2,005
Total Fire and Police Commission	21,813	21,813	23,818	2,005
Total Public Safety	15,038,784	15,038,784	14,477,401	(561,383)
HIGHWAY AND STREETS				
Street Department				
Personal Services	2,037,645	2,037,645	1,942,911	(94,734)
Contractual Services	1,173,350	1,173,350	1,307,782	134,432
Materials and Supplies	265,993	265,993	253,450	(12,543)
Total Street Department	3,476,988	3,476,988	3,504,143	27,155

(This statement is continued on the following page.)

CITY OF CRYSTAL LAKE, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2020

	Original Budget	Final Budget	Actual	Variance Over (Under)
HIGHWAY AND STREETS (Continued)				
Storm Lift Stations				
Personal Services	\$ 272,713	\$ 272,713	\$ 281,538	\$ 8,825
Contractual Services	24,192	24,192	13,175	(11,017)
Materials and Supplies	12,210	12,210	6,313	(5,897)
Total Storm Lift Stations	<u>309,115</u>	<u>309,115</u>	<u>301,026</u>	<u>(8,089)</u>
Fleet and Facility Services				
Personal Services	814,224	814,224	753,567	(60,657)
Contractual Services	113,510	113,510	120,530	7,020
Materials and Supplies	35,570	35,570	29,715	(5,855)
Total Fleet and Facility Services	<u>963,304</u>	<u>963,304</u>	<u>903,812</u>	<u>(59,492)</u>
Total Highways and Streets	<u>4,749,407</u>	<u>4,749,407</u>	<u>4,708,981</u>	<u>(40,426)</u>
CULTURE AND RECREATION				
Three Oaks Recreation Area				
Personal Services	429,928	429,928	348,123	(81,805)
Contractual Services	233,233	233,233	225,661	(7,572)
Materials and Supplies	105,319	105,319	73,492	(31,827)
Total Three Oaks Recreation	<u>768,480</u>	<u>768,480</u>	<u>647,276</u>	<u>(121,204)</u>
Total Culture and Recreation	<u>768,480</u>	<u>768,480</u>	<u>647,276</u>	<u>(121,204)</u>
DEBT SERVICE				
Principal	39,477	39,477	39,476	(1)
Interest and Fees	14,170	14,170	13,969	(201)
Total Debt Service	<u>53,647</u>	<u>53,647</u>	<u>53,445</u>	<u>(202)</u>
TOTAL EXPENDITURES	<u>\$ 28,806,493</u>	<u>\$ 28,806,493</u>	<u>\$ 27,836,079</u>	<u>\$ (970,414)</u>

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
THREE OAKS DEBT SERVICE FUND

For the Year Ended April 30, 2020

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
None	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-
EXPENDITURES				
General Government				
Contractual	1,000	1,000	103,848	102,848
Debt Service				
Principal Retirement	740,772	740,772	9,477,553	8,736,781
Interest and Fiscal Charges	428,319	428,319	187,510	(240,809)
Total Expenditures	1,170,091	1,170,091	9,768,911	8,598,820
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,170,091)	(1,170,091)	(9,768,911)	(8,598,820)
OTHER FINANCING SOURCES (USES)				
Bonds Issued, at Par	-	-	7,954,054	7,954,054
Premium on Bonds Issued	-	-	787,327	787,327
Transfers In	1,170,091	1,170,091	1,027,530	(142,561)
Total Other Financing Sources (Uses)	1,170,091	1,170,091	9,768,911	8,598,820
NET CHANGE IN FUND BALANCE	\$ -	\$ -	-	\$ -
FUND BALANCE, MAY 1			-	
FUND BALANCE, APRIL 30			\$ -	

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL AND EQUIPMENT REPLACEMENT FUND**

For the Year Ended April 30, 2020

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Licenses and Permits	\$ 48,480	\$ 48,480	\$ 44,100	\$ (4,380)
Other Taxes	542,509	542,509	1,187,604	645,095
Miscellaneous	-	-	26,631	26,631
Total Revenues	590,989	590,989	1,258,335	667,346
EXPENDITURES				
Debt Service				
Principal	-	-	87,269	87,269
Interest	697,004	697,004	20,032	(676,972)
Capital Outlay				
Information Technology	528,100	528,100	212,768	(315,332)
Police	998,577	1,159,222	438,071	(721,151)
Community Development	300,026	300,026	210,045	(89,981)
Streets	2,699,470	2,699,470	675,237	(2,024,233)
Fleet and Facility Services	676,992	676,992	22,044	(654,948)
Fire Rescue	1,512,292	1,512,292	688,573	(823,719)
Road Resurfacing	2,300,000	2,300,000	2,029,772	(270,228)
Road Reconstruction	3,514,875	3,514,875	1,752,219	(1,762,656)
Three Oaks Recreation Area	193,142	193,142	116,536	(76,606)
Administration	7,100	7,100	4,812	(2,288)
Total Expenditures	13,427,578	13,588,223	6,257,378	(7,330,845)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(12,836,589)	(12,997,234)	(4,999,043)	7,998,191
OTHER FINANCING SOURCES (USES)				
Capital Lease Issued	3,069,770	3,069,770	813,338	(2,256,432)
Transfers In	9,709,837	9,870,482	5,499,562	(4,370,920)
Total Other Financing Sources (Uses)	12,779,607	12,940,252	6,312,900	(6,627,352)
NET CHANGE IN FUND BALANCE	\$ (56,982)	\$ (56,982)	1,313,857	\$ 1,370,839
FUND BALANCE, MAY 1			719,152	
FUND BALANCE, APRIL 30			\$ 2,033,009	

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

CITY OF CRYSTAL LAKE, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2020

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
ASSETS				
Cash and Investments	\$ 2,535,083	\$ 219,682	\$ 827,760	\$ 3,582,525
Receivables				
Property Taxes	1,613,719	85,800	212,624	1,912,143
Accounts Receivable	22,406	-	-	22,406
Other	26,311	102,262	28	128,601
Prepaid Items	2,035	-	-	2,035
Due from Other Governments	5,395	-	-	5,395
Due from Other Funds	3,964	-	-	3,964
Total Assets	4,208,913	407,744	1,040,412	5,657,069
DEFERRED OUTFLOWS OF RESOURCES				
None	-	-	-	-
Total Deferred Outflows of Resources	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 4,208,913	\$ 407,744	\$ 1,040,412	\$ 5,657,069
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 9,287	\$ -	\$ -	\$ 9,287
Recapture fees payable	-	-	75,329	75,329
Due to Other Funds	-	58,676	-	58,676
Total Liabilities	9,287	58,676	75,329	143,292
DEFERRED INFLOWS OF RESOURCES				
Deferred Revenue - Property Taxes	1,613,719	85,800	212,624	1,912,143
Total Deferred Inflows of Resources	1,613,719	85,800	212,624	1,912,143
Total Liabilities and Deferred Inflows of Resources	1,623,006	144,476	287,953	2,055,435

(This statement is continued on the following page.)

CITY OF CRYSTAL LAKE, ILLINOIS

COMBINING BALANCE SHEET (Continued)
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2020

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
FUND BALANCES				
Nonspendable				
Prepaid Items	\$ 2,035	\$ -	\$ -	\$ 2,035
Restricted				
IMRF/FICA	1,752,583	-		1,752,583
Public Safety	557,705	-	-	557,705
Parking	143,293	-	-	143,293
Debt Service	-	263,268	-	263,268
Park Development	-	-	410,555	410,555
Unrestricted				
Assigned				
Capital Improvement Projects	-	-	341,904	341,904
Special Revenue Funds	130,291	-	-	130,291
Total Fund Balances	2,585,907	263,268	752,459	3,601,634
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 4,208,913	\$ 407,744	\$ 1,040,412	\$ 5,657,069

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended April 30, 2020

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
REVENUES				
Charges for Services	\$ 233,611	\$ 266,496	\$ -	\$ 500,107
Licenses and Permits	190,666	-	-	190,666
Intergovernmental	66,467	-	-	66,467
Fines and Forfeitures	69,801	-	-	69,801
Property Taxes	2,060,507	16,465	127,150	2,204,122
Other Taxes	12,063	-	-	12,063
Developer Donations	-	-	410,527	410,527
Investment Income	23,990	2,322	3,240	29,552
Miscellaneous	64,460	-	33,400	97,860
Total Revenues	2,721,565	285,283	574,317	3,581,165
EXPENDITURES				
Current Operating				
General Government	1,042,870	23,891	1,950	1,068,711
Public Safety	592,219	-	-	592,219
Highways and Streets	574,811	-	-	574,811
Culture and Recreation	14,320	-	-	14,320
Debt Service				
Principal	-	371,083	-	371,083
Interest and Fiscal Charges	-	7,422	-	7,422
Total Expenditures	2,224,220	402,396	1,950	2,628,566
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	497,345	(117,113)	572,367	952,599
OTHER FINANCING SOURCES (USES)				
Transfers In	2,020	-	-	2,020
Transfers (Out)	(545,475)	-	(238,288)	(783,763)
Total Other Financing Sources (Uses)	(543,455)	-	(238,288)	(781,743)
NET CHANGE IN FUND BALANCES	(46,110)	(117,113)	334,079	170,856
FUND BALANCES, MAY 1	2,632,017	380,381	418,380	3,430,778
FUND BALANCES, APRIL 30	\$ 2,585,907	\$ 263,268	\$ 752,459	\$ 3,601,634

(See independent auditor's report.)

NONMAJOR SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for revenues derived from specific restricted taxes or other restricted or committed revenue sources which, by law, are restricted to finance particular functions or activities of government and which therefore cannot be diverted to other uses.

IMRF/FICA - To account for revenues derived from a separate tax levy and disbursement of these funds for contributions to the state-sponsored Illinois Municipal Retirement Fund and to Social Security and Medicare.

Road/Vehicle License - To account for revenues received from the county road and bridge taxes and to account for revenue from vehicle license fees.

School Crossing Guard - To account for expenditures related to school crossing guards.

Foreign Fire Insurance - To account for proceeds of foreign fire insurance tax and for expenses authorized by the Board of Foreign Fire Insurance.

Restricted Police Fund - To account for revenues derived from narcotic asset seizures and expenses incurred from activities intended to restrict such activities.

Commuter Parking Fund - To account for revenues derived from and expenses incurred to maintain the commuter parking lot.

SSA 47 - To account for the accumulation of resources for, and the payment of, inspection, maintenance and repair costs of storm water facilities in Special Service Area No. 47. Financing is being provided by a property tax levy on property owners in the Special Service Area No. 47.

CITY OF CRYSTAL LAKE, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS

April 30, 2020

	<u>IMRF/ FICA</u>	<u>Road/ Vehicle License</u>	<u>School Crossing Guard</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
ASSETS			
Cash and Investments	\$ 1,752,464	\$ 26,690	\$ 85,987
Receivables			
Property Taxes, Net	1,559,265	-	54,454
Accounts Receivable	-	-	-
Other	119	4	22,857
Prepaid Expenses	-	1,105	-
Due from Other Governments	-	-	-
Due from Other Funds	-	-	-
	<hr/>	<hr/>	<hr/>
Total Assets	3,311,848	27,799	163,298
DEFERRED OUTFLOWS OF RESOURCES			
None	-	-	-
	<hr/>	<hr/>	<hr/>
Total Deferred Outflows of Resources	-	-	-
	<hr/>	<hr/>	<hr/>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 3,311,848</u>	<u>\$ 27,799</u>	<u>\$ 163,298</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ -	\$ 770	\$ 5,982
	<hr/>	<hr/>	<hr/>
Total Liabilities	-	770	5,982
DEFERRED INFLOWS OF RESOURCES			
Deferred Revenue - Property Tax	1,559,265	-	54,454
	<hr/>	<hr/>	<hr/>
Total Deferred Inflows of Resources	1,559,265	-	54,454
	<hr/>	<hr/>	<hr/>
Total Liabilities and Deferred Inflows of Resources	1,559,265	770	60,436
FUND BALANCES			
Nonspendable			
Prepaid Items	-	1,105	-
Restricted			
IMRF/FICA	1,752,583	-	-
Public Safety	-	-	-
Parking	-	-	-
Assigned	-	25,924	102,862
	<hr/>	<hr/>	<hr/>
Total Fund Balances	1,752,583	27,029	102,862
	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 3,311,848</u>	<u>\$ 27,799</u>	<u>\$ 163,298</u>

Foreign Fire Insurance	Restricted Police	Commuter Parking	SSA 47	Total
\$ 276,690	\$ 274,345	\$ 117,402	\$ 1,505	\$ 2,535,083
-	-	-	-	1,613,719
-	-	22,406	-	22,406
19	1,293	2,019	-	26,311
-	550	380	-	2,035
-	5,395	-	-	5,395
-	-	3,964	-	3,964
<u>276,709</u>	<u>281,583</u>	<u>146,171</u>	<u>1,505</u>	<u>4,208,913</u>
-	-	-	-	-
-	-	-	-	-
<u>\$ 276,709</u>	<u>\$ 281,583</u>	<u>\$ 146,171</u>	<u>\$ 1,505</u>	<u>\$ 4,208,913</u>
\$ 37	\$ -	\$ 2,498	\$ -	\$ 9,287
<u>37</u>	<u>-</u>	<u>2,498</u>	<u>-</u>	<u>9,287</u>
-	-	-	-	1,613,719
-	-	-	-	1,613,719
<u>37</u>	<u>-</u>	<u>2,498</u>	<u>-</u>	<u>1,623,006</u>
-	550	380	-	2,035
-	-	-	-	1,752,583
276,672	281,033	-	-	557,705
-	-	143,293	-	143,293
-	-	-	1,505	130,291
<u>276,672</u>	<u>281,583</u>	<u>143,673</u>	<u>1,505</u>	<u>2,585,907</u>
<u>\$ 276,709</u>	<u>\$ 281,583</u>	<u>\$ 146,171</u>	<u>\$ 1,505</u>	<u>\$ 4,208,913</u>

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS**

For the Year Ended April 30, 2020

	IMRF/ FICA	Road/ Vehicle License	School Crossing Guard
REVENUES			
Charges for Service	\$ -	\$ -	\$ -
Licenses and Permits	-	190,666	-
Intergovernmental	-	-	-
Fines and Forfeitures	-	-	-
Property Taxes	1,571,721	432,397	54,889
Other Taxes	-	-	-
Investment Income	19,073	920	985
Miscellaneous	-	7,825	55,559
Total Revenues	1,590,794	631,808	111,433
EXPENDITURES			
General Government	758,941	-	-
Public Safety	143,196	-	90,341
Highways and Streets	515,507	59,304	-
Culture and Recreation	14,320	-	-
Total Expenditures	1,431,964	59,304	90,341
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	158,830	572,504	21,092
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers (Out)	-	(545,475)	-
Total Other Financing Sources (Uses)	-	(545,475)	-
NET CHANGE IN FUND BALANCES	158,830	27,029	21,092
FUND BALANCES, MAY 1	1,593,753	-	81,770
FUND BALANCES, APRIL 30	\$ 1,752,583	\$ 27,029	\$ 102,862

Foreign Fire Insurance	Restricted Police	Commuter Parking	SSA 47	Total
\$ -	\$ -	\$ 233,611	\$ -	\$ 233,611
-	-	-	-	190,666
-	66,467	-	-	66,467
-	-	69,801	-	69,801
-	-	-	1,500	2,060,507
-	12,063	-	-	12,063
2,421	-	586	5	23,990
-	1,076	-	-	64,460
2,421	79,606	303,998	1,505	2,721,565
-	-	283,929	-	1,042,870
473	358,209	-	-	592,219
-	-	-	-	574,811
-	-	-	-	14,320
473	358,209	283,929	-	2,224,220
1,948	(278,603)	20,069	1,505	497,345
-	-	2,020	-	2,020
-	-	-	-	(545,475)
-	-	2,020	-	(543,455)
1,948	(278,603)	22,089	1,505	(46,110)
274,724	560,186	121,584	-	2,632,017
\$ 276,672	\$ 281,583	\$ 143,673	\$ 1,505	\$ 2,585,907

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
IMRF/FICA FUND**

For the Year Ended April 30, 2020

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property Taxes	\$ 1,575,000	\$ 1,575,000	\$ 1,571,721	\$ (3,279)
Investment Income	6,621	6,621	19,073	12,452
Total Revenues	1,581,621	1,581,621	1,590,794	9,173
EXPENDITURES				
Personnel Services				
General Government	842,700	842,700	758,941	(83,759)
Public Safety	159,000	159,000	143,196	(15,804)
Highways and Streets	572,400	572,400	515,507	(56,893)
Culture and Recreation	15,900	15,900	14,320	(1,580)
Total Expenditures	1,590,000	1,590,000	1,431,964	(158,036)
NET CHANGE IN FUND BALANCE	\$ (8,379)	\$ (8,379)	158,830	\$ 167,209
FUND BALANCE, MAY 1			1,593,753	
FUND BALANCE, APRIL 30			\$ 1,752,583	

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ROAD/VEHICLE LICENSE FUND**

For the Year Ended April 30, 2020

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Licenses and Permits	\$ 215,000	\$ 215,000	\$ 190,666	\$ (24,334)
Property Taxes	400,000	400,000	432,397	32,397
Investment Income	-	-	920	920
Miscellaneous	-	-	7,825	7,825
Total Revenues	615,000	615,000	631,808	16,808
EXPENDITURES				
Highways and streets	69,525	69,525	59,304	(10,221)
Total Expenditures	69,525	69,525	59,304	(10,221)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	545,475	545,475	572,504	27,029
OTHER FINANCING SOURCES (USES)				
Transfers (Out)	(545,475)	(545,475)	(545,475)	-
NET CHANGE IN FUND BALANCE	\$ -	\$ -	27,029	\$ 27,029
FUND BALANCE, MAY 1			-	
FUND BALANCE, APRIL 30			\$ 27,029	

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SCHOOL CROSSING GUARD FUND**

For the Year Ended April 30, 2020

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property Taxes	\$ 55,000	\$ 55,000	\$ 54,889	\$ (111)
Investment Income	-	-	985	985
Miscellaneous	55,000	55,000	55,559	559
Total Revenues	110,000	110,000	111,433	1,433
EXPENDITURES				
Public Safety				
Contractual Services	110,000	110,000	90,341	(19,659)
Total Expenditures	110,000	110,000	90,341	(19,659)
NET CHANGE IN FUND BALANCE	\$ -	\$ -	21,092	\$ 21,092
FUND BALANCE, MAY 1			81,770	
FUND BALANCE, APRIL 30			\$ 102,862	

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOREIGN FIRE INSURANCE FUND**

For the Year Ended April 30, 2020

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Investment Income	\$ 1,335	\$ 1,335	\$ 2,421	\$ 1,086
Total Revenues	<u>1,335</u>	<u>1,335</u>	<u>2,421</u>	<u>1,086</u>
EXPENDITURES				
Public Safety				
Contractual Services	52,214	52,214	-	(52,214)
Materials and Supplies	3,600	3,600	473	(3,127)
Total Expenditures	<u>55,814</u>	<u>55,814</u>	<u>473</u>	<u>(55,341)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (54,479)</u>	<u>\$ (54,479)</u>	1,948	<u>\$ 56,427</u>
FUND BALANCE, MAY 1			<u>274,724</u>	
FUND BALANCE, APRIL 30			<u>\$ 276,672</u>	

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
RESTRICTED POLICE FUND**

For the Year Ended April 30, 2020

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Intergovernmental	\$ 88,500	\$ 88,500	\$ 66,467	\$ (22,033)
Other Taxes	-	-	12,063	12,063
Miscellaneous	-	-	1,076	1,076
Total Revenues	88,500	88,500	79,606	(8,894)
EXPENDITURES				
Public Safety				
Miscellaneous	385,300	385,300	358,209	(27,091)
Total Expenditures	385,300	385,300	358,209	(27,091)
NET CHANGE IN FUND BALANCE	\$ (296,800)	\$ (296,800)	(278,603)	\$ 18,197
FUND BALANCE, MAY 1			560,186	
FUND BALANCE, APRIL 30			\$ 281,583	

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COMMUTER PARKING LOT FUND

For the Year Ended April 30, 2020

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Charges for Services	\$ 265,000	\$ 265,000	\$ 233,611	\$ (31,389)
Fines and Forfeitures	45,000	45,000	69,801	24,801
Investment Income	-	-	586	586
Total Revenues	310,000	310,000	303,998	(6,002)
EXPENDITURES				
General Government				
Personnel Services	184,756	184,756	185,570	814
Contractual Services	129,900	129,900	96,624	(33,276)
Materials and Supplies	4,550	4,550	1,735	(2,815)
Total Expenditures	319,206	319,206	283,929	(35,277)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(9,206)	(9,206)	20,069	29,275
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	2,020	2,020
Total Other Financing Sources (Uses)	-	-	2,020	2,020
NET CHANGE IN FUND BALANCE	\$ (9,206)	\$ (9,206)	22,089	\$ 31,295
FUND BALANCE, MAY 1			121,584	
FUND BALANCE, APRIL 30			\$ 143,673	

(See independent auditor's report.)

NONMAJOR DEBT SERVICE FUNDS

Debt Service are used to account for the resources restricted, committed or assigned for the payment of interest and principal on general and special obligation debt other than that payable from the Special Assessment Fund and debt issued for and serviced by the Proprietary Funds.

Special Assessment No. 149 - To account for the accumulation of resources for, and the payment of, principal and interest on the General Obligation Bonds, Series 1997 related to the North Shore water and sewer project. Financing is being provided by assessments to property owners in the North Crystal Lake Park Beach Subdivision.

Crystal Heights Debt Service - To account for the accumulation of resources to retire principal and interest on the 2004 General Obligation Bonds related to Crystal Heights. Financing is being provided by assessments to property owners in Special Service Area No. 43 (Crystal Heights Subdivision).

SEECOM Debt Service - To account for the accumulation of resources to retire principal and interest on the 2004 General Obligation Bonds related to the SEECOM central dispatch service. Financing is provided by SEECOM member communities.

CITY OF CRYSTAL LAKE, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS

April 30, 2020

	Special Assessment No. 149	Crystal Heights Debt Service	SEECOM Debt Service	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
ASSETS				
Cash and Investments	\$ -	\$ 219,682	\$ -	\$ 219,682
Receivables				
Property taxes	-	85,800	-	85,800
Other	102,249	13	-	102,262
Total Assets	102,249	305,495	-	407,744
DEFERRED OUTFLOWS OF RESOURCES				
None	-	-	-	-
Total Deferred Outflows of Resources	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 102,249	\$ 305,495	\$ -	\$ 407,744
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Due To Other Funds	\$ 58,676	\$ -	\$ -	\$ 58,676
Total Liabilities	58,676	-	-	58,676
DEFERRED INFLOWS OF RESOURCES				
Deferred Revenue - Property Tax	-	85,800	-	85,800
Total Deferred Inflows of Resources	-	85,800	-	85,800
Total Liabilities and Deferred Inflows of Resources	-	85,800	-	85,800
FUND BALANCES				
Restricted For Debt Service	43,573	219,695	-	263,268
Total Fund Balances	43,573	219,695	-	263,268
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 102,249	\$ 305,495	\$ -	\$ 407,744

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS**

For the Year Ended April 30, 2020

	Special Assessment No. 149	Crystal Heights Debt Service	SEECOM Debt Service	Total
REVENUES				
Charges for Services	\$ -	\$ 6,672	\$ 259,824	\$ 266,496
Property Taxes	-	16,465	-	16,465
Investment Income	-	2,322	-	2,322
Total Revenues	-	25,459	259,824	285,283
EXPENDITURES				
General Government				
Contractual	-	3,203	-	3,203
Miscellaneous	20,688	-	-	20,688
Debt Service				
Principal Retirement	-	116,190	254,893	371,083
Interest and Fiscal Charges	-	2,324	5,098	7,422
Total Expenditures	20,688	121,717	259,991	402,396
NET CHANGE IN FUND BALANCES	(20,688)	(96,258)	(167)	(117,113)
FUND BALANCES, MAY 1	64,261	315,953	167	380,381
FUND BALANCES, APRIL 30	\$ 43,573	\$ 219,695	\$ -	\$ 263,268

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CRYSTAL HEIGHTS DEBT SERVICE FUND**

For the Year Ended April 30, 2020

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Charges for Services	\$ 12,000	\$ 12,000	\$ 6,672	\$ (5,328)
Property Taxes	17,000	17,000	16,465	(535)
Investment Income	1,478	1,478	2,322	844
Total Revenues	30,478	30,478	25,459	(5,019)
EXPENDITURES				
General Government				
Contractual Services	5,400	5,400	3,203	(2,197)
Debt Service				
Principal Retirement	116,191	116,191	116,190	(1)
Interest and Fiscal Charges	2,324	2,324	2,324	-
Total Expenditures	123,915	123,915	121,717	(2,198)
NET CHANGE IN FUND BALANCE	\$ (93,437)	\$ (93,437)	(96,258)	\$ (2,821)
FUND BALANCE, MAY 1			315,953	
FUND BALANCE, APRIL 30			\$ 219,695	

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SEECOM DEBT SERVICE FUND**

For the Year Ended April 30, 2020

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Charges for Services	\$ 259,824	\$ 259,824	\$ 259,824	\$ -
Total Revenues	259,824	259,824	259,824	-
EXPENDITURES				
Debt Service				
Principal Retirement	254,893	254,893	254,893	-
Interest and Fiscal Charges	5,098	5,098	5,098	-
Total Expenditures	259,991	259,991	259,991	-
NET CHANGE IN FUND BALANCE	\$ (167)	\$ (167)	(167)	\$ -
FUND BALANCE, MAY 1			167	
FUND BALANCE, APRIL 30			\$ -	

(See independent auditor's report.)

NONMAJOR CAPITAL PROJECTS FUNDS

The Capital Projects Funds account for resources restricted, committed or assigned for the acquisition and/or construction of capital equipment and facilities by the City except those financed by the Proprietary Funds.

Main Street TIF Project Fund - To account for the initial planning and engineering design services of the Main Street TIF, including improvements to the Main Street and Crystal Lake Avenue intersection.

Virginia Street Corridor TIF Project Fund - To account for the initial planning and engineering design services of the Virginia Street Corridor TIF, intended to spur a comprehensive revitalization of this area.

Vulcan Lakes TIF Project Fund - To account for the initial planning and engineering design services of the Vulcan Lakes TIF, intended to spur a comprehensive revitalization of this area and will include residential, retail and recreational facilities.

Three Oaks Development - To account for funds from developers set aside for the future development of the Three Oaks Recreation Area.

NCLPB Project Fund - To account for the proceeds of Series 1997 General Obligation Bonds used in the construction and installation of water mains, sewer mains and roadway improvements in the North Crystal Lake Park Beach area.

CITY OF CRYSTAL LAKE, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS

April 30, 2020

	Main Street TIF Construction	Virginia Street Corridor TIF	Vulcan Lakes TIF District
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
ASSETS			
Cash and Investments	\$ 341,881	\$ -	\$ -
Receivables			
Property Taxes, Net	29,260	118,167	65,197
Other	23	-	-
	<hr/>	<hr/>	<hr/>
Total Assets	371,164	118,167	65,197
	<hr/>	<hr/>	<hr/>
DEFERRED OUTFLOWS OF RESOURCES			
None	-	-	-
	<hr/>	<hr/>	<hr/>
Total Deferred Outflows of Resources	-	-	-
	<hr/>	<hr/>	<hr/>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
	\$ 371,164	\$ 118,167	\$ 65,197
	<hr/>	<hr/>	<hr/>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Recapture Fees Payable	\$ -	\$ -	\$ -
	<hr/>	<hr/>	<hr/>
Total Liabilities	-	-	-
	<hr/>	<hr/>	<hr/>
DEFERRED INFLOWS OF RESOURCES			
Deferred Revenue - Property Tax	29,260	118,167	65,197
	<hr/>	<hr/>	<hr/>
Total Deferred Inflows of Resources	29,260	118,167	65,197
	<hr/>	<hr/>	<hr/>
Total Liabilities and Deferred Inflows of Resources	29,260	118,167	65,197
	<hr/>	<hr/>	<hr/>
FUND BALANCES			
Restricted			
Park Development	-	-	-
Unrestricted			
Assigned			
Capital Improvements	341,904	-	-
	<hr/>	<hr/>	<hr/>
Total Fund Balances	341,904	-	-
	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
	\$ 371,164	\$ 118,167	\$ 65,197
	<hr/>	<hr/>	<hr/>

Three Oaks Development	NCLPB Project Fund	Total
\$ 410,555	\$ 75,324	\$ 827,760
-	-	212,624
-	5	28
<u>410,555</u>	<u>75,329</u>	<u>1,040,412</u>
-	-	-
-	-	-
<u>\$ 410,555</u>	<u>\$ 75,329</u>	<u>\$ 1,040,412</u>
\$ -	\$ 75,329	\$ 75,329
-	75,329	75,329
-	-	212,624
-	-	212,624
-	75,329	287,953
410,555	-	410,555
-	-	341,904
<u>410,555</u>	<u>-</u>	<u>752,459</u>
<u>\$ 410,555</u>	<u>\$ 75,329</u>	<u>\$ 1,040,412</u>

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS**

For the Year Ended April 30, 2020

	Main Street TIF Project	Virginia Street Corridor TIF Project	Vulcan Lakes TIF Project
REVENUES			
Property Tax	\$ 97	\$ 80,899	\$ 46,154
Developer Donations	-	-	-
Investment Income	3,205	13	22
Miscellaneous	33,400	-	-
Total Revenues	<u>36,702</u>	<u>80,912</u>	<u>46,176</u>
EXPENDITURES			
General Government			
Contractual	650	650	650
Total Expenditures	<u>650</u>	<u>650</u>	<u>650</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>36,052</u>	<u>80,262</u>	<u>45,526</u>
OTHER FINANCING SOURCES (USES)			
Transfers (Out)	<u>(112,500)</u>	<u>(80,262)</u>	<u>(45,526)</u>
Total Other Financing Sources (Uses)	<u>(112,500)</u>	<u>(80,262)</u>	<u>(45,526)</u>
NET CHANGE IN FUND BALANCES	(76,448)	-	-
FUND BALANCES, MAY 1	<u>418,352</u>	-	-
FUND BALANCES, APRIL 30	<u>\$ 341,904</u>	<u>\$ -</u>	<u>\$ -</u>

<hr/>		
Three Oaks Development	NCLPB Project Fund	Total
\$ -	\$ -	\$ 127,150
410,527	-	410,527
-	-	3,240
-	-	33,400
<hr/>		
410,527	-	574,317
<hr/>		
-	-	1,950
<hr/>		
-	-	1,950
<hr/>		
410,527	-	572,367
<hr/>		
-	-	(238,288)
<hr/>		
-	-	(238,288)
<hr/>		
410,527	-	334,079
28	-	418,380
<hr/>		
\$ 410,555	\$ -	\$ 752,459
<hr/> <hr/>		

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MAIN STREET TIF PROJECT FUND

For the Year Ended April 30, 2020

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property Taxes	\$ 300	\$ 300	\$ 97	\$ 5,566
Investment Income	350	350	3,205	2,855
Miscellaneous	33,400	33,400	33,400	-
Total Revenues	34,050	34,050	36,702	8,421
EXPENDITURES				
Contracted Services	650	650	650	-
Total Expenditures	650	650	650	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	33,400	33,400	36,052	8,421
OTHER FINANCING SOURCES (USES)				
Transfers (Out)	(145,900)	(145,900)	(112,500)	33,400
Total Other Financing Sources (Uses)	(145,900)	(145,900)	(112,500)	33,400
NET CHANGE IN FUND BALANCE	\$ (112,500)	\$ (112,500)	(76,448)	\$ 41,821
FUND BALANCE, MAY 1			418,352	
FUND BALANCE, APRIL 30			\$ 341,904	

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
VIRGINIA STREET CORRIDOR TIF PROJECT FUND

For the Year Ended April 30, 2020

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property Taxes	\$ 55,000	\$ 55,000	\$ 80,899	\$ 25,899
Investment Income	-	-	13	13
Total Revenues	55,000	55,000	80,912	25,912
EXPENDITURES				
General Governmental Contractual	650	650	650	-
Total Expenditures	650	650	650	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	55,000	55,000	80,262	25,912
OTHER FINANCING SOURCES (USES)				
Transfers (Out)	(54,350)	(54,350)	(80,262)	(25,912)
Total Other Financing Sources (Uses)	(54,350)	(54,350)	(80,262)	(25,912)
NET CHANGE IN FUND BALANCE	\$ -	\$ -	-	\$ -
FUND BALANCE, MAY 1			-	
FUND BALANCE, APRIL 30			\$ -	

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
VULCAN LAKES TIF PROJECT FUND

For the Year Ended April 30, 2020

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property Taxes	\$ 26,200	\$ 26,200	\$ 46,154	\$ 19,954
Investment Income	-	-	22	22
Total Revenues	26,200	26,200	46,176	19,976
EXPENDITURES				
General Governmental Contractual	650	650	650	-
Total Expenditures	650	650	650	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	26,200	26,200	45,526	19,976
OTHER FINANCING SOURCES (USES)				
Transfers (Out)	(25,550)	(25,550)	(45,526)	(19,976)
Total Other Financing Sources (Uses)	(25,550)	(25,550)	(45,526)	(19,976)
NET CHANGE IN FUND BALANCE	\$ -	\$ -	-	\$ -
FUND BALANCE, MAY 1			-	
FUND BALANCE, APRIL 30			\$ -	

(See independent auditor's report.)

MAJOR ENTERPRISE FUNDS

CITY OF CRYSTAL LAKE, ILLINOIS
SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION - BUDGET AND ACTUAL - BUDGETARY BASIS
WATERWORKS AND SEWERAGE FUND

For the Year Ended April 30, 2020

	Original Budget	Final Budget	Actual	Variance Over (Under)
OPERATING REVENUES				
Charges for Sales and Services				
Water Sales	\$ 6,632,097	\$ 6,632,097	\$ 6,492,352	\$ (139,745)
Sewer Sales	6,382,032	6,382,032	6,222,662	(159,370)
Penalties	320,000	320,000	281,027	(38,973)
Water Meter Fees	63,100	63,100	53,902	(9,198)
Water Turn On Fee	10,000	10,000	10,500	500
Red Tag Fee	13,000	13,000	15,976	2,976
Capital Facility Fees	-	-	39,249	39,249
Miscellaneous Income	187,315	187,315	297,458	110,143
Total Operating Revenues	13,607,544	13,607,544	13,413,126	(194,418)
OPERATING EXPENSES				
Administration	6,160,755	6,603,034	4,972,578	(1,630,456)
Water Operations	16,446,704	16,446,704	6,659,229	(9,787,475)
Sewer Operations	6,154,030	6,154,030	3,725,031	(2,428,999)
Total Operating Expenses	28,761,489	29,203,768	15,356,838	(13,846,930)
OPERATING INCOME (LOSS)	(15,153,945)	(15,596,224)	(1,943,712)	13,652,512
NON-OPERATING REVENUES (EXPENSES)				
Capital Lease Issued	1,059,515	1,059,515	114,957	(944,558)
Bonds Issued, At Par	11,093,520	11,093,520	6,375,945	(4,717,575)
Interest Expense	(3,773,965)	(3,773,965)	(921,981)	2,851,984
Other Tax	1,000,000	1,000,000	1,000,000	-
Investment Income	43,144	43,144	578,038	534,894
Rental Income	289,001	289,001	288,999	(2)
Connection Fees	997,500	997,500	874,903	(122,597)
Total Non-Operating Revenues (Expenses)	10,708,715	10,708,715	8,310,861	(2,397,854)
INCOME BEFORE CONTRIBUTIONS	(4,445,230)	(4,887,509)	6,367,149	11,254,658
CONTRIBUTIONS	-	-	69,920	69,920
NET INCOME - BUDGET BASIS	\$ (4,445,230)	\$ (4,887,509)	6,437,069	\$ 11,324,578
ADJUSTMENTS TO GAAP BASIS				
Capital Assets Capitalized - Administration			4,151,390	
Capital Assets Capitalized - Water			2,255,596	
Capital Assets Capitalized - Sewer			838,252	
Depreciation			(3,852,934)	
Gain (Loss) on Sale of Capital Assets			(75,223)	
Well ARO Amortization			(9,500)	
Bonds Issued, At Par			(6,375,945)	
Capital Lease Issued			(114,957)	
Pension Expense			(215,798)	
OPEB Expense			(177,577)	
Change in Compensated Absences			19,009	
Total Adjustments to GAAP Basis			(3,557,687)	
CHANGE IN NET POSITION			2,879,382	
NET POSITION, MAY 1			53,374,971	
Prior Period Adjustment			950,362	
NET POSITION, MAY 1 (RESTATED)			54,325,333	
NET POSITION, APRIL 30			\$ 57,204,715	

(See independent auditor's report.)

FIDUCIARY FUNDS

FIDUCIARY FUNDS

Fiduciary Funds consist of resources received from noncity sources and held by the City as trustee or agent to be expended or invested in accordance with the conditions of the trust or in its agency capacity.

Pension Trust Funds

Police Pension - to account for the accumulation of resources for pension benefits for qualified sworn police personnel. Financing is provided by employee contributions and an actuarially determined employer contribution.

Fire Pension - to account for the accumulation of resources for pension benefits for qualified fire police personnel. Financing is provided by employee contributions and an actuarially determined employer contribution.

Custodial Funds

SSA 44 Tracy Trail - To account for the accumulation of resources for, and the payment of, principal and interest on the 2007 Special Service Area No. 44 bonds. Financing is being provided by a property tax levy on property owners in the Special Service Area No. 44.

SSA 45 Bryn Mawr - To account for the accumulation of resources for, and the payment of, principal and interest on the 2006 Special Service Area No. 45 bonds. Financing is being provided by a property tax levy on property owners in the Special Service Area No. 45.

SSA 46 Ryland - To account for the accumulation of resources for, and the payment of, principal and interest on the 2016 Special Service Area No. 46 Refunding bonds. Financing is being provided by a property tax levy on property owners in the Special Service Area No. 46.

CITY OF CRYSTAL LAKE, ILLINOIS

**COMBINING STATEMENT OF NET POSITION
PENSION TRUST FUNDS**

April 30, 2020

	Police Pension	Firefighters' Pension	Total
ASSETS			
Cash and Short-Term Investments	\$ 7,845	\$ 20,079	\$ 27,924
Investments, at Fair Value			
Money Market Accounts	459,798	779,242	1,239,040
U.S. Treasury and U.S. Agency Securities	5,021,555	11,250,888	16,272,443
Corporate Bonds	10,040,685	2,329,756	12,370,441
Municipal Bonds	-	1,758,117	1,758,117
Mutual Funds - Stocks	23,818,931	23,915,665	47,734,596
Receivables			
Accrued Interest	108,554	109,711	218,265
Total Assets	39,457,368	40,163,458	79,620,826
LIABILITIES			
Accounts Payable	1,393	2,625	4,018
Total Liabilities	1,393	2,625	4,018
NET POSITION RESTRICTED FOR PENSION BENEFITS	\$ 39,455,975	\$ 40,160,833	\$ 79,616,808

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

**COMBINING STATEMENT OF CHANGES IN PLAN NET POSITION
PENSION TRUST FUNDS**

For the Year Ended April 30, 2020

	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Employer	\$ 2,386,343	\$ 1,843,179	\$ 4,229,522
Employee	608,715	660,175	1,268,890
Total Contributions	2,995,058	2,503,354	5,498,412
Investment Income			
Net Depreciation in the Fair Value of Investments	(2,528,473)	(351,756)	(2,880,229)
Interest	1,341,833	1,167,422	2,509,255
Total Investment Income	(1,186,640)	815,666	(370,974)
Less Investment Expense	(176,835)	(153,480)	(330,315)
Net Investment Income	(1,363,475)	662,186	(701,289)
Total Additions	1,631,583	3,165,540	4,797,123
DEDUCTIONS			
Pension Benefits and Refunds	3,254,765	1,537,360	4,792,125
Administrative Expenses	20,134	18,449	38,583
Total Deductions	3,274,899	1,555,809	4,830,708
NET INCREASE (DECREASE)	(1,643,316)	1,609,731	(33,585)
NET POSITION RESTRICTED FOR PENSION BENEFITS			
May 1	41,099,291	38,551,102	79,650,393
April 30	\$ 39,455,975	\$ 40,160,833	\$ 79,616,808

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

SCHEDULE OF CHANGES IN PLAN NET POSITION
BUDGET AND ACTUAL
POLICE PENSION FUND

For the Year Ended April 30, 2020

	Original Budget	Final Budget	Actual	Variance Over (Under)
ADDITIONS				
Contributions				
Employer	\$ 2,391,323	\$ 2,391,323	\$ 2,386,343	\$ (4,980)
Employee	590,000	590,000	608,715	18,715
Total Contributions	<u>2,981,323</u>	<u>2,981,323</u>	<u>2,995,058</u>	<u>13,735</u>
Investment Income				
Net Depreciation in the Fair Value of Investments	-	-	(2,528,473)	(2,528,473)
Interest	1,100,000	1,100,000	1,341,833	241,833
Total Investment Income	<u>1,100,000</u>	<u>1,100,000</u>	<u>(1,186,640)</u>	<u>(2,286,640)</u>
Less Investment Expense	<u>(191,000)</u>	<u>(191,000)</u>	<u>(176,835)</u>	<u>14,165</u>
Net Investment Income	<u>909,000</u>	<u>909,000</u>	<u>(1,363,475)</u>	<u>(2,272,475)</u>
Total Additions	<u>3,890,323</u>	<u>3,890,323</u>	<u>1,631,583</u>	<u>(2,258,740)</u>
DEDUCTIONS				
Pension Benefits and Refunds	3,100,000	3,100,000	3,254,765	154,765
Administrative Expenses	31,100	31,100	20,134	(10,966)
Total Deductions	<u>3,131,100</u>	<u>3,131,100</u>	<u>3,274,899</u>	<u>143,799</u>
NET INCREASE (DECREASE)	<u>\$ 759,223</u>	<u>\$ 759,223</u>	<u>(1,643,316)</u>	<u>\$ (2,402,539)</u>
NET POSITION RESTRICTED FOR PENSION BENEFITS				
May 1			<u>41,099,291</u>	
April 30			<u>\$ 39,455,975</u>	

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

SCHEDULE OF CHANGES IN PLAN NET POSITION
BUDGET AND ACTUAL
FIREFIGHTERS' PENSION FUND

For the Year Ended April 30, 2020

	Original Budget	Final Budget	Actual	Variance Over (Under)
ADDITIONS				
Contributions				
Employer	\$ 1,847,033	\$ 1,847,033	\$ 1,843,179	\$ (3,854)
Employee	621,400	621,400	660,175	38,775
Total Contributions	<u>2,468,433</u>	<u>2,468,433</u>	<u>2,503,354</u>	<u>34,921</u>
Investment Income				
Net Depreciation in the Fair Value of Investments	-	-	(351,756)	(351,756)
Interest	900,000	900,000	1,167,422	267,422
Total Investment Income	<u>900,000</u>	<u>900,000</u>	<u>815,666</u>	<u>(84,334)</u>
Less Investment Expense	<u>(151,000)</u>	<u>(151,000)</u>	<u>(153,480)</u>	<u>(2,480)</u>
Net Investment Income	<u>749,000</u>	<u>749,000</u>	<u>662,186</u>	<u>(86,814)</u>
Total Additions	<u>3,217,433</u>	<u>3,217,433</u>	<u>3,165,540</u>	<u>(51,893)</u>
DEDUCTIONS				
Pension Benefits and Refunds	1,600,000	1,600,000	1,537,360	(62,640)
Administrative Expenses	28,700	28,700	18,449	(10,251)
Total Deductions	<u>1,628,700</u>	<u>1,628,700</u>	<u>1,555,809</u>	<u>(72,891)</u>
NET INCREASE	<u>\$ 1,588,733</u>	<u>\$ 1,588,733</u>	1,609,731	<u>\$ 20,998</u>
NET POSITION RESTRICTED FOR PENSION BENEFITS				
May 1			<u>38,551,102</u>	
April 30			<u>\$ 40,160,833</u>	

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

**COMBINING STATEMENT OF NET POSITION
CUSTODIAL FUNDS**

For the Year Ended April 30, 2020

	SSA 44	SSA 45	SSA 46	
	Tracy Trail	Bryn Mawr	Ryland	Total
ASSETS				
Cash and Investments	\$ 122,247	\$ 138,013	\$ 58,360	\$ 318,620
Accounts Receivable	8	-	4	12
Total Assets	122,255	138,013	58,364	318,632
LIABILITIES				
Due to Other Funds	-	156,810	-	156,810
Total Liabilities	-	156,810	-	156,810
NET POSITION (DEFICIT) RESTRICTED FOR DEBT SERVICE	\$ 122,255	\$ (18,797)	\$ 58,364	\$ 161,822

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

COMBINING STATEMENT OF CHANGES IN PLAN NET POSITION
CUSTODIAL FUNDS

For the Year Ended April 30, 2020

	SSA 44	SSA 45	SSA 46	Total
	Tracy Trail	Bryn Mawr	Ryland	
ADDITIONS				
Contributions				
Property Owner	\$ -	\$ 27,834	\$ 161,570	\$ 189,404
Miscellaneous	14,374	-	-	14,374
Total Contributions	14,374	27,834	161,570	203,778
Investment Income				
Interest	1,293	2,061	1,257	4,611
Total Investment Income	1,293	2,061	1,257	4,611
Total Additions	15,667	29,895	162,827	208,389
DEDUCTIONS				
Debt Service				
Principal	50,000	-	70,000	120,000
Interest and Fiscal Charges	7,125	220	94,480	101,825
Total Deductions	57,125	220	164,480	221,825
CHANGE IN NET POSITION	(41,458)	29,675	(1,653)	(13,436)
NET POSITION (DEFICIT) RESTRICTED FOR DEBT SERVICE				
May 1 (Restated)	163,713	(48,472)	60,017	175,258
April 30	\$ 122,255	\$ (18,797)	\$ 58,364	\$ 161,822

(See independent auditor's report.)

DISCRETELY PRESENTED COMPONENT UNIT

The component unit column in the basic financial statements includes the financial data of the City's component unit. It is reported in a separate column to emphasize that it is legally separate from the City.

Crystal Lake Public Library:

The Library operates and maintains the City's public library facilities. The Library's board is appointed by the Mayor with the consent of the City Council. The Library may not issue bonded debt, and its annual budget and property tax levy requests are subject to the City Council's approval. Separate financial statements for the Library are not available.

CITY OF CRYSTAL LAKE, ILLINOIS

DISCRETELY PRESENTED COMPONENT UNIT - CRYSTAL LAKE PUBLIC LIBRARY
STATEMENT OF NET POSITION AND BALANCE SHEET

For the Year Ended April 30, 2020

	General Operating Fund	Special Reserve	Nonmajor Governmental	Adjustments	Statement of Net Position
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
ASSETS					
Cash and Investments	\$ 2,792,869	\$ 2,373,506	\$ 1,283,206	\$ -	\$ 6,449,581
Receivables					
Property Taxes, Net	4,153,735	-	475,640	-	4,629,375
Accrued Interest	30,984	8,906	11,780	-	51,670
Prepaid Items	80,570	-	-	-	80,570
Due from Other Funds	12,984	-	-	(12,984)	-
Due from Primary Government	-	-	59,415	-	59,415
Capital Assets					
Nondepreciable	-	-	-	2,363,040	2,363,040
Depreciable, Net of Accumulated Depreciation	-	-	-	4,080,386	4,080,386
Total Assets	7,071,142	2,382,412	1,830,041	6,430,442	17,714,037
DEFERRED OUTFLOWS OF RESOURCES					
Pension Items - IMRF	-	-	-	443,629	443,629
Total Deferred Outflows of Resources	-	-	-	443,629	443,629
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 7,071,142	\$ 2,382,412	\$ 1,830,041	\$ 6,874,071	\$ 18,157,666
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 121,834	\$ -	\$ -	\$ -	\$ 121,834
Accrued Payroll	80,769	-	76,930	-	157,699
Deposits	-	-	12,985	-	12,985
Due to Other Funds	-	9,114	3,870	(12,984)	-
Noncurrent Liabilities					
Due Within One Year	-	-	-	77,071	77,071
Due in More than One Year	-	-	-	1,551,801	1,551,801
Total Liabilities	202,603	9,114	93,785	1,615,888	1,921,390
DEFERRED INFLOWS OF RESOURCES					
Deferred Revenue - Property Tax	4,153,735	-	475,640	-	4,629,375
Pension Items - IMRF	-	-	-	685,432	685,432
Total Deferred Inflows of Resources	4,153,735	-	475,640	685,432	5,314,807
Total Liabilities and Deferred Inflows of Resources	4,356,338	9,114	569,425	2,301,320	7,236,197

(This statement is continued on the following page.)

CITY OF CRYSTAL LAKE, ILLINOIS

DISCRETELY PRESENTED COMPONENT UNIT - CRYSTAL LAKE PUBLIC LIBRARY
STATEMENT OF NET POSITION AND BALANCE SHEET (Continued)

For the Year Ended April 30, 2020

	General Operating Fund	Special Reserve	Nonmajor Governmental	Adjustments	Statement of Net Position
FUND BALANCES					
Net Invested in Capital Assets	\$ -	\$ -	\$ -	\$ 6,443,426	\$ 6,443,426
Nonspendable					
Prepaid Items	80,570	-	-	(80,570)	-
Restricted					
Retirement	-	-	315,849	-	315,849
Capital Projects	86,769	-	-	-	86,769
Working Cash	-	-	50,000	-	50,000
Library	39,309	-	510,217	-	549,526
Unrestricted					
Assigned	-	2,373,298	384,550	-	2,757,848
Unassigned (Deficit)	2,508,156	-	-	(1,790,105)	718,051
Total Fund Balances	2,714,804	2,373,298	1,260,616	4,572,751	10,921,469
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
	\$ 7,071,142	\$ 2,382,412	\$ 1,830,041	\$ 6,874,071	\$ 18,157,666

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

DISCRETELY PRESENTED COMPONENT UNIT - CRYSTAL LAKE PUBLIC LIBRARY
STATEMENT OF ACTIVITIES AND STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES

For the Year Ended April 30, 2020

	General Operating Fund	Special Reserve	Nonmajor Governmental	Adjustments	Statement of Activities
REVENUES					
Property Tax	\$ 4,100,314	\$ -	\$ 479,481	\$ -	\$ 4,579,795
Intergovernmental	50,929	-	-	-	50,929
Fines and Forfeitures	104,335	-	-	-	104,335
Investment Income	78,721	48,258	31,044	-	158,023
Rental Income	-	-	114,208	-	114,208
Miscellaneous	13,428	-	84,903	-	98,331
Total Revenues	4,347,727	48,258	709,636	-	5,105,621
EXPENDITURES					
Current					
Culture and Recreation	3,969,333	67,698	597,972	445,792	5,080,795
Capital Outlay	43,246	-	-	(43,246)	-
Total Expenditures	4,012,579	67,698	597,972	402,546	5,080,795
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	335,148	(19,440)	111,664	(402,546)	24,826
OTHER FINANCING SOURCES (USES)					
Transfers In	3,388	342,675	-	(346,063)	-
Transfers (Out)	(342,675)	-	(3,388)	346,063	-
Total Other Financing Sources (Uses)	(339,287)	342,675	(3,388)	-	-
NET CHANGE IN FUND BALANCES	(4,139)	323,235	108,276	(402,546)	24,826
FUND BALANCES, MAY 1	2,690,531	2,025,728	1,152,340	4,975,297	10,843,896
Prior Period Adjustment	28,412	24,335	-	-	52,747
FUND BALANCES, MAY 1 (RESTATED)	2,718,943	2,050,063	1,152,340	4,975,297	10,896,643
FUND BALANCES, APRIL 30	\$ 2,714,804	\$ 2,373,298	\$ 1,260,616	\$ 4,572,751	\$ 10,921,469

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

DISCRETELY PRESENTED COMPONENT UNIT - CRYSTAL LAKE PUBLIC LIBRARY
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 GENERAL OPERATING FUND

For the Year Ended April 30, 2020

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property Taxes	\$ 4,108,500	\$ 4,108,500	\$ 4,100,314	\$ (8,186)
Intergovernmental	101,858	101,858	50,929	(50,929)
Fines and Forfeitures	99,470	99,470	104,335	4,865
Investment Income	15,000	15,000	78,721	63,721
Miscellaneous	984	984	13,428	12,444
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	4,325,812	4,325,812	4,347,727	21,915
EXPENDITURES				
Current				
Culture and Recreation				
Personnel Services	3,165,093	3,165,093	2,973,307	(191,786)
Contracted Services	524,171	524,171	491,368	(32,803)
Materials and Supplies	584,350	584,350	504,658	(79,692)
Capital Outlay	112,444	112,444	43,246	(69,198)
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	4,386,058	4,386,058	4,012,579	(373,479)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	<hr/>	<hr/>	<hr/>	<hr/>
	(60,246)	(60,246)	335,148	395,394
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	3,388	3,388
Transfers (Out)	-	-	(342,675)	(342,675)
	<hr/>	<hr/>	<hr/>	<hr/>
Total Other Financing Sources (Uses)	-	-	(339,287)	(339,287)
NET CHANGE IN FUND BALANCE				
	<hr/>	<hr/>	<hr/>	<hr/>
	\$ (60,246)	\$ (60,246)	(4,139)	\$ 56,107
FUND BALANCE, MAY 1				
			2,690,531	
Prior Period Adjustment			<hr/>	28,412
FUND BALANCE, MAY 1 (RESTATED)				
			<hr/>	2,718,943
FUND BALANCE, APRIL 30				
			<hr/>	<hr/>
			\$	2,714,804

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

DISCRETELY PRESENTED COMPONENT UNIT - CRYSTAL LAKE PUBLIC LIBRARY
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL RESERVE FUND (SPECIAL REVENUE FUND)

For the Year Ended April 30, 2020

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Investment Income	\$ -	\$ -	\$ 48,258	\$ 48,258
Total Revenues	-	-	48,258	48,258
EXPENDITURES				
Current				
Culture and Recreation				
Contracted Services	169,000	169,000	67,698	(101,302)
Capital Outlay	1,856,292	1,856,292	-	(1,856,292)
Total Expenditures	2,025,292	2,025,292	67,698	(1,957,594)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,025,292)	(2,025,292)	(19,440)	2,005,852
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	342,675	342,675
Total Other Financing Sources (Uses)	-	-	342,675	342,675
NET CHANGE IN FUND BALANCE	\$ (2,025,292)	\$ (2,025,292)	323,235	\$ 2,348,527
FUND BALANCE, MAY 1			2,025,728	
Prior Period Adjustment			24,335	
FUND BALANCE, MAY 1 (RESTATED)			2,050,063	
FUND BALANCE, APRIL 30			\$ 2,373,298	

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

DISCRETELY PRESENTED COMPONENT UNIT - CRYSTAL LAKE PUBLIC LIBRARY
 COMBINING BALANCE SHEET
 NONMAJOR LIBRARY FUNDS

For the Year Ended April 30, 2020

	Special Revenue Funds			
	Gift and Memorial	Ames	IMRF	FICA
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
ASSETS				
Cash and Investments	\$ 126,078	\$ 378,737	\$ 191,065	\$ 141,380
Receivables				
Property Taxes, Net	-	-	277,401	198,239
Accrued Interest	-	5,402	669	-
Due from Primary Government	-	-	-	-
Total Assets	126,078	384,139	469,135	339,619
DEFERRED OUTFLOWS OF RESOURCES				
None	-	-	-	-
Total Deferred Outflows of Resources	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 126,078	\$ 384,139	\$ 469,135	\$ 339,619
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accrued Payroll	\$ -	\$ -	\$ 10,779	\$ 6,004
Deposits	-	-	-	-
Due to Other Funds	-	-	110	372
Total Liabilities	-	-	10,889	6,376
DEFERRED INFLOWS OF RESOURCES				
Deferred Revenue - Property Tax	-	-	277,401	198,239
Total Deferred Inflows of Resources	-	-	277,401	198,239
Total Liabilities and Deferred Inflows of Resources	-	-	288,290	204,615
FUND BALANCES				
Restricted	126,078	384,139	180,845	135,004
Assigned	-	-	-	-
Total Fund Balances	126,078	384,139	180,845	135,004
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 126,078	\$ 384,139	\$ 469,135	\$ 339,619

Capital Project Fund	Permanent Fund	
Public Library Construction and Repair	Working Cash	Total
\$ 393,684	\$ 52,262	\$ 1,283,206
-	-	475,640
4,583	1,126	11,780
59,415	-	59,415
457,682	53,388	1,830,041
-	-	-
-	-	-
\$ 457,682	\$ 53,388	\$ 1,830,041
\$ 60,147	\$ -	\$ 76,930
12,985	-	12,985
-	3,388	3,870
73,132	3,388	93,785
-	-	475,640
-	-	475,640
73,132	3,388	569,425
-	50,000	876,066
384,550	-	384,550
384,550	50,000	1,260,616
\$ 457,682	\$ 53,388	\$ 1,830,041

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

DISCRETELY PRESENTED COMPONENT UNIT - CRYSTAL LAKE PUBLIC LIBRARY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE
 NONMAJOR LIBRARY FUNDS

For the Year Ended April 30, 2020

	Special Revenue Funds			
	Gift and Memorial	Ames	IMRF	FICA
REVENUES				
Property Tax	\$ -	\$ -	\$ 279,642	\$ 199,839
Investment Income	-	11,218	5,395	3,891
Rental Income	-	-	-	-
Miscellaneous	25,334	-	-	-
Total Revenues	25,334	11,218	285,037	203,730
EXPENDITURES				
Culture and Recreation				
Personnel	-	-	289,127	187,497
Contractual	3,376	-	-	-
Materials and Supplies	7,120	-	-	-
Total Expenditures	10,496	-	289,127	187,497
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	14,838	11,218	(4,090)	16,233
OTHER FINANCING SOURCES (USES)				
Transfers (Out)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
NET CHANGE IN FUND BALANCES	14,838	11,218	(4,090)	16,233
FUND BALANCES, MAY 1	111,240	372,921	184,935	118,771
FUND BALANCES, APRIL 30	\$ 126,078	\$ 384,139	\$ 180,845	\$ 135,004

Capital Project Fund	Permanent Fund	
Public Library Construction and Repair	Working Cash	Total
\$ -	\$ -	\$ 479,481
8,464	2,076	31,044
114,208	-	114,208
59,569	-	84,903
182,241	2,076	709,636
-	-	476,624
110,852	-	114,228
	-	7,120
110,852	-	597,972
71,389	2,076	111,664
-	(3,388)	(3,388)
-	(3,388)	(3,388)
71,389	(1,312)	108,276
313,161	51,312	1,152,340
\$ 384,550	\$ 50,000	\$ 1,260,616

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

DISCRETELY PRESENTED COMPONENT UNIT - CRYSTAL LAKE PUBLIC LIBRARY
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 GIFT AND MEMORIAL FUND

For the Year Ended April 30, 2020

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Miscellaneous Income	\$ 20,000	\$ 20,000	\$ 25,334	\$ 5,334
Total Revenues	20,000	20,000	25,334	5,334
EXPENDITURES				
Culture and Recreation				
Contractual	114,932	114,932	3,376	(111,556)
Supplies and Materials	2,543	2,543	7,120	4,577
Total Expenditures	117,475	117,475	10,496	(106,979)
NET CHANGE IN FUND BALANCE	<u>\$ (97,475)</u>	<u>\$ (97,475)</u>	14,838	<u>\$ 112,313</u>
FUND BALANCE, MAY 1			<u>111,240</u>	
FUND BALANCE, APRIL 30			<u><u>\$ 126,078</u></u>	

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

DISCRETELY PRESENTED COMPONENT UNIT - CRYSTAL LAKE PUBLIC LIBRARY
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 IMRF FUND

For the Year Ended April 30, 2020

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property Taxes	\$ 280,195	\$ 280,195	\$ 279,642	\$ (553)
Interest Income	-	-	5,395	5,395
Total Revenues	280,195	280,195	285,037	4,842
EXPENDITURES				
Culture and Recreation				
Personnel Services	280,195	280,195	289,127	8,932
Total Expenditures	280,195	280,195	289,127	8,932
NET CHANGE IN FUND BALANCE	\$ -	\$ -	(4,090)	\$ (4,090)
FUND BALANCE, MAY 1			<u>184,935</u>	
FUND BALANCE, APRIL 30			<u>\$ 180,845</u>	

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

DISCRETELY PRESENTED COMPONENT UNIT - CRYSTAL LAKE PUBLIC LIBRARY
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FICA FUND

For the Year Ended April 30, 2020

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property Taxes	\$ 200,236	\$ 200,236	\$ 199,839	\$ (397)
Interest Income	-	-	3,891	3,891
Total Revenues	200,236	200,236	203,730	3,494
EXPENDITURES				
Culture and Recreation				
Personnel Services	200,236	200,236	187,497	(12,739)
Total Expenditures	200,236	200,236	187,497	(12,739)
NET CHANGE IN FUND BALANCE	\$ -	\$ -	16,233	\$ 16,233
FUND BALANCE, MAY 1			118,771	
FUND BALANCE, APRIL 30			\$ 135,004	

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

**DISCRETELY PRESENTED COMPONENT UNIT - CRYSTAL LAKE PUBLIC LIBRARY
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
PUBLIC LIBRARY CONSTRUCTION AND REPAIR FUND**

For the Year Ended April 30, 2020

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Interest	\$ -	\$ -	\$ 8,464	\$ 8,464
Rental Income	135,276	135,276	114,208	(21,068)
Miscellaneous	-	-	59,569	59,569
Total Revenues	<u>135,276</u>	<u>135,276</u>	<u>182,241</u>	<u>46,965</u>
EXPENDITURES				
Culture and Recreation				
Contractual Services	<u>311,440</u>	<u>311,440</u>	<u>110,852</u>	<u>(200,588)</u>
Total Expenditures	<u>311,440</u>	<u>311,440</u>	<u>110,852</u>	<u>(200,588)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (176,164)</u>	<u>\$ (176,164)</u>	<u>71,389</u>	<u>\$ 247,553</u>
FUND BALANCE, MAY 1			<u>313,161</u>	
FUND BALANCE, APRIL 30			<u>\$ 384,550</u>	

(See independent auditor's report.)

STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of Crystal Lake, Illinois' comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information displays about the City's overall financial health.

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have been changed over time.	146-155
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	156-159
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	160-163
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	164-165
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	166-168

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

CITY OF CRYSTAL LAKE, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years

Fiscal Year	2011	2012	2013	2014
GOVERNMENTAL ACTIVITIES				
Net Investment in Capital Assets	\$146,630,784	\$ 151,485,526	\$ 164,606,919	\$ 166,610,233
Restricted	12,072,057	10,050,248	8,563,063	9,326,916
Unrestricted (Deficit)	26,752,202	22,599,394	20,479,784	17,142,358
TOTAL GOVERNMENTAL ACTIVITIES	\$ 185,455,043	\$ 184,135,168	\$ 193,649,766	\$ 193,079,507
BUSINESS-TYPE ACTIVITIES				
Net Investment in Capital Assets	\$ 50,388,323	\$ 51,149,367	\$ 47,890,962	\$ 43,238,913
Restricted	-	-	-	-
Unrestricted	3,963,636	3,360,482	8,600,766	11,414,079
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 54,351,959	\$ 54,509,849	\$ 56,491,728	\$ 54,652,992
PRIMARY GOVERNMENT				
Net Investment in Capital Assets	\$ 197,019,107	\$ 202,634,893	\$ 212,497,881	\$ 209,849,146
Restricted	12,072,057	10,050,248	8,563,063	9,326,916
Unrestricted (Deficit)	30,715,838	25,959,876	29,080,550	28,556,437
TOTAL PRIMARY GOVERNMENT	\$ 239,807,002	\$ 238,645,017	\$ 250,141,494	\$ 247,732,499

*The City implemented GASB Statement No. 68 in 2016.

Data Source

Audited Financial Statements

2015	2016*	2017	2018	2019	2020
\$ 169,307,809	\$ 173,957,143	\$ 176,078,381	\$ 175,911,065	\$ 173,931,309	\$ 174,038,413
8,310,611	7,095,286	7,369,493	8,417,145	8,500,749	9,379,343
16,387,714	(15,551,944)	(20,991,234)	(27,233,715)	(26,053,960)	(31,443,463)
<u>\$ 194,006,134</u>	<u>\$ 165,500,485</u>	<u>\$ 162,456,640</u>	<u>\$ 157,094,495</u>	<u>\$ 156,378,098</u>	<u>\$ 151,974,293</u>
\$ 45,482,321	\$ 44,805,894	\$ 44,551,283	\$ 44,397,118	\$ 44,395,007	\$ 49,163,769
-	-	-	-	-	-
6,465,993	5,786,960	6,510,946	7,018,743	8,979,964	8,040,946
<u>\$ 51,948,314</u>	<u>\$ 50,592,854</u>	<u>\$ 51,062,229</u>	<u>\$ 51,415,861</u>	<u>\$ 53,374,971</u>	<u>\$ 57,204,715</u>
\$ 214,790,130	\$ 218,763,037	\$ 220,629,664	\$ 220,308,183	\$ 218,326,316	\$ 223,202,182
8,310,611	7,095,286	7,369,493	8,417,145	8,500,749	9,379,343
22,853,707	(9,764,984)	(14,480,288)	(20,214,972)	(17,073,996)	(23,402,517)
<u>\$ 245,954,448</u>	<u>\$ 216,093,339</u>	<u>\$ 213,518,869</u>	<u>\$ 208,510,356</u>	<u>\$ 209,753,069</u>	<u>\$ 209,179,008</u>

CITY OF CRYSTAL LAKE, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	2011	2012	2013	2014
EXPENSES				
Governmental Activities				
General Government	\$ 7,646,123	\$ 10,447,524	\$ 8,982,683	\$ 9,433,013
Public Health and Safety	21,620,519	24,157,329	23,061,425	23,491,319
Public Works	7,892,328	7,848,907	7,755,990	8,923,262
Culture and Recreation	1,482,797	1,400,906	1,020,428	1,020,029
Interest	663,220	625,751	773,768	629,055
Total Governmental Activities Expenses	39,304,987	44,480,417	41,594,294	43,496,678
BUSINESS-TYPE ACTIVITIES				
Waterworks and Sewerage	9,399,817	9,907,476	10,092,510	11,573,150
Total Business-Type Activities Expenses	9,399,817	9,907,476	10,092,510	11,573,150
TOTAL PRIMARY GOVERNMENT EXPENSES	\$ 48,704,804	\$ 54,387,893	\$ 51,686,804	\$ 55,069,828
PROGRAM REVENUES				
Governmental Activities				
Charges for Services				
General Government	\$ 955,184	\$ 1,001,950	\$ 1,154,208	\$ 1,137,583
Public Health and Safety	3,149,558	3,656,295	3,592,630	3,542,573
Public Works	232,567	240,339	247,139	232,521
Culture and Recreation	93,247	488,712	445,580	407,383
Operating Grants and Contributions				
Public Works	1,305,141	1,178,089	1,342,940	1,206,621
Other Activities	253,015	132,808	636,459	111,147
Capital Grants and Contributions				
Public Works	981,926	3,723,623	2,023,692	142,398
Other Activities	11,016	-	262,863	359,298
Total Governmental Activities Program Revenues	6,981,654	10,421,816	9,705,511	7,139,524
Business-Type Activities				
Charges for Services				
Waterworks and Sewerage	7,900,283	8,230,935	11,127,180	9,231,762
Operating Grants and Contributions	-	-	-	-
Capital Grants and Contributions	15,683	101,311	65,842	167,250
Total Business-Type Activities Program Revenues	7,915,966	8,332,246	11,193,022	9,399,012
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	\$ 14,897,620	\$ 18,754,062	\$ 20,898,533	\$ 16,538,536

	2015	2016*	2017	2018	2019	2020
\$	9,219,290	\$ 9,453,754	\$ 9,186,944	\$ 9,480,281	\$ 8,975,593	\$ 10,132,372
	23,670,546	25,243,996	28,675,754	28,257,439	28,418,257	30,628,583
	9,738,091	11,137,715	8,803,178	9,075,738	10,526,101	10,577,802
	1,045,576	1,158,493	1,202,081	1,240,815	1,316,230	1,295,958
	531,492	472,785	434,677	395,280	357,479	295,700
	44,204,995	47,466,743	48,302,634	48,449,553	49,593,660	52,930,415
	12,584,450	11,161,179	10,911,625	11,871,081	12,508,300	13,345,604
	12,584,450	11,161,179	10,911,625	11,871,081	12,508,300	13,345,604
\$	56,789,445	\$ 58,627,922	\$ 59,214,259	\$ 60,320,634	\$ 62,101,960	\$ 66,276,019
\$	1,185,748	\$ 1,015,508	\$ 1,151,113	\$ 1,278,712	\$ 1,769,715	\$ 1,221,025
	3,888,838	3,907,398	4,548,947	4,675,869	4,759,684	4,815,622
	234,750	240,659	216,074	227,659	207,974	440,929
	406,991	494,003	626,341	652,572	637,618	399,884
	1,446,094	3,371,612	1,064,996	1,072,190	1,076,674	2,008,677
	658,469	275,424	240,876	169,325	318,273	28,361
	1,226,760	2,627,832	305,691	1,023,140	488,055	120,168
	243,238	2,076	23,132	4,370	4,638	758,751
	9,290,888	11,934,512	8,177,170	9,103,837	9,262,631	9,793,417
	9,411,316	10,048,556	11,182,267	11,967,058	13,953,200	14,279,570
	-	-	-	3,500	-	-
	312,550	849,507	113,616	-	-	69,920
	9,723,866	10,898,063	11,295,883	11,970,558	13,953,200	14,349,490
\$	19,014,754	\$ 22,832,575	\$ 19,473,053	\$ 21,074,395	\$ 23,215,831	\$ 24,142,907

CITY OF CRYSTAL LAKE, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

Fiscal Year	2011	2012	2013	2014
NET (EXPENSE) REVENUE				
Governmental Activities	\$ (32,323,333)	\$ (34,058,601)	\$ (31,888,783)	\$ (36,357,154)
Business-Type Activities	(1,483,851)	(1,575,230)	1,100,512	(2,174,138)
TOTAL PRIMARY GOVERNMENT NET (EXPENSE) REVENUE	\$ (33,807,184)	\$ (35,633,831)	\$ (30,788,271)	\$ (38,531,292)
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental Activities				
Taxes				
Property	\$ 11,880,834	\$ 11,061,961	\$ 11,327,721	\$ 11,165,180
Home Rule	4,574,657	4,710,538	4,756,678	5,000,073
Auto Rental	29,429	35,281	36,185	43,174
Franchise Fees - Cable	566,979	604,233	640,472	645,315
Telecommunications	1,693,257	1,824,479	1,746,976	1,559,980
Hotel/Other	251,417	281,817	278,356	272,587
Intergovernmental				
Replacement	154,893	139,013	142,418	152,358
State Sales and Use	10,200,357	10,736,957	10,662,042	11,326,567
Income	3,079,075	3,451,994	3,854,999	3,890,892
Investment Income	974,115	367,609	354,263	213,842
Miscellaneous	782,343	1,222,460	814,168	1,504,447
Release of Commitment of SSA Debt	-	-	8,155,975	-
Transfers	(1,252,036)	(1,697,616)	(848,275)	12,480
Total Governmental Activities	32,935,320	32,738,726	41,921,978	35,786,895
Business-Type Activities				
Investment Income	48,105	5,062	2,382	40,184
Miscellaneous	(2,751)	30,442	30,710	307,698
Other Tax	-	-	-	-
Connection Charges	-	-	-	-
Rental Income	-	-	-	-
Transfers	1,252,036	1,697,616	848,275	(12,480)
Total Business-Type Activities	1,297,390	1,733,120	881,367	335,402
TOTAL PRIMARY GOVERNMENT	\$ 34,232,710	\$ 34,471,846	\$ 42,803,345	\$ 36,122,297
CHANGE IN NET POSITION				
Governmental Activities	\$ 611,987	\$ (1,319,875)	\$ 10,033,195	\$ (570,259)
Business-Type Activities	(186,461)	157,890	1,981,879	(1,838,736)
TOTAL PRIMARY GOVERNMENT CHANGE IN NET POSITION	\$ 425,526	\$ (1,161,985)	\$ 12,015,074	\$ (2,408,995)

*The City implemented GASB Statement No. 68 in 2016.

Data Source

Audited Financial Statements

	2015	2016*	2017	2018	2019	2020
\$	(34,914,107)	\$ (35,532,231)	\$ (40,125,464)	\$ (39,345,716)	\$ (40,331,029)	\$ (43,136,998)
	(2,860,584)	(263,116)	384,258	99,477	1,444,900	1,003,886
\$	(37,774,691)	\$ (35,795,347)	\$ (39,741,206)	\$ (39,246,239)	\$ (38,886,129)	\$ (42,133,112)
\$	11,054,823	\$ 13,424,456	\$ 12,368,764	\$ 12,499,058	\$ 12,985,292	\$ 13,034,033
	5,084,373	5,040,729	5,078,986	5,159,592	5,403,739	5,296,696
	47,986	42,515	43,751	40,230	43,839	42,370
	692,094	790,182	615,070	728,314	670,865	700,274
	1,381,207	1,276,159	1,155,832	1,076,925	988,663	829,847
	298,471	301,467	357,772	408,156	393,659	1,478,225
	156,255	133,431	160,573	147,318	140,488	153,893
	11,903,296	12,103,709	12,310,138	12,595,524	13,321,347	13,315,600
	4,104,684	4,167,471	3,841,569	3,707,369	4,215,078	4,008,499
	179,247	470,909	484,987	334,737	1,036,053	1,317,219
	938,298	1,170,199	664,177	920,423	498,526	2,295,775
	-	-	-	-	-	-
	-	-	-	-	(82,917)	-
	35,840,734	38,921,227	37,081,619	37,617,646	39,614,632	42,472,431
	39,673	79,071	(12,899)	(3,132)	283,436	578,038
	116,233	209,444	98,016	257,285	147,859	297,458
	-	-	-	-	-	1,000,000
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	82,917	-
	155,906	288,515	85,117	254,153	514,212	1,875,496
\$	35,996,640	\$ 39,209,742	\$ 37,166,736	\$ 37,871,799	\$ 40,128,844	\$ 44,347,927
\$	926,627	\$ 3,388,996	\$ (3,043,845)	\$ (1,728,070)	\$ (716,397)	\$ (664,567)
	(2,704,678)	25,399	469,375	353,630	1,959,112	2,879,382
\$	(1,778,051)	\$ 3,414,395	\$ (2,574,470)	\$ (1,374,440)	\$ 1,242,715	\$ 2,214,815

CITY OF CRYSTAL LAKE, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2011	2012*	2013	2014
GENERAL FUND				
Nonspendable	\$ 2,859,443	\$ 2,910,564	\$ 2,845,081	\$ 3,237,798
Committed	-	-	-	-
Unrestricted				
Assigned	3,000,000	2,452,902	3,660,817	2,419,158
Unassigned	15,338,381	12,539,460	11,123,805	10,024,692
TOTAL GENERAL FUND	\$ 21,197,824	\$ 17,902,926	\$ 17,629,703	\$ 15,681,648
ALL OTHER GOVERNMENTAL FUNDS				
Nonspendable	\$ 174,629	\$ 150,365	\$ 82,460	\$ 429
Restricted	10,611,463	10,052,009	8,566,087	9,676,061
Committed	-	-	-	-
Unrestricted				
Assigned	12,968,785	11,208,998	10,064,518	8,921,536
Unassigned (Deficit)	(1,320,727)	(1,798,831)	(1,844,949)	(2,039,724)
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 22,434,150	\$ 19,612,541	\$ 16,868,116	\$ 16,558,302

Data Source

Audited Financial Statements

2015	2016	2017	2018	2019	2020
\$ 1,578,916	\$ 1,807,119	\$ 2,295,685	\$ 2,455,422	\$ 2,513,094	\$ 3,146,413
3,128	3,128	3,128	3,796	37,611	122,612
3,615,389	1,082,174	2,584,111	1,848,473	2,620,028	3,632,706
7,820,204	10,224,095	9,616,898	11,533,098	14,172,882	15,479,489
<u>\$ 13,017,637</u>	<u>\$ 13,116,516</u>	<u>\$ 14,499,822</u>	<u>\$ 15,840,789</u>	<u>\$ 19,343,615</u>	<u>\$ 22,381,220</u>
\$ 7,392	\$ 7,860	\$ 4,923	\$ 46,355	\$ 47,313	\$ 7,868
8,995,527	7,781,945	7,910,749	8,883,168	9,060,963	9,379,343
-	-	-	-	253,534	332,702
8,588,879	9,645,831	7,044,977	6,069,668	5,871,826	6,649,886
(1,621)	-	-	-	-	-
<u>\$ 17,590,177</u>	<u>\$ 17,435,636</u>	<u>\$ 14,960,649</u>	<u>\$ 14,999,191</u>	<u>\$ 15,233,636</u>	<u>\$ 16,369,799</u>

CITY OF CYRSTAL LAKE, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2011	2012	2013	2014
REVENUES				
Charges for Services	\$ 3,360,819	\$ 4,252,140	\$ 4,151,306	\$ 3,976,998
Licenses and Permits	571,338	603,915	681,467	689,030
Intergovernmental	15,699,908	18,468,845	18,897,440	17,210,359
Fines and Forfeitures	615,032	681,590	581,230	593,493
Property Taxes	11,880,834	11,061,961	11,327,721	11,165,179
Other Taxes	7,401,254	8,349,987	7,458,667	7,521,129
Developer Donations	-	-	-	-
Investment Income	974,114	367,608	354,263	213,846
Miscellaneous	686,785	1,128,819	865,199	1,595,211
Total Revenues	41,190,084	44,914,865	44,317,293	42,965,245
EXPENDITURES				
General Government	7,196,049	7,325,941	8,134,756	8,442,528
Public Health and Safety	19,821,689	21,396,677	21,638,535	22,065,741
Public Works	5,949,059	5,439,262	5,962,709	5,908,318
Culture and Recreation	1,124,645	546,814	550,698	542,720
Debt Service				
Principal	1,305,074	1,460,345	1,343,197	1,325,384
Interest	1,216,578	1,060,370	974,494	579,843
Capital Outlay	10,016,441	12,104,347	8,723,799	6,371,060
Total Expenditures	46,629,535	49,333,756	47,328,188	45,235,594
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(5,439,451)	(4,418,891)	(3,010,895)	(2,270,349)
OTHER FINANCING SOURCES (USES)				
Transfers In	4,265,805	15,343,341	6,354,136	8,751,359
Transfers (Out)	(5,517,841)	(17,040,957)	(7,273,393)	(8,738,879)
Bonds Issued	-	-	3,389,792	-
Premium (Discount) on Bonds Issued	-	-	123,227	-
Payment to Refunded Bond Escrow	-	-	(2,600,517)	-
Capital Lease Issued	-	-	-	-
Proceeds From Sale of Capital Assets	-	-	-	-
Total Other Financing Sources (Uses)	(1,252,036)	(1,697,616)	(6,755)	12,480
NET CHANGE IN FUND BALANCES	\$ (6,691,487)	\$ (6,116,507)	\$ (3,017,650)	\$ (2,257,869)
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	6.86%	6.10%	5.78%	4.50%

	2015	2016	2017	2018	2019	2020
\$	4,255,331	\$ 4,561,965	\$ 5,259,621	\$ 5,264,409	\$ 5,567,308	\$ 5,239,878
	594,261	546,408	626,878	659,908	887,689	899,643
	19,178,195	22,510,761	17,740,346	18,841,214	18,972,402	19,559,437
	1,186,481	715,857	687,186	520,692	465,779	462,293
	11,054,823	13,424,456	12,368,764	12,499,057	12,985,292	13,034,033
	7,504,131	7,451,052	7,251,411	7,317,786	7,500,765	8,347,412
	-	-	-	-	-	410,527
	179,247	470,909	484,987	334,734	1,036,053	1,317,219
	1,037,793	1,232,711	943,772	1,350,750	1,611,094	2,629,098
	44,990,262	50,914,119	45,362,965	46,788,550	49,026,382	51,899,540
	8,433,073	8,013,493	8,176,893	8,312,721	8,212,507	9,121,535
	22,521,524	23,852,909	23,956,258	24,143,224	25,231,400	25,551,179
	8,248,411	7,333,376	7,122,954	5,426,131	5,761,105	5,948,684
	563,450	618,351	736,944	723,546	743,393	661,596
	1,338,673	1,383,967	1,426,983	1,447,120	1,496,632	9,975,381
	545,577	589,605	475,339	479,218	411,984	228,933
	4,943,965	9,178,080	4,559,275	4,877,081	3,491,356	6,150,077
	46,594,673	50,969,781	46,454,646	45,409,041	45,348,377	57,637,385
	(1,604,411)	(55,662)	(1,091,681)	1,379,509	3,678,005	(5,737,845)
	10,011,992	9,006,449	7,315,265	6,702,316	3,098,328	6,609,374
	(10,039,717)	(9,006,449)	(7,315,265)	(6,702,316)	(3,098,328)	(6,609,374)
	-	-	-	-	-	7,954,054
	-	-	-	-	-	787,327
	-	-	-	-	-	-
	-	-	-	-	59,266	813,338
	-	-	-	-	-	52,807
	(27,725)	-	-	-	59,266	9,607,526
\$	(1,632,136)	\$ (55,662)	\$ (1,091,681)	\$ 1,379,509	\$ 3,737,271	\$ 3,869,681
	4.39%	4.20%	4.42%	4.27%	4.20%	18.72%

CITY OF CRYSTAL LAKE, ILLINOIS

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	Farm Property	Residential Property	Commercial Property	Industrial Property	Mineral Property	Rail Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Percentage of Assessed Value
2010	\$ 1,437,002	\$ 917,883,229	\$ 312,815,076	\$ 81,683,777	\$ 451,126	\$ 862,324	\$ 1,315,132,534	0.7574	\$ 3,945,397,602	33.33%
2011	1,457,426	851,992,597	272,387,226	70,992,705	779,823	914,093	1,198,523,870	0.8590	3,595,571,610	33.33%
2012	2,406,232	770,473,587	246,203,281	64,005,237	784,880	1,030,667	1,084,903,884	0.9797	3,254,711,652	33.33%
2013	2,266,748	706,627,435	222,999,035	57,052,844	766,260	1,268,185	990,980,507	1.1786	2,972,941,521	33.33%
2014	1,275,219	682,859,738	215,592,383	56,205,928	766,260	1,320,683	958,020,211	1.2351	2,874,060,633	33.33%
2015	1,404,385	699,260,973	217,281,136	59,020,112	844,076	1,581,706	979,392,388	1.2130	2,938,177,164	33.33%
2016	1,526,396	740,647,736	228,349,107	61,366,135	844,076	1,608,116	1,034,341,566	1.1485	3,103,024,698	33.33%
2017	1,622,445	786,070,587	235,117,515	64,679,519	844,076	1,639,399	1,089,973,541	1.1452	3,269,920,623	33.33%
2018	1,761,344	830,734,889	246,047,143	66,264,371	1,465,540	1,760,154	1,148,033,441	1.0873	3,444,100,323	33.33%
2019	1,886,251	863,066,368	262,375,574	69,136,637	1,525,433	1,920,523	1,199,910,786	1.0879	3,599,732,358	33.33%

Note: Property in the City is assessed using a multiplier of 33.3%, therefore the estimated actual taxable values are equal to assessed value multiplied by 3. Tax rates are per \$100 of assessed

Data Source

McHenry County Clerk

CITY OF CRYSTAL LAKE, ILLINOIS

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Levy Years

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Operating:										
Municipal Retirement	0.1313	0.1372	0.1461	0.1540	0.1729	0.1761	0.1724	0.1291	0.1177	0.0804
Police Pension	0.2242	0.2083	0.2219	0.2022	0.2034	0.1952	0.1992	0.1704	0.1533	0.1401
School Cross Guard	0.0046	0.0048	0.0050	0.0053	0.0046	0.0047	0.0046	0.0023	0.0029	0.0021
Fire Protection	0.5710	0.5761	0.5992	0.6315	0.6592	0.6736	0.6280	0.5276	0.4556	0.4164
Firemen Pension	0.1569	0.1609	0.1729	0.1556	0.1729	0.1856	0.1746	0.1503	0.1295	0.1184
Total City of Crystal Lake	1.0879	1.0873	1.1452	1.1485	1.2130	1.2351	1.1786	0.9797	0.8590	0.7574
Crystal Lake Public Library	0.3897	0.3997	0.4210	0.4345	0.4589	0.4670	0.4436	0.3878	0.3471	0.3145
McHenry County	0.7868	0.8317	0.9019	1.0539	1.0781	1.1412	1.0960	0.9958	0.8879	0.7927
District 47	3.8851	3.9469	4.0463	4.1616	4.3488	4.3867	4.1626	3.7347	3.2520	2.9484
District 155	2.5236	2.5646	2.6953	2.7749	2.9060	2.9721	2.8118	2.5090	2.1864	1.9577
Debt Service:										
McHenry County	-	-	-	-	-	-	-	-	-	-
District 47	-	-	0.2143	0.2119	0.2103	0.2655	0.2446	0.2129	0.1815	0.1591
District 155	0.0466	0.0485	0.0066	0.0537	0.1196	0.1227	0.1495	0.1360	0.1115	0.0770
Other										
Total Tax Rate:										
City of Crystal Lake	1.0879	1.0873	1.1452	1.1485	1.2130	1.2351	1.1786	0.9797	0.8590	0.7574
Crystal Lake Public Library	0.3897	0.3997	0.4210	0.4345	0.4589	0.4670	0.4436	0.3878	0.3471	0.3145
McHenry County	0.7868	0.8317	0.9019	1.0539	1.0781	1.1412	1.0960	0.9958	0.8879	0.7927
District 47	3.8851	3.9469	4.2607	4.3735	4.5591	4.6522	4.4072	3.9477	3.4335	3.1075
District 155	2.5702	2.6130	2.7019	2.8286	3.0255	3.0948	2.9613	2.6450	2.2979	2.0347
Other:										
College District 528 MCC	0.3564	0.3655	0.3847	0.4066	0.4348	0.4453	0.4306	0.3921	0.3395	0.3039
McHenry County Conservation	0.2286	0.2380	0.2449	0.2588	0.2766	0.2840	0.2748	0.2481	0.2191	0.1956
Crystal Lake Park District	0.4886	0.5003	0.5178	0.5310	0.5535	0.5582	0.5193	0.4605	0.4135	0.3758
Township (Algonquin)	0.0573	0.0603	0.0638	0.0712	0.0828	0.0851	0.0821	0.0742	0.0659	0.0577
Road and Bridge (Algonquin)	0.1323	0.1417	0.1527	0.1705	0.1862	0.1913	0.1827	0.1627	0.1450	0.1270

Data Source

McHenry County Clerk.

CITY OF CRYSTAL LAKE, ILLINOIS

PRINCIPAL PROPERTY TAX PAYERS

Current Year and Nine Years Ago

Taxpayer	Type of Business	2019		2010			
		Taxable Assessed Value	Rank	Percent of Total District Taxable Assessed Value	Rank	Taxable Assessed Value	Percent of Total District Taxable Assessed Value
Skyridge Partners LLC	Residential	\$ 9,189,642	1	0.77%	1	\$ 9,819,216	0.75%
Inland Crystal Point LLC	Retail	7,343,418	2	0.61%	-	-	0.00%
Centro Bradley Crystal Lake	Retail	6,616,172	3	0.55%	2	9,623,640	0.73%
Altus Group	Commercial	6,084,747	4	0.51%	4	5,854,558	0.45%
Colfin Cobalt Industrial	Industrial	5,812,120	5	0.48%	3	7,251,908	0.55%
KPR US LLC	Industrial	5,625,575	6	0.47%	-	-	0.00%
Darlington Cunat LLC	Residential	5,473,321	7	0.46%	-	-	0.00%
Walmart Real Est Business	Retail	3,620,971	8	0.30%	-	-	0.00%
Watermark Crystal Lake	Residential	3,387,141	9	0.28%	8	3,921,813	0.30%
Inland Bohl Farm LLC	Retail	3,333,002	10	0.28%	5	4,664,364	0.35%
Northern Illinois Medical Center	Healthcare	3,099,690	11	0.26%	7	4,230,516	0.32%
Crystal Corners LLC	Retail	2,975,646	12	0.25%	11	2,937,187	0.22%
Crystal Lake LP	Retail	2,946,119	13	0.25%	9	3,584,955	0.27%
30 West Pershing LLC	Retail	2,788,248	14	0.23%	10	3,104,400	0.24%
Menard Inc	Retail	2,707,612	15	0.23%	6	4,549,014	0.35%
		<u>\$ 71,003,424</u>		<u>5.92%</u>		<u>\$ 59,541,571</u>	<u>4.53%</u>

Note: Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels and it is possible that some parcels and their valuations have been overlooked.

Data Source

McHenry County Treasurer

CITY OF CRYSTAL LAKE, ILLINOIS

PROPERTY TAX EXTENSIONS AND COLLECTIONS

Last Ten Fiscal Years

Fiscal Year Ended April 30,	Taxes Extended for the Fiscal Year	Collected Within the		Collections In Subsequent Years	Total Collections to Date	
		Fiscal Year of the Levy Amount	Percentage of Extension		Amount	Percentage of Extension
2011	\$ 10,419,656	\$ 10,400,728	99.82%	\$ -	\$ 10,400,728	99.82%
2012	9,897,101	9,879,869	99.83	-	9,879,869	99.83
2013	10,259,592	10,231,277	99.72	-	10,231,277	99.72
2014	10,588,864	10,565,666	99.78	-	10,565,666	99.78
2015	11,634,049	11,622,227	99.90	-	11,622,227	99.90
2016	11,785,312	11,765,244	99.83	-	11,765,244	99.83
2017	11,879,677	11,864,090	99.87	-	11,864,090	99.87
2018	11,879,703	11,873,307	99.95	-	11,873,307	99.95
2019	12,482,104	12,464,739	99.86	-	12,464,739	99.86
2020	12,482,131	12,456,521	99.79	-	12,456,521	99.79

Note: Above schedule excludes taxes levied and collected on special service areas. There is a two year difference between the levy year and the fiscal year for which the taxes are levied.

Data Source

McHenry County Clerk

CITY OF CRYSTAL LAKE, ILLINOIS

RATIOS OF OUTSTANDING DEBT - BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended April 30,	Governmental Activities			Business-Type Activities			Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	SSA Bonds	Capital Leases	General Obligation Bonds	Notes Payable	Capital Leases			
2011	\$ 20,564,926	\$ 8,643,000	\$ -	\$ 5,710,074	\$ 10,253,759	\$ -	\$ 45,171,759	3.57%	\$ 996
2012	19,377,905	8,409,000	-	5,201,419	9,475,287	-	42,463,611	3.73%	1,042
2013	19,053,973	-	-	8,856,825	8,676,955	-	36,587,753	3.21%	898
2014	17,707,947	-	-	26,264,962	-	-	43,972,909	3.86%	1,079
2015	16,299,470	-	-	24,398,153	-	-	40,697,623	3.58%	999
2016	14,898,250	-	-	22,411,000	1,900,000	-	39,209,250	2.73%	962
2017	13,453,551	-	-	20,364,550	10,426,422	-	44,244,523	3.11%	1,086
2018	11,988,542	-	-	18,270,226	15,537,661	-	45,796,429	3.30%	1,124
2019	10,473,372	-	54,611	16,108,783	15,235,751	59,664	41,932,181	3.02%	1,029
2020	9,339,638	-	794,276	20,301,671	14,389,153	160,682	44,985,420	3.24%	1,104

CITY OF CRYSTAL LAKE, ILLINOIS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year Ended April 30,	General Obligation Debt	Less Amounts Available in Debt Service Funds	Net Bonded Debt	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2011	\$ 26,275,000	\$ 850,866	\$ 25,424,134	1.77%	\$ 624.01
2012	24,579,324	967,874	23,611,450	1.66%	579.52
2013	27,910,798	41,803	27,868,995	2.12%	684.02
2014	43,972,909	664,234	43,308,675	3.61%	1,062.97
2015	40,697,623	656,449	40,041,174	3.69%	982.77
2016	37,309,250	607,044	36,702,206	3.70%	904.04
2017	32,965,000	535,819	32,429,181	3.39%	795.94
2018	29,505,000	470,617	29,034,383	2.81%	712.62
2019	26,582,155	380,381	26,201,774	2.28%	643.10
2020	29,641,309	263,268	29,378,041	2.45%	721.06

Notes: Population data can be found at page XX - demographic and economic statistics.
 Property value data can be found at pages XX and XX - assessed value and actual value of taxable property.

CITY OF CRYSTAL LAKE, ILLINOIS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

April 30, 2020

Governmental Unit	Bonded Debt	Applicable to the City	
		Percent	Amount
City of Crystal Lake	\$ 9,339,638	100%	\$ 93,396
Overlapping:			
College District 509	162,125,146	0.003	4,864
School District Number 155	14,835,000	40.253	5,971,533
School District Number 46	1,765,000	9.047	159,680
School District Number 200	87,116,940	1.019	887,722
School District Number 300	239,334,339	0.010	23,933
McHenry County Conservation District	75,985,000	13.613	10,343,838
Crystal Lake Park District	435,000	74.545	324,271
Huntley Park District	429,000	0.658	2,823
Total others	<u>\$ 582,025,425</u>		<u>17,718,664</u>
Total overlapping debt	<u>\$ 591,365,063</u>		<u>\$ 17,812,060</u>

CITY OF CRYSTAL LAKE, ILLINOIS

LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years

The City is a home rule municipality. To date, the General Assembly has set no limits for home-rule municipalities.

Article VII, Section 6(k) of the Illinois Constitution governs computation of the legal debt margin.

"The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home-rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property ...(2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent...indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum...shall not be included in the

CITY OF CRYSTAL LAKE, ILLINOIS

DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Fiscal Years

Fiscal Year Ended April 30,	Estimated Population (1)	Personal Income	Per Capita Personal Income (2)	School Enrollment (3)	Unemployment Rate (4)
2011	40,743	\$ 1,138,359,420	\$ 27,940	15,829	8.3%
2012	40,743	1,138,359,420	27,940	15,312	8.2%
2013	40,743	1,138,359,420	27,940	14,937	8.6%
2014	40,743	1,138,359,420	27,940	14,716	6.3%
2015	40,743	1,434,275,829	35,203	14,336	4.9%
2016	40,743	1,268,451,819	31,133	14,020	5.0%
2017	40,743	1,420,912,125	34,875	13,896	3.2%
2018	40,743	1,386,932,463	34,041	13,695	3.5%
2019	40,743	1,468,214,748	36,036	13,357	2.8%
2020	40,743	1,710,187,425	41,975	13,138	16.1% (5)

Data Sources

- (1) Link on Crystal Lake Website to Demographics Now
- (2) Retail Marketplace Profile
- (3) Elementary and High School - obtained from School Districts
- (4) IL Department of Employment Security - Local Area Unemployment Statistics
- (5) Change in Unemployment rate is attributable to closures as a result of COVID-19 and the Governor's Stay-at-Home Orders.

CITY OF CRYSTAL LAKE, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year

Employer	Employees	Rank	% of Total City Population
CL Elementary School District 47	1,528	1	3.75%
Crystal Lake School District 155	725	2	1.78%
McHenry County College	500	3	1.23%
Knaack Manufacturing	500	3	1.23%
Crystal Lake Park District	480	5	1.18%
Aptar Group	475	6	1.17%
Cardinal Health	350	7	0.86%
Walmart	350	7	0.86%
City of Crystal Lake	241	9	0.59%
Jewel Foodstores	220	10	0.54%
	<u>5,369</u>		<u>13.18%</u>

Information is not readily available for previous years.

Data Sources

Crystal Lake Website, Demographic Data and Statistics, Labor Statistics

CITY OF CRYSTAL LAKE, ILLINOIS

FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Government	37.25	37.75	38.75	38.75	39.25	40.25	43.50	43.50	45.50	46.50
Public Safety:										
Police	77.75	77.75	77.75	78.75	78.75	79.75	79.75	80.25	81.25	81.25
Fire	67.50	67.50	67.50	67.50	67.50	67.75	67.75	67.50	67.50	67.50
Highways and Streets:										
Administration	4.25	4.25	4.25	5.25	5.25	5.25	5.25	5.00	5.00	5.25
Facilities	7.00	7.00	7.00	6.50	6.50	6.50	6.50	6.50	6.50	6.50
Maintenance	17.00	17.00	18.00	18.00	18.00	19.00	20.00	19.75	19.75	21.50
Waterworks and sewerage	28.00	28.00	28.00	30.00	31.00	31.00	31.50	31.50	31.50	31.00
	238.75	239.25	241.25	244.75	246.25	249.50	254.25	254.00	257.00	259.50

Notes: Full-time equivalent employment is a unit of measure that indicates the workload of an employee. An FTE of 1.0 is equivalent to a full-time worker, while an FTE of 0.75 or 0.5 signals three-quarter or half of a full work load.

Data Source

City of Crystal Lake records

CITY OF CRYSTAL LAKE, ILLINOIS

OPERATING INDICATORS

Last Ten Fiscal Years

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Police:										
Physical arrests	769	854	838	905	935	1,010	918	979	1,089	956
Parking violations	3,228	2,339	3,310	3,742	4,131	5,406	4,569	5,018	7,171	7,019
Traffic violations	8,788	9,937	10,910	11,869	13,961	11,267	11,381	10,193	6,613	6,287
Fire:										
Number of calls answered	6,799	6,345	6,228	5,894	5,833	5,695	5,452	5,475	5,357	5,069
Inspections	853	957	981	650	833	1,104	1,060	1,077	976	879
Highways and Streets:										
Street resurfacing (miles)	10.0	6.9	6.9	8.3	6.0	6.9	8.1	8.8	6.2	3.8
Water:										
New connections	76	19	8	12	5	23	7	7	15	14
Water main breaks	21	28	19	24	18	29	34	23	34	28
Average daily consumption (millions of gallons)	4.01	3.85	3.85	3.90	3.93	3.93	4.40	4.65	4.65	4.65
Wastewater:										
Average daily sewage treatment (millions of gallons)	5.00	4.80	4.80	4.80	5.10	5.10	5.00	5.00	5.00	5.00

Data Source

City records

CITY OF CRYSTAL LAKE, ILLINOIS

CAPITAL ASSETS STATISTICS

Last Ten Fiscal Years

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Public safety:										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	19	19	19	23	23	23	23	23	23	23
Fire Stations	3	3	3	3	3	3	3	3	3	3
Highways and Streets:										
Streets (miles)	176	176	176	160	160	160	160	160	160	160
Streetlights	2,417	2,417	2,417	2,417	2,410	2,410	1,996	1,996	1,996	1,996
Traffic signals	33	33	33	33	33	33	31	31	31	31
Culture and Recreation:										
Parks acreage	1,393	1,393	1,393	1,393	1,393	1,393	1,423	1,423	1,423	1,423
Parks	45	45	45	45	45	45	46	46	46	46
Tennis courts	30	30	30	30	30	30	30	30	30	30
Community centers	8	8	8	8	8	8	8	8	8	8
Water:										
Water mains (miles)	236	230	230	230	230	230	230	226	226	226
Fire hydrants	3,122	3,122	3,122	3,114	3,095	3,095	3,095	3,110	3,110	3,110
Maximum daily capacity (million of gallons)	8.54	8.54	8.54	8.54	8.54	8.54	8.54	8.37	8.37	8.26
Sewer:										
Sanitary sewers (miles)	161	166	166	166	166	166	166	166	166	166
Storm sewers (miles)	115	114	60	60	60	60	60	60	60	60
Maximum daily treatment (millions of gallons)	20.20	20.20	19.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50

Data Source

City records



COVERAGE DECLARATIONS

Coverage Period:

November 1, 2019 to November 1, 2020

Types of Coverages	Pool Self-Insured Retention	Limits
General Liability <ul style="list-style-type: none"> ▪ Professional Liability ▪ Law Enforcement Activities ▪ Employee Benefits 	\$3,000,000	\$15,000,000
Auto Liability <ul style="list-style-type: none"> ▪ Uninsured/Underinsured Motorist 	\$3,000,000	\$15,000,000 \$50,000
Public Officials Liability <ul style="list-style-type: none"> ▪ Wrongful Acts ▪ Employment Practices 	\$3,000,000	\$15,000,000
Workers' Compensation <ul style="list-style-type: none"> ▪ Employer's Liability 	\$1,500,000	Statutory \$2,500,000
First Party Property – All Risk <ul style="list-style-type: none"> ▪ Flood Zone A/V ▪ Flood (Non-Zone A/V) ▪ Contingent Business Interruption (Sales Tax) ▪ Scheduled Emergency Vehicles-Agreed Value ▪ Boiler/Machinery 	\$ 450,000 \$1,000,000 \$450,000 \$450,000 \$100,000 \$ 150,000	\$250,000,000 per occurrence \$5,000,000 \$40,000,000 \$10,000,000 Scheduled \$50,000,000
Crime <ul style="list-style-type: none"> ▪ Employee Theft (Dishonesty) ▪ Forgery, Alteration & Counterfeit Currency ▪ Credit Card Forgery ▪ Computer Fraud ▪ Funds Transfer Fraud ▪ Personal Accts/Identity Fraud 	\$ 100,000	\$5,000,000 \$5,000,000 \$5,000,000 \$5,000,000 \$5,000,000 \$25,000
Cyber Risk <ul style="list-style-type: none"> ▪ Data Compromise/Breach Response ▪ Computer Attack System Restoration ▪ Cyber Extortion (IRMA excess \$75,000) ▪ Misdirected Payments ▪ Computer Fraud ▪ Data Compromise Liability ▪ Network Security Liability ▪ Electronic Media Liability ▪ Public Relations 	Member Deductible - \$10,000	\$1,000,000 member aggregate \$500,000 \$500,000 \$100,000 \$25,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$5,000
Public Officials Bonds <ul style="list-style-type: none"> ▪ Mayor/President, Treasurer, Clerk ▪ Special District Trustees ▪ Supplemental 	\$0	Statutory Limits As Scheduled

Yearly Aggregates	Limits
Member Annual Payment Cap (Applies to general/auto liability and public officials' liability Loss Fund Payments only)	\$6,000,000
Agency Aggregate Cap	\$72,450,588

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