



CITY OF
Crystal Lake Illinois

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED APRIL 30, 2021

CITY OF CRYSTAL LAKE, ILLINOIS

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended
April 30, 2021

Prepared by the Finance Department

Jodie Hartman
Director of Finance

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INTRODUCTORY SECTION



CITY OF
Crystal Lake
ILLINOIS

October 11, 2021

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, 2021. 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 (Comprehensive AFR) of the City of Crystal Lake for the fiscal year ended April 30, 2021.

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, 2021 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, 2021, 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 Financial 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. The City of Crystal Lake currently occupies a land area of 19.24 square miles and serves a population of 40,269 according to the 2020 Decennial Census. 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.

New construction in the residential and commercial sectors continues to add value to the City. Of particular note, Lennar, the nation's largest homebuilder, has made substantial progress on the construction on a 500-unit residential development, Woodlore Estates, on the northeast section of Crystal Lake. The Springs at Three Oaks, a 280 unit luxury apartment complex, is also underway and being completed in 2021.

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 and has slightly grown 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. In 2020, 403,199 square feet of commercial space was occupied. The Route 14 corridor provides a variety of large national tenants as well as dining options ranging from fine dining to fast casual.

The downtown sector of the City remains strong, 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, an 800-seat theatre that provides a unique draw for the downtown area as the largest performing arts theater in McHenry County.

Crystal Lake continues to be an attractive place to live and conduct business. The City is fortunate to have two Metra train stations within the corporate limits. In 2020 and early 2021, twenty-seven new businesses either occupied space, leased space, or relocated to larger buildings. The City is also home to several large auto retailers, all of which over the past few years have completed substantial renovations or expansions of their dealerships.

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 median household income is approximately 40% above the national average and approximately 33% above the State average. Over 40% of residents twenty-five or older have college degrees, compared to the State and National averages of 35% and 32% respectively.

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 15, 2020, 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's overall levy was held constant to the prior year, providing some financial relief to the residents. 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, 2021, the Police Pension plan's fiduciary net position as a percentage of the total pension liability was 62.81%. As of April 30, 2020, the Fire Pension plan's fiduciary net position as a percentage of the total pension liability was 85.55%. 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, 2020, the date of the most recent actuarial valuation, the IMRF plan's fiduciary net position as a percentage of the total pension liability was 97.05%

At the end of the current fiscal year, the City had \$42.16 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 (Comprehensive AFR) for the fiscal year ended April 30, 2020. This results in thirty-one 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 Comprehensive AFR. This report satisfied both GAAP and applicable legal requirements.

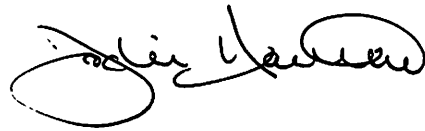
A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive AFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The City of Crystal Lake received the Distinguished Budget presentation award for the Fiscal Year 2021 Budget document for the twelfth consecutive year. 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 Adam Orton. Without the support given by the 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

MAYOR

Haig Haleblan

COUNCILMEMBERS

Ellen Brady
Ian Philpot
Cameron Hubbard

Brett Hopkins
Cathy A. Ferguson
Mandy Montford

CITY CLERK

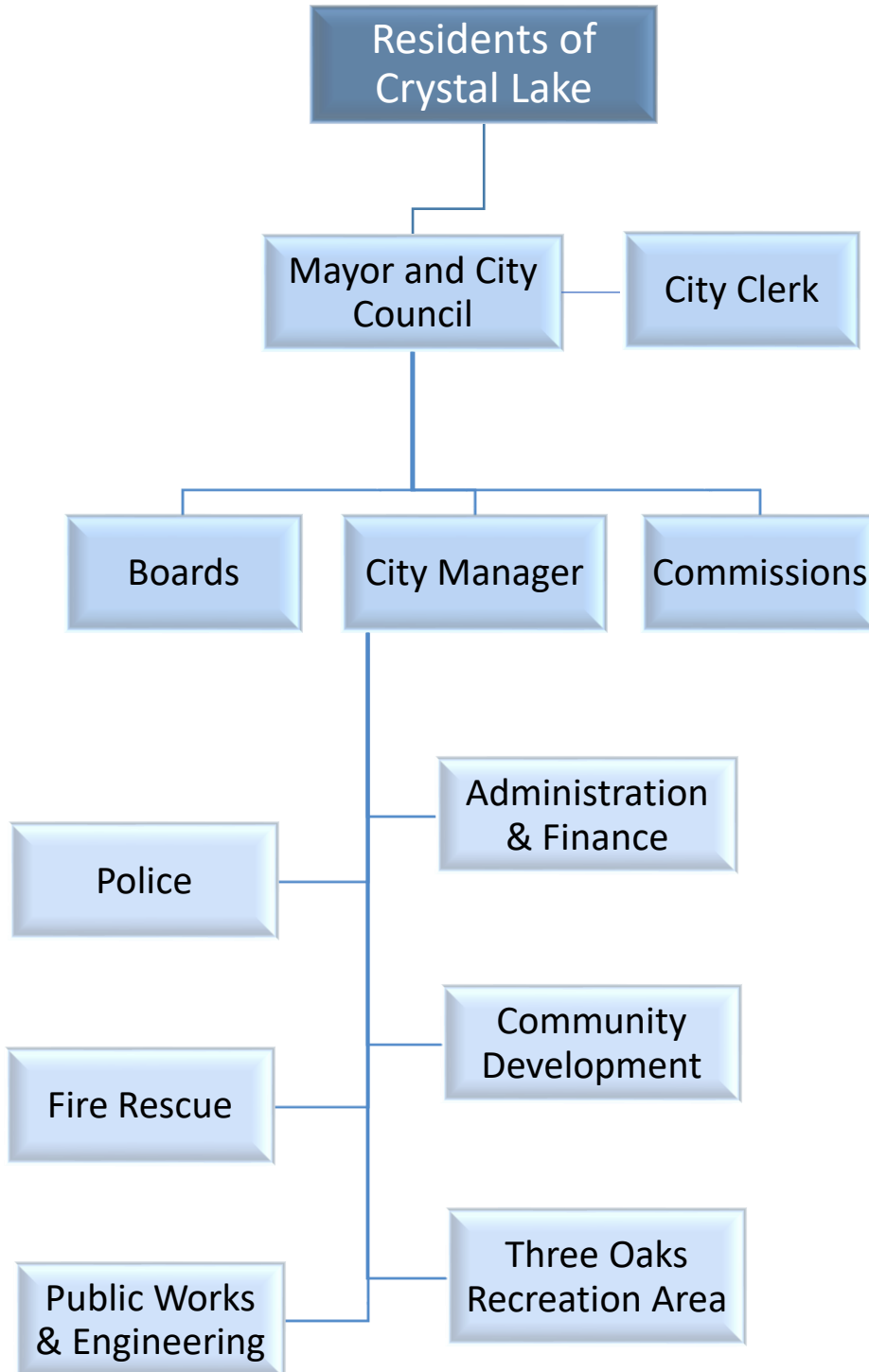
Nick Kachiroubas

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

CITY OF CRYSTAL LAKE ORGANIZATIONAL STRUCTURE





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, 2020

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, 2021, 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 1.04%, 1.46% and 0.24% 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, 2021, 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.

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 11, 2021, 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 11, 2021

**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, 2021. 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, 2021, with the difference reported as net position.

- **Net position**, excluding the Crystal Lake Public Library, was \$224.41 million.
- **Change in net position** due to activity during the year was an increase of \$15.64 million.
- **Combined revenues** totaled \$74.84 million, an increase of 9.3%
- **Combined expenses** totaled \$59.19 million, a decrease of 10.7%

GENERAL FUND

- **Revenues** for the fiscal year totaled \$35.90 million, an increase of \$2.01 million.
- **Expenditures** for the fiscal year totaled \$27.67 million, a decrease of \$169k.
- **Fund Balance** as of April 30, 2021 was \$21.76 million. The net change in fund balance due to activity during the fiscal year was a decrease of \$214k.

BUSINESS-TYPE ACTIVITIES (Waterworks and Sewerage Fund)

- **Operating revenues** for the fiscal year totaled \$13.55 million, an increase of \$137k.
- **Operating expenses** for the fiscal year totaled \$12.84 million, an increase of \$489k. Depreciation of capital assets, a non-cash expense totaling \$4.01 million, is included in the operating expenses total.

LONG-TERM DEBT

- **Bonded Debt for governmental activities outstanding** as of April 30, 2021 decreased \$829k to \$7.72 million during the year.
- **Bonded Debt for business-type activities outstanding** as of April 30, 2021 decreased \$1.52 million to \$17.60 million during the year.
- **Net Pension Liability for Public Safety Pensions** decreased \$17.57 million to \$38.87 million. This includes the liabilities for both Police and Firefighters' Pension Funds.
- **Net Pension Liability for IMRF** (non-sworn employees) decreased \$4.11million to \$1.93 million as of December 31, 2020.

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

CAPITAL INVESTMENT

- **City-wide assets**, net of depreciation, total \$269.23 million at April 30, 2021, an increase of \$5.97 million.
- **Governmental capital assets** net of depreciation increased \$4.59 million to \$188.75 million.
- **Business-type capital assets** net of depreciation increased \$1.38 million to \$80.48 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 (19) 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.

CITY OF CRYSTAL LAKE MANAGEMENT'S DISCUSSION AND ANALYSIS

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 - 12 of this report.

Proprietary funds. These funds are sometimes referred to as *business-type* funds of local government. Examples of proprietary funds are enterprise funds and internal service funds. The City maintains two proprietary funds: the Waterworks and Sewerage Fund and the Group Insurance Fund. 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 13 - 17 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 18 - 19 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 20 - 76 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 77 - 90 of this report.

Other supplementary information. This includes combining and individual fund statements and schedules, which can be found beginning on page 91 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 142.

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, 2020 and 2021**

Category	Governmental Activities		Business-type Activities		Total Primary Government	
	4/30/2021	4/30/2020	4/30/2021	4/30/2020	4/30/2021	4/30/2020
Current and other assets	\$ 69,290,954	\$ 59,394,147	\$ 17,978,049	\$ 18,200,060	\$ 87,269,003	\$ 77,594,207
Capital assets	188,753,134	184,158,729	80,476,765	79,101,542	269,229,899	263,260,271
Total assets	258,044,088	243,552,876	98,454,814	97,301,602	356,498,902	340,854,478
Deferred Outflows	7,580,080	15,449,325	1,561,531	1,464,143	9,141,611	16,913,468
Total assets & deferred outflows	265,624,168	259,002,201	100,016,345	98,765,745	365,640,513	357,767,946
Current liabilities	8,311,541	7,657,788	3,058,576	5,768,908	11,370,117	13,426,696
Long-term liabilities	60,434,142	77,076,759	34,983,377	35,071,985	95,417,519	112,148,744
Total liabilities	68,745,683	84,734,547	38,041,953	40,840,893	106,787,636	125,575,440
Deferred Inflows	32,935,044	22,293,361	1,507,223	720,137	34,442,267	23,013,498
Total liabilities & deferred inflows	101,680,727	107,027,908	39,549,176	41,561,030	141,229,903	148,588,938
Net position:						
Net Invest. In Capital Assets	177,510,754	174,038,413	52,160,171	49,163,769	229,670,925	223,202,182
Restricted	12,269,407	9,379,343	-	-	12,269,407	9,379,343
Unrestricted	(25,836,720)	(31,443,463)	8,306,998	8,040,946	(17,529,722)	(23,402,517)
Total net position	\$ 163,943,441	\$ 151,974,293	\$ 60,467,169	\$ 57,204,715	\$ 224,410,610	\$ 209,179,008

Total assets increased \$15.64 million during the year, including an increase of \$6.94 million in cash and investments due to net operations. The current year also includes an increase of \$138k for a total of \$2.77 million in the City's equity investment in Southeast Emergency Communications (SEECOM). Created by intergovernmental agreement, SEECOM is a consolidated emergency communications center which provides dispatch services and is owned in common by the City and two other municipalities. Capital assets increased \$5.97 million for the year.

Deferred outflows of resources decreased \$7.77 million over the year. This is mostly attributable to the pension items for the Police and Firefighters Pension Funds, which decreased a combined \$7.82 million due to positive investment experience during fiscal year 2021. Countering this decrease was an increase in Other Post-Employment Benefits (OPEB) of \$41k. 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. Another required deferred outflow represents the cost to retire water wells from service calculated at \$931,000.

Total liabilities decreased \$18.79 million for the year. Current liabilities decreased \$2.05 million. Long-term liabilities decreased \$16.73 million. Of this amount, the decrease to net pension liability for public safety pensions (sworn employees) totaled \$17.57 million. The net pension liability for non-sworn employees through the Illinois Municipal Retirement Fund (IMRF) decreased \$4.11 million. Also, a component of long-term liabilities, capital lease obligations increased \$2.38 million as the City continues its fleet leasing program. Outstanding bonded debt decreased \$2.35 million.

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

Deferred inflows of resources increased \$11.43 million over the year. Increases in deferred inflows for pension items accounted for most of the increase. IMRF increased \$2.37 million while the police and fire pensions saw a combined increase of \$9.14 million.

As of April 30, 2021, net position for the City was \$224.41 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 (\$12.27 million) 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, 2021 as GASB requires the City to recognize net pension liability totaling \$40.80 million at April 30, 2021 for its three pension plans and requires the City to recognize net other post-employment benefit obligations totaling \$5.54 million. The balance of unrestricted net position increased \$5.87 million from the previous fiscal year due to a reduction in pension liability.

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
As of April 30, 2020 and 2021**

Category	Governmental Activities		Business-type Activities		Total Primary Government	
	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20
Revenues:						
Program revenues:						
Charges for services	\$ 6,614,777	\$ 6,877,460	\$ 15,285,114	\$ 14,279,570	\$ 21,899,891	\$ 21,157,030
Operating grants	5,281,231	2,037,038	-	-	5,281,231	2,037,038
Capital grants	2,055,758	878,919	609,019	69,920	2,664,777	948,839
General revenues:						
Taxes	22,608,335	21,381,445	1,000,000	1,000,000	23,608,335	22,381,445
Intergovernmental	18,872,364	17,477,992	-	-	18,872,364	17,477,992
Investment earnings	375,853	1,317,219	154,482	578,038	530,335	1,895,257
Other	1,842,502	2,295,775	137,319	297,458	1,979,821	2,593,233
Total revenues	57,650,820	52,265,848	17,185,934	16,224,986	74,836,754	68,490,834
Expenses:						
General Government	8,087,014	10,132,372	-	-	8,087,014	10,132,372
Public Safety	26,072,431	30,628,583	-	-	26,072,431	30,628,583
Highways and Streets	9,916,845	10,577,802	-	-	9,916,845	10,577,802
Culture and Recreation	1,059,755	1,295,958	-	-	1,059,755	1,295,958
Interest on long-term debt	134,854	295,700	-	-	134,854	295,700
Water/Sewer	-	-	13,923,480	13,345,604	13,923,480	13,345,604
Total expenses	45,270,899	52,930,415	13,923,480	13,345,604	59,194,379	66,276,019
Change in Net Position	12,379,921	(664,567)	3,262,454	2,879,382	15,642,375	2,214,815
Beginning net position	151,974,293	156,378,098	57,204,715	53,374,971	209,179,008	209,753,069
Prior Period Adjustment	(410,773)	(3,739,238)	-	950,362	(410,773)	(2,788,876)
Ending net position	\$ 163,943,441	\$ 151,974,293	\$ 60,467,169	\$ 57,204,715	\$ 224,410,610	\$ 209,179,008

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

Overall, revenues for the City totaled \$74.84 million, an increase of \$6.35 million from the prior fiscal year. Expenses city-wide totaled \$59.19 million, a decrease of \$7.08 million from the prior fiscal year. The resulting change from the fiscal year activities is an increase in net position of \$15.64 million.

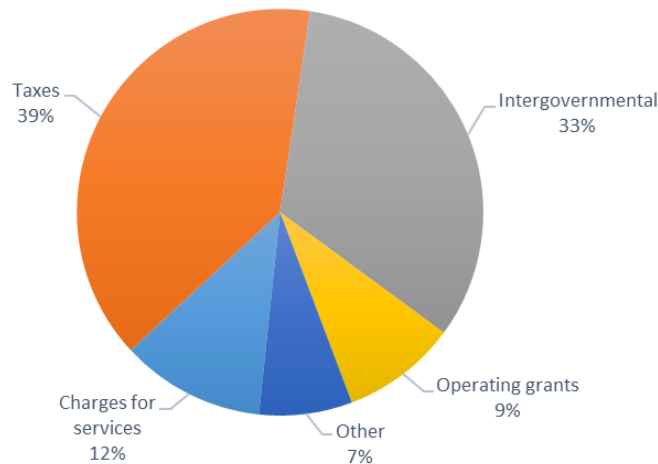
Governmental Activities

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 \$45.27 million exceeded program revenues of \$13.95 million by \$31.32 million; general revenues of \$43.70 million are used to make up the difference. With governmental revenues performing better than anticipated while expenses remained low, the City experiences a \$12.38 million surplus in governmental activities.

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 \$263k for the year, while grant revenues increased by \$4.42 million. Pandemic-related grants totaled \$2.30 million. The City also received a \$1.5 million capital contribution for the intersection improvement at Crystal Lake Avenue and Main Street.
- Investment earnings ended the year at \$376k, a decrease of \$941k primarily due to changes in bond prices resulting from interest rate movements.
- Revenue from taxes increased \$1.23 million. The City recorded \$1.64 million from utility taxes (gas and electric), an increase of \$571k over the prior year. The utility taxes are dedicated funding sources for capital needs. The property taxes were diverted from the IMRF/FICA Fund to fund police and fire pension contributions. The Home Rule Sales Tax increased \$227k while the Telecommunications Tax (down \$166k) continued to decline year over year.

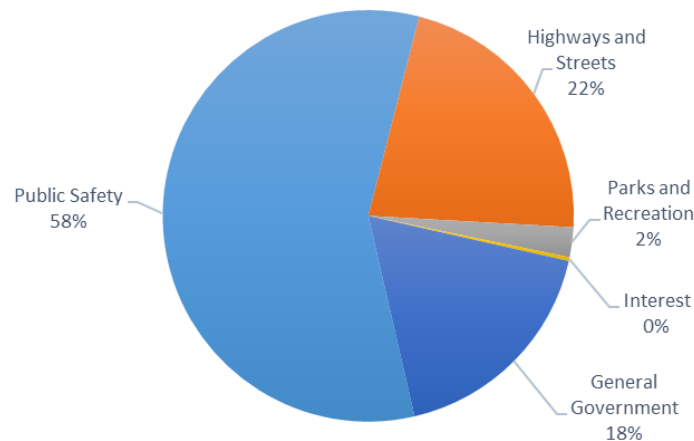
**CITY OF CRYSTAL LAKE
MANAGEMENT'S DISCUSSION AND ANALYSIS**

- Other revenues (including transfers) decreased \$453k. 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.

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



Public safety expenses, which account for the largest share, decreased by \$4.56 million to \$26.07 million. The decrease in police and fire pension liability due to positive market returns represents a significant portion of the decrease in public safety expenses. 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 decreased \$2.05 million over the prior year. This decrease is partially attributable to \$772k in operational spending shifts. Additionally, the Engineering Division was moved from the Community Development Department (General Government) to the Public Works Department (Governmental Highway and Streets). Highway and Streets decreased \$661k (6.2%) from the prior year. Interest expense on long-term debt for governmental activities decreased \$161k.

Business-type activities

The Waterworks and Sewerage Fund activity resulted in an increase to net position of \$3.26 million from the fiscal year's activity. Net position ended the fiscal year with \$60.47 million.

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

Revenues

Charges for services increased \$297k (2.3%) from the prior year. In FY2020/21, there was no change to the water or sewer rates. Connection fees increased \$694k to \$1.57 million as housing activity rebounded from the COVID-19 pandemic.

Annually, \$1 million in utility taxes are deposited in the business-type funds in order to fund capital needs. Investment income for business-type revenues decreased \$424k to \$154k.

Expenses

Expenses of the Waterworks and Sewerage Fund were \$578k higher than the previous year, an increase of 4.3%. Interest expenses increased \$160k to \$1.08 million. Depreciation expense increased \$154k to \$4.01 million. In fiscal year 2019/20, activities of the Storm-sewer Division of Public Works were blended into the Water Operations Division of the Waterworks and Sewerage Fund. These activities were previously charged to Governmental Activities in the General Fund.

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 2021, the City's governmental funds reported combined ending fund balances of \$44.53 million, an increase of \$6.19 million from the prior year. The unassigned portion of the ending fund balances totaled \$13.42 million and is 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. Restricted and assigned funds are reserved to pay debt service, retirement, street improvement or other specific costs, or are 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 \$21.76 million, with \$13.45 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 48.6% of FY2020/21 General Fund operating expenditures.

The ending fund balance of the General Fund decreased by \$214k due to a planned drawdown to pay for capital expenses. General Fund revenues totaled \$35.90 million, an increase of \$2.01 million. Also included in total General Fund revenues was \$1.51 million in unbudgeted, pandemic-related grants. Intergovernmental revenue was up \$2.90 million. Charges for services were down \$270k, as parking receipts, police services and Three Oaks Recreation fee revenues were all lower than the prior year. Sales Tax increased \$356k to \$12.22 million. General Fund expenditures totaled \$27.67 million, a decrease of \$169k.

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

Fire Rescue Fund

The Fire Rescue Fund is also a major governmental fund, with an ending fund balance of \$5.51 million. This was an increase of \$1.03 million from annual activity. Revenues increased \$1.24 million to \$12.27 million. Primary revenue sources of the Fire Rescue Fund include charges for services to other agencies, as well as property taxes. Expenditures increased \$243k. Personnel costs alone increased \$318k, most of which is the result of salary increases based on labor contracts. Other financing uses, a transfer out to the Capital and Equipment Replacement Fund, totaled \$519k; this transfer provided for the purchase cardiac monitors 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 \$4.82 million, an increase of \$2.79 million from the prior year. Revenues for the year of \$1.78 million included \$1.73 million in taxes from video gaming and utility taxes. Other financing sources included \$2.48 million in financing for new leased vehicles and \$8.81 million from other funds as transfers in for capital purchases. Expenditures totaled \$10.29 million. Major projects for the year included the replacement of the municipal complex fuel island (\$413k), new vehicle and equipment leases (\$2.48 million) and road/intersection improvements (\$4.34 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 \$2.59 million from the previous year. Highlights from some of these funds include:

- The Motor Fuel Tax Fund had a fund balance of \$8.16 million as of April 30, 2021, an increase of \$1.91 million. 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 \$337k million provided roadway and intersection improvements.
- 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 \$1.82 million, an increase of \$68k.
- 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 \$395k, an increase of \$113k.

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

- 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 2020/21, but received other financing sources of \$1.04 million. This includes \$1.04 million in debt service payments. 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, 2021 is \$553,878. The ending fund balance in the Three Oaks Development Fund is \$965k, an increase of \$554k.

Proprietary Funds

Proprietary funds are sometimes referred to as *business-type* funds of a local government. The City maintains two proprietary funds. 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 Group Insurance Fund is an internal service fund that accounts for assets associated with funding the City's group health insurance.

Total net position of the Waterworks and Sewerage Fund increased \$3.26 million through fiscal year activity to \$60.47 million at April 30, 2021. Of the total, \$52.16 million represents the City's net investment in capital assets. The remaining \$8.31 million of total net position, represents unrestricted net position. Expenses included water main replacements, the rehabilitation of lift station #9, improvements to water treatment plant #5, SCADA system upgrades, and the purchase of three properties as part of the Pine-Oriole flood mitigation project.

The Group Insurance Fund was established in FY2020-21 and had an ending fund balance of \$663k, all of which is unrestricted. The majority of revenues (\$5.77 million) came from employer and employee contributions. Group health insurance premiums totaling \$5.52 million accounted for most of the fund's expenses. Other minor expenses include wellness costs and other professional services.

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 \$35.90 million surpassed budget expectations by \$6.96 million. Combined with other financing sources, inflows exceeded budget by \$7.19 million. Transfers in to the General Fund were higher than budgeted due to the actual amount of tax increment received from the Virginia Street TIF. Additionally, other financing sources also include an unbudgeted \$196k of proceeds from the sale of capital assets.

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

Expenditures ended the year \$2.09 million below budget. Other financing uses ended the year \$5.14 million above budget, primarily due to a one-time transfer from the General Fund to the Capital and Equipment Replacement Fund. This planned transfer utilizes 5.25 million of operating surplus to provide advanced funding of future capital needs.

**General Fund Budgetary Highlights
Fiscal Year Ended April 30, 2021**

	Final Budget	Actual	Variance \$	Variance %
Revenues & Other Financing Sources				
Taxes	\$ 10,845,865	\$ 11,697,775	\$ 851,910	7.9%
Licenses and permits	542,730	934,440	391,710	72.2%
Intergovernmental	15,185,346	20,406,028	5,220,682	34.4%
Charges for services	470,653	294,700	(175,953)	-37.4%
Fines and forfeits	394,067	295,933	(98,134)	-24.9%
Investment Income	170,507	345,461	174,954	102.6%
Other revenue	1,330,913	1,922,878	591,965	44.5%
Sub-total revenues	28,940,081	35,897,215	6,957,134	24.0%
Other financing sources	79,250	314,331	235,081	296.6%
Total Revenues and Other Financing Sources	29,019,331	36,211,546	7,192,215	24.8%
Expenditures and Other Financing Uses				
General Government	7,972,489	7,176,725	(795,764)	-10.0%
Public Safety	15,762,655	14,886,476	(876,179)	-5.6%
Highways and Streets	5,189,025	5,054,831	(134,194)	-2.6%
Culture and Recreation	776,297	495,401	(280,896)	-36.2%
Debt service	53,697	53,495	(202)	-0.4%
Sub-total expenditures	29,754,163	27,666,928	(2,087,235)	-7.0%
Other financing uses				
Transfers to Other Funds	3,614,702	8,758,787	5,144,085	142.3%
Total Expenditures and Other Financing Uses	33,368,865	36,425,715	3,056,850	9.2%
Change in Fund Balance	\$ (4,349,534)	\$ (214,169)	\$ 4,135,365	

During the fiscal year, the City of Crystal Lake Council approved one amendment to the General Fund budget, increasing the Community Development Department's budget to reflect grants distributed to local businesses impacted by the COVID-19 pandemic (\$750k).

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 2020 and continued into FY2020/21. With many businesses required to close their locations to the public and a large number of commuters working remotely from home, revenue and expenditures budgeted amount were adjusted with the expectation of lower revenues. However, throughout FY2020/21, it became apparent that certain revenues were able to weather the pandemic better than anticipated, such as the State Sales Tax, the Home Rule Sales Tax, and the Use Tax.

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

Major General Fund Revenues

State Sales Tax receipts of \$12.22 million surpassed its budgeted amount by \$1.84 million. Receipts from sales rebounded from the COVID-19 pandemic more quickly than anticipated in FY2020/21. Budgeted amounts had predicted a slower return of sales tax receipts. Online purchases, as well as purchases of groceries and other necessities during the pandemic, supported State Sales Tax revenues.

Home Rule Sales Tax receipts of \$5.52 million exceeded budgeted expectations by \$896k. Similar to State Sales Tax receipts, the Home Rule Sales Tax weathered the pandemic better than anticipated. Purchases of groceries are exempt from Home Rule Sales Tax, however staple items and online retail orders are not exempted.

Income Tax receipts of \$4.67 million exceeded amounts budgeted by \$1.23 million. With stay-at-home orders lifted and a recovering labor market, final 2020 tax return payments from individual and corporate income tax returns have been stronger than anticipated.

Use Tax of \$1.82 million exceeded amounts budgeted by \$641k. Rising online sales allowed the State to collect Use Tax from online retailers then distribute a portion of the tax to local municipalities. Starting January 2021, the State began classifying online retail purchases into the State Sales Tax distributions by purchase destination rather than as Use Tax and distributed per capita.

Hotel Tax receipts ended the fiscal year at \$286k. Despite the pandemic reducing travel, the Hotel Tax surpassed its budgeted amount by \$82k and brought in \$7.6k more than the prior fiscal year.

Building permits of \$846k exceeded expectations by \$436k. 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. Additionally, several commercial projects and a large apartment complex added to the building permit fees total.

Investment earnings of \$345k exceeded budget expectations by \$175k. 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.

Other revenue of \$1.92 million exceeded budget expectations by \$592k. This category includes an interest earnings credit of \$713k 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.

Charges for services ended the fiscal year at \$295k which was \$176k below budgeted expectations. With a pandemic-restricted capacity at Three Oaks Recreation Area, admission fees and parking revenues were down significantly and accounted for a majority of the budget shortfall. Additionally, with fewer large events and gatherings able to occur, there was a reduced need for reimbursable police services.

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

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 remain open unless deemed critical to City operations.
- Training costs were low for the year as COVID-19 restrictions limited 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.
- During the summer of 2020, the Three Oaks Recreation Area put in capacity limits due to the COVID-19 pandemic, and the Park's staff was correspondingly reduced. Additionally, high water levels at the park continued to limited access to some park amenities. As a result, both revenues and expenditures were under their budgeted amounts.

CAPITAL ASSETS

The City's investment in capital assets for its governmental and business-type activities as of April 30, 2021, totaled \$269.23 million (net of accumulated depreciation). This investment in capital assets includes land, infrastructure, buildings, improvements, and machinery and equipment.

**Capital Assets, Net of Depreciation
As of April 30, 2020 and 2021**

	Governmental Activities		Business-type Activities		Total Primary Government	
	FYE 21	FYE 20	FYE 21	FYE 20	FYE 21	FYE 20
Land and Improvements	\$103,734,813	\$103,734,813	\$ 1,389,294	\$ 782,279	\$105,124,107	\$104,517,092
Building and Improvements	20,470,020	20,590,537	21,739,743	23,130,110	42,209,763	43,720,647
Machinery, Equip. & Vehicles	9,315,063	7,433,317	6,085,408	5,474,821	15,400,471	12,908,138
Other	462,598	825,588	4,228,044	2,432,916	4,690,642	3,258,504
Infrastructure	54,770,640	51,574,474	47,034,276	47,281,416	101,804,916	98,855,890
Total	\$ 188,753,134	\$ 184,158,729	\$ 80,476,765	\$ 79,101,542	\$269,229,899	\$263,260,271

During the fiscal year, the City invested \$15.50 million in capital (buildings, equipment and infrastructure). Major capital asset acquisitions made during the fiscal year included:

- Twenty-one leased vehicles for the Police and Fire Departments, twelve new leased vehicles for the Public Works Streets Division, and five new leased vehicles for the Public Works Water & Sewer Division
- Fuel island replacement at Municipal Complex
- City Hall lobby counters and protection barriers
- Municipal complex internal air quality improvements
- Starcom radio migration for Police and Fire Departments
- Intersection improvements at Crystal Lake Avenue and Main Street
- Intersection improvements on North Main St. (Route 176 south to Railroad)
- Annual road resurfacing program
- SCADA system upgrades

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

- Alum tank replacement at WWTP #2
- CUES TV sewer inspection system
- Purchase of 3 properties as part of the Lake Flood Hazard Mitigation Project
- Rehabilitation of lift station #9
- Storm sewer system improvements
- Water and wastewater treatment plant improvements

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 \$42.16 million of debt outstanding, including \$3.32 million in capital leases. The chart below summarizes the City's outstanding long-term debt by debt instrument.

**Long-Term Debt Outstanding
As of April 30, 2020 and 2021**

	Governmental Activities		Business-type Activities		Total Primary Government	
	FYE 21	FYE 20	FYE 21	FYE 20	FYE 21	FYE 20
General Obligation Bonds	\$ 7,716,271	\$ 8,545,362	\$17,598,729	\$19,114,638	\$ 25,315,000	\$ 27,660,000
IEPA Loans	-	-	12,630,659	13,279,153	12,630,659	13,279,153
General Obligation Note	-	-	895,000	1,110,000	895,000	1,110,000
Capital Leases	2,817,479	780,680	501,116	160,682	3,318,595	941,362
Total	\$ 10,533,750	\$ 9,326,042	\$31,625,504	\$33,664,473	\$ 42,159,254	\$ 42,990,515

Currently, the City has four general obligation bonds outstanding. As of April 30, 2021, the total outstanding balance general obligation is \$25.3 million, of which \$7.7 million is attributed to governmental activities and \$17.6 million is related to business-type activities.

The City's loan agreement with the Illinois Environmental Protection Agency began in 2015. The loan authorized the City to borrow \$14.78 million to fund improvements to the City's wastewater treatment plants. The loan is paid on a semi-annual basis over 20 years. As of April 30, 2021, the City has a total outstanding loan payable of \$12.63 million.

The City also has an outstanding balance of \$895k on a general obligation promissory note. This note was issued in 2015. 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.

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The COVID-19 pandemic has had widespread and long-lasting effects on all factors of the economy. 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 industries have been able to fully reopen, the continued possibility of additional variants of the virus remains a concern. However, 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 2021/22 budget balanced, the City of Crystal Lake continues to utilize 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 is sought to offset program and project costs.

A water and sewer rate increase of 3% will go into effect on September 1, 2021. Prior to this, the last water and sewer rate increase was a 3.78% increase that went into effect on May 1, 2019. These increases provide a necessary funding mechanism to allow the Waterworks and Sewerage Fund to remain financially independent and provide for some capital investment to maintain Waterworks and Sewerage infrastructure systems.

The fiscal year 2022 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 are continue to be funded using unassigned fund balance and/or bond proceeds. Bonds are not be used to finance operating deficits and fund balances are maintained in accordance with City financial policies.

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.

CITY OF CRYSTAL LAKE, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2021

	Governmental Activities	Business-Type Activities	Total	Component Unit Crystal Lake Public Library
ASSETS				
Cash and Investments	\$ 41,519,170	\$ 14,925,757	\$ 56,444,927	\$ 4,963,576
Receivables (Net, Where Applicable, of Allowances for Uncollectible)				
Property Taxes	13,144,335	-	13,144,335	4,629,393
Accounts Receivable	2,294,029	2,731,769	5,025,798	-
Accrued Interest on Investments	80,509	33,183	113,692	-
Other	415,747	-	415,747	-
Prepaid Items	3,784,654	106,448	3,891,102	88,134
Internal Balances	(180,892)	180,892	-	-
Due from Other Governments	5,354,989	-	5,354,989	-
Due from Primary Government	-	-	-	152,660
Inventory	112,337	-	112,337	-
Investment in Joint Venture	2,766,076	-	2,766,076	-
Capital Assets Not Being Depreciated	104,197,411	5,617,338	109,814,749	2,363,040
Capital Assets (Net of Accumulated Depreciation)	84,555,723	74,859,427	159,415,150	5,583,738
Total Assets	258,044,088	98,454,814	356,498,902	17,780,541
DEFERRED OUTFLOWS OF RESOURCES				
Other Postemployment Benefits	927,954	40,895	968,849	-
Pension Items - IMRF	1,360,464	589,636	1,950,100	496,741
Pension Items - Police Pension	3,354,105	-	3,354,105	-
Pension Items - Firefighters' Pension	1,937,557	-	1,937,557	-
Well Asset Retirement Obligation	-	931,000	931,000	-
Total Deferred Outflows of Resources	7,580,080	1,561,531	9,141,611	496,741
Total Assets and Deferred Outflows of Resources	265,624,168	100,016,345	365,640,513	18,277,282
LIABILITIES				
Accounts Payable	5,667,707	2,473,771	8,141,478	759,724
Recapture Fees Payable	75,399	-	75,399	-
Accrued Salaries	581,592	69,222	650,814	106,421
Accrued Interest Payable	122,039	274,586	396,625	-
Escrows and Refundable Deposits	1,568,352	230,997	1,799,349	14,695
Due to Component Unit	152,660	-	152,660	-
Unearned Revenue	143,793	10,000	153,793	-
Long-Term Liabilities				
Due Within One Year	3,434,503	3,104,278	6,538,781	98,164
Due in More than One Year	56,999,639	31,879,099	88,878,738	589,180
Total Liabilities	68,745,684	38,041,953	106,787,637	1,568,184
DEFERRED INFLOWS OF RESOURCES				
Deferred Revenue - Property Taxes	13,144,335	-	13,144,335	4,629,393
Other Postemployment Benefits	51,472	2,268	53,740	-
Pension Items - IMRF	3,472,375	1,504,955	4,977,330	1,267,854
Pension Items - Police Pension	6,867,750	-	6,867,750	-
Pension Items - Firefighters' Pension	9,399,112	-	9,399,112	-
Total Deferred Inflows of Resources	32,935,044	1,507,223	34,442,267	5,897,247
Total Liabilities and Deferred Inflows of Resources	101,680,728	39,549,176	141,229,904	7,465,431

(This statement is continued on the following page.)

CITY OF CRYSTAL LAKE, ILLINOIS

STATEMENT OF NET POSITION (Continued)

April 30, 2021

	Governmental Activities	Business-Type Activities	Total	Component Unit Crystal Lake Public Library
NET POSITION				
Net Investment in Capital Assets	\$ 177,510,754	\$ 52,160,171	\$ 229,670,925	\$ 7,946,778
Restricted				
Highways and Streets	8,163,778	-	8,163,778	-
Retirement	1,820,320	-	1,820,320	303,722
Public Safety	671,118	-	671,118	-
Debt Service	328,565	-	328,565	-
Capital Projects	1,285,626	-	1,285,626	72,776
Library	-	-	-	454,574
Working Cash	-	-	-	51,293
Unrestricted (Deficit)	(25,836,721)	8,306,998	(17,529,723)	1,982,708
TOTAL NET POSITION	\$ 163,943,440	\$ 60,467,169	\$ 224,410,609	\$ 10,811,851

See accompanying notes to financial statements.

CITY OF CRYSTAL LAKE, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2021

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	\$ 8,086,815	\$ 1,300,137	\$ -	\$ 1,500,000
Public Safety	26,072,431	4,819,013	2,351,705	-
Highways and Streets	9,917,045	217,594	2,929,526	1,880
Culture and Recreation	1,059,755	278,033	-	553,878
Interest	134,854	-	-	-
Total Governmental Activities	45,270,900	6,614,777	5,281,231	2,055,758
Business-Type Activities				
Waterworks and Sewerage	13,923,480	15,285,114	-	609,019
Total Business-Type Activities	13,923,480	15,285,114	-	609,019
TOTAL PRIMARY GOVERNMENT	\$ 59,194,380	\$ 21,899,891	\$ 5,281,231	\$ 2,664,777
COMPONENT UNIT				
Crystal Lake Public Library	\$ 5,146,277	\$ 134,557	\$ 70,293	\$ -

(This statement is continued on the following page.)

	<u>Net (Expense) Revenue and Change in Net Position</u>			<u>Component Unit</u> <u>Crystal Lake</u> <u>Public</u> <u>Library</u>
	<u>Primary Government</u>			
	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>	<u>Total</u>	
	\$ (5,286,678)	\$ -	\$ (5,286,678)	\$ -
	(18,901,713)	-	(18,901,713)	-
	(6,768,045)	-	(6,768,045)	-
	(227,844)	-	(227,844)	-
	(134,854)	-	(134,854)	-
	(31,319,134)	-	(31,319,134)	-
	-	1,970,653	1,970,653	-
	-	1,970,653	1,970,653	-
	(31,319,134)	1,970,653	(29,348,481)	-
	-	-	-	(4,941,427)
General Revenues				
Taxes				
Property	13,698,616	-	13,698,616	4,667,973
Home Rule Sales	5,523,531	-	5,523,531	-
Auto Rental	39,076	-	39,076	-
Franchise Fees	620,139	-	620,139	-
Telecommunications Fee	664,080	-	664,080	-
Hotel Occupation	286,198	-	286,198	-
Other	1,776,695	1,000,000	2,776,695	-
Intergovernmental				
Personal Property Replacement	166,446	-	166,446	-
State Sales and Use	14,035,251	-	14,035,251	-
State Income Tax	4,670,667	-	4,670,667	-
Investment Income	375,853	154,482	530,335	51,152
Miscellaneous	1,999,312	137,319	2,136,631	112,684
Transfers	(156,810)	-	(156,810)	-
Total	43,699,054	1,291,801	44,990,855	4,831,809
CHANGE IN NET POSITION	12,379,920	3,262,454	15,642,374	(109,618)
NET POSITION, MAY 1	151,974,293	57,204,715	209,179,008	10,921,469
Prior Period Adjustment	(410,773)	-	(410,773)	-
NET POSITION, MAY 1, restated	151,563,520	57,204,715	208,768,235	10,921,469
NET POSITION, APRIL 30	\$ 163,943,440	\$ 60,467,169	\$ 224,410,609	\$ 10,811,851

See accompanying notes to financial statements.

CITY OF CRYSTAL LAKE, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

April 30, 2021

	General	Fire Rescue Fund	Capital Equipment and Replacement	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
ASSETS					
Cash and Investments	\$ 16,385,181	\$ 5,298,765	\$ 7,376,642	\$ 12,206,134	\$ 41,266,722
Receivables (Net of Allowance Where Applicable)					
Property Taxes	4,905,343	6,782,419	-	1,456,573	13,144,335
Accounts Receivable	1,106,322	615,697	418,361	129,499	2,269,879
Accrued Interest on Investments	74,546	5,963	-	-	80,509
Other	42,166	-	204,337	169,244	415,747
Prepaid Items	3,169,919	204,672	-	15,086	3,389,677
Inventory	112,337	-	-	-	112,337
Due from Other Governments	5,176,118	-	29,792	149,079	5,354,989
Due from Other Funds	165,270	-	-	20	165,290
Advance from Other Funds	-	-	-	-	-
Total Assets	31,137,202	12,907,516	8,029,132	14,125,635	66,199,485
DEFERRED OUTFLOWS OF RESOURCES					
None	-	-	-	-	-
Total Deferred Outflows of Resources	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 31,137,202	\$ 12,907,516	\$ 8,029,132	\$ 14,125,635	\$ 66,199,485

(This statement is continued on the following page.)

CITY OF CRYSTAL LAKE, ILLINOIS

BALANCE SHEET (Continued)
GOVERNMENTAL FUNDS

April 30, 2021

	General	Fire Rescue Fund	Capital Equipment and Replacement	Nonmajor Governmental Funds	Total Governmental Funds
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 2,256,440	\$ 262,637	\$ 3,084,210	\$ 64,420	\$ 5,667,707
Recapture Fees	-	-	-	75,399	75,399
Accrued Salaries	310,049	271,543	-	-	581,592
Escrows and Refundable Deposits	1,568,352	-	-	-	1,568,352
Due to Component Unit	152,660	-	-	-	152,660
Due to Other Funds	131,586	-	125,393	89,203	346,182
Unearned Revenue	56,495	79,081	-	-	135,576
Total Liabilities	4,475,582	613,261	3,209,603	229,022	8,527,468
DEFERRED INFLOWS OF RESOURCES					
Deferred Revenue - Property Tax	4,905,343	6,782,419	-	1,456,573	13,144,335
Total Deferred Inflows of Resources	4,905,343	6,782,419	-	1,456,573	13,144,335
Total Liabilities and Deferred Inflows of Resources	9,380,925	7,395,680	3,209,603	1,685,595	21,671,803
FUND BALANCES					
Nonspendable					
Prepaid Items	3,169,919	204,672	-	15,086	3,389,677
Inventory	112,337	-	-	-	112,337
Restricted					
Retirement Purposes	-	-	-	1,820,320	1,820,320
Public Safety	-	-	-	671,118	671,118
Highway and Street Maintenance	-	-	-	8,163,778	8,163,778
Debt Service	-	-	-	328,565	328,565
Park Development	-	-	-	964,812	964,812
Capital Projects Funds	-	-	-	320,814	320,814
Assigned					
Promotion of Tourism	172,396	-	-	-	172,396
Next Year's Fiscal Year Expenditures	4,506,103	-	-	-	4,506,103
Historical Preservation Services	9,017	-	-	-	9,017
Capital Projects Funds	-	-	4,819,529	-	4,819,529
Special Revenue Funds	-	4,764,047	-	179,466	4,943,513
Committed					
Capital Facilities	338,750	543,117	-	-	881,867
Unassigned					
General Fund	13,447,755	-	-	-	13,447,755
Unassigned (Defecit)	-	-	-	(23,919)	(23,919)
Total Fund Balances	21,756,277	5,511,836	4,819,529	12,440,040	44,527,682
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 31,137,202	\$ 12,907,516	\$ 8,029,132	\$ 14,125,635	\$ 66,199,485

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, 2021

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 44,527,682
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	188,753,134
Investment in joint venture is not considered to represent a financial resource and, therefore, is not reported in the funds	2,766,076
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
Bonds Payable	(7,716,271)
Capital Lease Payable	(2,817,479)
Compensated Absences Payable	(3,675,026)
Interest Payable	(122,039)
Premiums or discounts on long-term liabilities and gains and losses on debt refundings are capitalized and amortized at the government-wide level	
Premiums	(708,630)
The net pension liability for the Illinois Municipal Retirement Fund is shown as a liability on the statement of net position	(1,344,785)
The other postemployment benefit liability is shown as a liability on the statement of net position	(5,304,259)
The net pension liability for the Police Pension Fund is shown as a liability on the statement of net position	(30,040,957)
The net pension liability for the Firefighters' Pension Fund is shown as a liability on the statement of net position	(8,826,735)
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	876,482
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	(2,111,911)
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	(3,513,645)
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	(7,461,555)
The net position of the Internal Service Fund is included in the governmental activities in the statement of net position	<u>663,358</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 163,943,440</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, 2021

	General	Fire Rescue Fund	Capital Equipment and Replacement	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Charges for Services	\$ 294,700	\$ 4,395,598	\$ -	\$ 71,057	\$ 4,761,355
Licenses and Permits	934,440	-	45,300	178,874	1,158,614
Intergovernmental	20,406,028	787,402	-	3,000,123	24,193,553
Fines and Forfeitures	295,933	-	-	5,429	301,362
Property Taxes	4,564,751	6,838,859	-	2,295,006	13,698,616
Other Taxes	7,133,024	-	1,733,929	42,766	8,909,719
Developer Donations	-	-	-	553,878	553,878
Investment Income	345,461	3,583	-	26,809	375,853
Miscellaneous	1,922,878	246,069	-	31,321	2,200,268
Total Revenues	35,897,215	12,271,511	1,779,229	6,205,263	56,153,218
EXPENDITURES					
Current					
General Government	7,176,526	-	-	1,136,741	8,313,267
Public Safety	14,886,476	10,724,295	-	228,608	25,839,379
Highways and Streets	5,055,031	-	-	1,133,822	6,188,853
Culture and Recreation	495,401	-	-	15,065	510,466
Debt Service					
Principal	40,316	-	447,009	563,755	1,051,080
Interest and Fiscal Charges	13,179	-	63,719	473,960	550,858
Capital Outlay	-	-	9,778,291	-	9,778,291
Total Expenditures	27,666,929	10,724,295	10,289,019	3,551,951	52,232,194
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	8,230,286	1,547,216	(8,509,790)	2,653,312	3,921,024
OTHER FINANCING SOURCES (USES)					
Capital Lease Issued	-	-	2,483,808	-	2,483,808
Proceeds from Sale of Capital Assets	195,719	-	-	-	195,719
Transfers In	118,612	-	8,812,502	1,038,228	9,969,342
Transfers (Out)	(8,758,787)	(518,597)	-	(1,105,073)	(10,382,457)
Total Other Financing Sources (Uses)	(8,444,456)	(518,597)	11,296,310	(66,845)	2,266,412
NET CHANGE IN FUND BALANCES	(214,170)	1,028,619	2,786,520	2,586,467	6,187,436
FUND BALANCES, MAY 1	22,381,220	4,483,217	2,033,009	9,853,573	38,751,019
Prior Period Adjustment	(410,773)	-	-	-	(410,773)
FUND BALANCES, MAY 1, as restated	21,970,447	4,483,217	2,033,009	9,853,573	38,340,246
FUND BALANCES, APRIL 30	\$ 21,756,277	\$ 5,511,836	\$ 4,819,529	\$ 12,440,040	\$ 44,527,682

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, 2021

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 6,187,436
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	7,215,393
Contributions of capital assets are reported only in the statement of activities	1,500,000
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	(41,307)
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	1,276,100
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 Capital Lease	(2,483,808)
The change in accrued interest payable is reported as interest expense on the statement of activities	105,338
The change in compensated absences is an increase of expenses on the statement of activities	(98,436)
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	(141,431)
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	1,436,249
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	(199,136)
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	815,865
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	(4,079,681)
Change in investment in joint venture	138,334
Amortization of bond premiums or discounts	85,646
The change in net position of Internal Service Funds is reported in governmental activities	<u>663,358</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 12,379,920</u></u>

See accompanying notes to financial statements.

CITY OF CRYSTAL LAKE, ILLINOIS

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

April 30, 2021

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage Fund	Internal Service
CURRENT ASSETS		
Cash and Investments	\$ 14,925,757	\$ 252,448
Receivables		
Accounts	2,731,769	24,150
Accrued Interest	33,183	-
Prepaid Items	106,448	394,977
Due from Other Funds	256,959	-
	<hr/>	<hr/>
Total Current Assets	18,054,116	671,575
NONCURRENT ASSETS		
Capital Assets		
Capital Assets Not Being Depreciated	5,617,338	-
Capital Assets Being Depreciated, Net	74,859,427	-
	<hr/>	<hr/>
Net Capital Assets	80,476,765	-
	<hr/>	<hr/>
Total Noncurrent Assets	80,476,765	-
	<hr/>	<hr/>
Total Assets	98,530,881	671,575
DEFERRED OUTFLOWS OF RESOURCES		
Other Postemployment Benefits	40,895	-
Pension Items - IMRF	589,636	-
Well Asset Retirement Obligation	931,000	-
	<hr/>	<hr/>
Total Deferred Outflows of Resources	1,561,531	-
	<hr/>	<hr/>
Total Assets and Deferred Outflows of Resources	100,092,412	671,575

(This statement is continued on the following page.)

CITY OF CRYSTAL LAKE, ILLINOIS

STATEMENT OF NET POSITION (Continued)
 PROPRIETARY FUNDS

April 30, 2021

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage Fund	Internal Service
CURRENT LIABILITIES		
Accounts Payable	\$ 2,473,771	\$ -
Accrued Salaries	69,222	-
Accrued Interest Payable	274,586	-
Escrows and Customer Deposits	230,997	-
Unearned Revenue	10,000	8,217
Accrued Compensated Absences	241,959	-
Due to Other Funds	76,067	-
Total OPEB Liability	9,683	-
General Obligation Bonds Payable	1,886,064	-
Promissory Note Payable	220,000	-
IEPA Loan Payable	660,612	-
Capital Lease Payable	85,960	-
	<hr/>	<hr/>
Total Current Liabilities	6,238,921	8,217
LONG-TERM LIABILITIES		
Compensated Absences	241,959	-
IMRF Net Pension Liability	582,840	-
Total OPEB Liability	224,077	-
General Obligation Bonds Payable	16,820,020	-
Promissory Note Payable	675,000	-
IEPA Loan Payable	11,970,047	-
Capital Lease Payable	415,156	-
Well Asset Retirement Obligation	950,000	-
	<hr/>	<hr/>
Total Long-Term Liabilities	31,879,099	-
	<hr/>	<hr/>
Total Liabilities	38,118,020	8,217
DEFERRED INFLOWS OF RESOURCES		
Other Postemployment Benefits	2,268	-
Pension Items - IMRF	1,504,955	-
	<hr/>	<hr/>
Total Deferred Inflows of Resources	1,507,223	-
	<hr/>	<hr/>
Total Liabilities and Deferred Inflows and Resources	39,625,243	8,217
NET POSITION		
Net Investment in Capital Assets	52,160,171	-
Unrestricted	8,306,998	663,358
	<hr/>	<hr/>
TOTAL NET POSITION	\$ 60,467,169	\$ 663,358
	<hr/> <hr/>	<hr/> <hr/>

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, 2021

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage Fund	Internal Service
OPERATING REVENUES		
Charges for Services	\$ 13,412,976	\$ 5,766,304
Miscellaneous Income	137,319	176,491
Total Operating Revenues	<u>13,550,295</u>	<u>5,942,795</u>
OPERATING EXPENSES		
Administration	606,300	5,535,906
Water Operations	4,468,795	-
Sewer Operations	3,745,950	-
Depreciation	4,006,913	-
Well ARO Amortization	9,500	-
Total Operating Expenses	<u>12,837,458</u>	<u>5,535,906</u>
OPERATING INCOME	<u>712,837</u>	<u>406,889</u>
NON-OPERATING REVENUES (EXPENSES)		
Interest Expense	(1,082,410)	-
Other Tax	1,000,000	-
Loss on Sale of Capital Assets	(3,612)	-
Investment Income	154,482	164
Connection Fees	1,568,689	-
Rental Income	303,449	-
Total Non-Operative Revenues (Expenses), Net	<u>1,940,598</u>	<u>164</u>
NET INCOME BEFORE TRANSFERS, CAPITAL GRANTS AND CONTRIBUTIONS	2,653,435	407,053
TRANSFERS IN	-	256,305
CAPITAL GRANTS AND CONTRIBUTIONS	609,019	-
CHANGE IN NET POSITION	3,262,454	663,358
NET POSITION, MAY 1	<u>57,204,715</u>	-
NET POSITION, APRIL 30	<u>\$ 60,467,169</u>	<u>\$ 663,358</u>

See accompanying notes to financial statements.

CITY OF CRYSTAL LAKE, ILLINOIS

STATEMENT OF CASH FLOWS
 PROPRIETARY FUND

For the Year Ended April 30, 2021

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage Fund	Internal Service
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers and Users	\$ 12,792,058	\$ 880,791
Receipts from Internal Service Transactions	-	4,869,580
Receipts from Miscellaneous Revenues	137,319	176,491
Payments to Suppliers	(4,225,592)	(5,930,883)
Payments to Employees	(4,348,473)	-
	<hr/>	<hr/>
Net Cash from Operating Activities	4,355,312	(4,021)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Amounts Received from (Paid to) Other Funds	(200,400)	256,305
Other Tax	1,000,000	-
Connection Charges	1,568,689	-
Rental Income	303,449	-
	<hr/>	<hr/>
Net Cash from Noncapital Financing Activities	2,671,738	256,305
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital Assets Purchased	(5,204,254)	-
Principal Payments on Long-Term Debt	(2,604,423)	-
Principal Payments on Capital Lease	(70,457)	-
Proceeds from Capital Grant	609,019	-
Interest Payments on Long-Term Debt	(1,040,861)	-
	<hr/>	<hr/>
Net Cash from Capital and Related Financing Activities	(8,310,976)	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investment Securities	(4,835,233)	-
Proceeds from Sale and Maturities of Investment Securities	7,192,896	-
Interest Received	290,051	164
	<hr/>	<hr/>
Net Cash from Investing Activities	2,647,714	164
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,363,788	252,448
CASH AND CASH EQUIVALENTS, MAY 1	4,461,292	-
	<hr/>	<hr/>
CASH AND CASH EQUIVALENTS, APRIL 30	\$ 5,825,080	\$ 252,448
	<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, 2021

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage Fund	Internal Service
CASH AND INVESTMENTS		
Cash and Cash Equivalents	\$ 5,825,080	\$ 252,448
Investments	9,100,677	-
TOTAL CASH AND INVESTMENTS	\$ 14,925,757	\$ 252,448
NONCASH TRANSACTIONS		
Capital Assets Financed by Capital Lease	\$ 410,891	\$ -
Loss on Disposal of Capital Assets	(3,612)	-
Capital Assets Purchased in Accounts Payable	(229,397)	-
Unrealized Gain/Loss on Investments	288,886	-
TOTAL NONCASH TRANSACTIONS	\$ 466,768	\$ -
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating Income	\$ 712,837	\$ 406,889
Adjustments to Reconcile Operating Income to Net Cash From Operating Activities		
Depreciation	4,006,913	-
Amortization	9,500	-
Changes in Assets and Liabilities		
Receivables	(629,442)	(24,150)
Prepays	(77,591)	(394,977)
Deferred Outflows of Resources -		
Pension Items - IMRF	(102,897)	-
OPEB	(3,991)	-
Accounts Payable	531,612	-
Accrued Salaries	20,982	-
Accrued Compensated Absences	69,906	-
Unearned Revenue	10,000	8,217
Net Pension Liability - IMRF	(999,791)	-
Total OPEB Liability	21,664	-
Deferred Inflows of Resources		
Pension Items - IMRF	787,203	-
OPEB	(117)	-
Customer Deposits	(1,476)	-
NET CASH FROM OPERATING ACTIVITIES	\$ 4,355,312	\$ (4,021)

See accompanying notes to financial statements.

CITY OF CRYSTAL LAKE, ILLINOIS

**STATEMENT OF NET POSITION
FIDUCIARY FUNDS**

April 30, 2021

	Pension Trust Funds	Custodial Funds
ASSETS		
Cash and Short-Term Investments	\$ 23,073	\$ 395,108
Investments, at Fair Value		
Money Market Accounts	1,732,566	-
U.S. Treasury and U.S. Agency Securities	20,766,507	-
Corporate Bonds	12,434,598	-
Municipal Bonds	2,706,865	-
Mutual Funds - Stocks	65,116,873	-
Receivables		
Accounts Receivable	-	11
Accrued Interest on Investments	225,201	-
Prepaid Expenses	530	-
Total Assets	<u>103,006,213</u>	<u>395,119</u>
LIABILITIES		
Accounts Payable	18,170	-
Due to other funds	-	-
Total Liabilities	<u>18,170</u>	<u>-</u>
NET POSITION		
Restricted for Pensions	102,988,043	-
Restricted for Debt Service	-	395,119
TOTAL NET POSITION	<u><u>\$ 102,988,043</u></u>	<u><u>\$ 395,119</u></u>

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, 2021

	Pension Trust Funds	Custodial Funds
ADDITIONS		
Contributions		
Employer	\$ 4,564,709	\$ -
Employee	1,464,907	-
Property Owner	-	301,988
Total Contributions	<u>6,029,616</u>	<u>301,988</u>
Investment Income		
Net Appreciation in Fair Value of Investments	20,164,078	-
Interest	<u>2,407,208</u>	<u>287</u>
Total Investment Income	22,571,286	287
Less Investment Expense	<u>(385,912)</u>	-
Net Investment Income	<u>22,185,374</u>	<u>287</u>
Total Additions	<u>28,214,990</u>	<u>302,275</u>
DEDUCTIONS		
Pension Benefits	4,804,555	-
Miscellaneous	39,200	-
Debt Service		
Principal	-	125,000
Interest and Fiscal Charges	-	100,788
Total Deductions	<u>4,843,755</u>	<u>225,788</u>
NET INCOME BEFORE TRANSFERS	23,371,235	76,487
OTHER FINANCING SOURCES (USES)		
Transfer In	-	<u>156,810</u>
NET INCREASE	23,371,235	233,297
NET POSITION		
May 1	<u>79,616,808</u>	<u>161,822</u>
April 30	<u>\$ 102,988,043</u>	<u>\$ 395,119</u>

See accompanying notes to financial statements.

CITY OF CRYSTAL LAKE, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2021

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

Police Pension Employees Retirement System

The City's police employees participate in Police Pension Employees Retirement System (PPERS), a fiduciary component unit of the City. PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the City's Mayor, one elected by pension beneficiaries and two elected police employees constitute the pension board. The City is obligated to fund all PPERS costs not funded by PPERS participants based upon actuarial valuations, which creates a financial burden on the City. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels, which results in the PPERS being fiscally dependent upon the City. PPERS is reported as a pension trust fund. PPERS does not issue a stand-alone financial report.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (Continued)

Firefighters' Pension Employees Retirement System

The City's sworn firefighters participate in Firefighters' Pension Employees Retirement System (FPERS), a fiduciary component unit of the City. FPERS functions for the benefit of these employees and is governed by a five-member pension board.

Two members appointed by the City's Mayor, one elected pension beneficiary and two elected fire employees constitute the pension board. The City is obligated to fund all FPERS costs not funded by FPERS participants based upon actuarial valuations, which creates a financial burden on the City. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels, which results in the FPERS being fiscally dependent on the City. FPERS is reported as a pension trust fund. FPERS does not issue a stand-alone financial report.

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.

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Fund Accounting (Continued)

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.

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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.

Additionally, the City reports the following Internal Service Funds:

The Internal Service Fund accounts for the City's group health insurance provided to other departments of the City on a cost reimbursement basis. These funds are reported as part of the governmental activities on the government-wide financial statements as they provide services to the City's governmental funds/activities.

The City reports pension trust funds as fiduciary component units 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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.

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.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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:

	Years
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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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.

P. Adoption of Accounting Standards

The City has elected to implement GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, which was issued to provide temporary relief to governments and other stakeholders due to the COVID-19 pandemic. This provides for the postponement of the implementation of GASB Statement No. 87, *Leases*.

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.

2. DEPOSITS AND INVESTMENTS (Continued)

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 fair 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.

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 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.

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

2. DEPOSITS AND INVESTMENTS (Continued)

B. City Investments

The following table presents the investments and maturities of the City's debt securities as of April 30, 2021:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	Greater Than 10
U.S. Treasury Securities	\$ 3,606,383	\$ 2,272,883	\$ 1,333,500	\$ -	\$ -
U.S. Agency Securities	14,897,175	2,111,450	12,785,725	-	-
Certificates of Deposits	16,825,098	4,776,286	12,048,812	-	-
Municipal Bonds	7,667,174	1,957,637	5,709,537	-	-
TOTAL	\$ 42,995,830	\$ 11,118,256	\$ 31,877,574	\$ -	\$ -

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).

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.

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

3. RECEIVABLES - PROPERTY TAXES

Property taxes for the 2020 levy year attach as an enforceable lien on January 1, 2020, 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 2020 taxes are intended to finance the 2022 fiscal year and are not considered available or earned for current operations and, therefore, are shown as deferred revenue. The 2021 tax levy has not been recorded as a receivable at April 30, 2021, as the tax attached as a lien on property as of January 1, 2021; however, the tax will not be levied until December 2021 and, accordingly, is not measurable at April 30, 2021.

4. DUE FROM OTHER GOVERNMENTS

Due from other governments consisted of the following amounts at April 30, 2021:

GOVERNMENTAL ACTIVITIES

Sales Tax	\$ 3,203,351
Home Rule Sales Tax	1,448,794
Local Use Tax	364,499
Cannabis Tax	14,860
Motor Fuel Tax	134,219
Video Gaming Tax	29,792
Telecommunications Tax	<u>159,474</u>

TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 5,354,989</u>
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CITY OF CRYSTAL LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2021 is as follows:

	Balances May 1	Increases	Decreases	Balances April 30
GOVERNMENTAL ACTIVITIES				
Capital Assets not Being Depreciated				
Land	\$ 103,734,813	\$ -	\$ -	\$ 103,734,813
Construction in Progress	825,588	156,488	519,478	462,598
Total Capital Assets not Being Depreciated	104,560,401	156,488	519,478	104,197,411
Capital Assets Being Depreciated				
Buildings and Improvements	35,074,463	691,204	-	35,765,667
Machinery, Equipment and Vehicles	20,357,641	3,657,001	1,481,063	22,533,579
Infrastructure	76,966,754	4,730,178	-	81,696,932
Total Capital Assets Being Depreciated	132,398,858	9,078,383	1,481,063	139,996,178
Less Accumulated Depreciation for				
Buildings and Improvements	14,483,926	811,721	-	15,295,647
Machinery, Equipment and Vehicles	12,924,324	1,733,948	1,439,756	13,218,516
Infrastructure	25,392,280	1,534,012	-	26,926,292
Total Accumulated Depreciation	52,800,530	4,079,681	1,439,756	55,440,455
Total Capital Assets Being Depreciated, Net	79,598,328	4,998,702	41,307	84,555,723
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET				
	\$ 184,158,729	\$ 5,155,190	\$ 560,785	\$ 188,753,134
BUSINESS-TYPE ACTIVITIES				
Capital Assets not Being Depreciated				
Land	\$ 782,279	\$ 607,015	\$ -	\$ 1,389,294
Construction in Progress	2,432,916	2,675,774	880,646	4,228,044
Total Capital Assets not Being Depreciated	3,215,195	3,282,789	880,646	5,617,338
Capital Assets Being Depreciated				
Buildings and Improvements	37,226,061	-	-	37,226,061
Machinery, Equipment and Vehicles	10,118,046	1,150,278	95,636	11,172,688
Infrastructure	102,297,984	1,833,327	-	104,131,311
Total Capital Assets Being Depreciated	149,642,091	2,983,605	95,636	152,530,060
Less Accumulated Depreciation for				
Buildings and Improvements	14,095,951	1,390,367	-	15,486,318
Machinery, Equipment and Vehicles	4,643,225	536,079	92,024	5,087,280
Infrastructure	55,016,568	2,080,467	-	57,097,035
Total Accumulated Depreciation	73,755,744	4,006,913	92,024	77,670,633
Total Capital Assets Being Depreciated, Net	75,886,347	(1,023,308)	3,612	74,859,427
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET				
	\$ 79,101,542	\$ 2,259,481	\$ 884,258	\$ 80,476,765

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

5. CAPITAL ASSETS (Continued)

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

GOVERNMENTAL ACTIVITIES

General and Administrative	\$ 478,962
Public Safety	1,273,827
Highways and Streets	1,778,407
Culture and Recreation	<u>548,485</u>

**TOTAL DEPRECIATION EXPENSE -
GOVERNMENTAL ACTIVITIES**

\$ 4,079,681

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	Balances April 30	Current Portion
\$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	\$ 591,307	\$ -	\$ 40,316	\$ 550,991	\$ 41,156
	Waterworks and Sewerage	2,928,693	-	199,684	2,729,009	203,844
\$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	7,420,000	-	410,000	7,010,000	425,000
\$7,610,000 General Obligation Refunding Bonds of 2014, annual installments of \$480,000 to \$965,000, interest at 2.25% to 3.00% payable each June 15 and December 15.	Waterworks and Sewerage	2,390,000	-	945,000	1,445,000	965,000

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

6. LONG-TERM DEBT (Continued)

A. General Obligation Bonds (Continued)

Issue	Fund Debt Retired by	Balances May 1	Issuances	Retirements	Balances April 30	Current Portion
\$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	\$ -	\$ 788,775	\$ 7,165,280	\$ 707,780
	Waterworks and Sewerage	6,375,945	225,020	186,245	6,414,720	292,220
TOTAL GENERAL OBLIGATION BONDS		\$ 27,660,000	\$ 225,020	\$ 2,570,020	\$ 25,315,000	\$ 2,635,000

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	\$ 1,110,000	\$ -	\$ 215,000	\$ 895,000	\$ 220,000
TOTAL		\$ 1,110,000	\$ -	\$ 215,000	\$ 895,000	\$ 220,000

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 \$12,630,659 as of April 30, 2021. 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 May 2023 and December 2026. Annual lease payments, including interest ranging from 1.84% to 4.75%, range from \$3,595 to \$40,127. The cost of the capital assets acquired under capital leases was \$3,318,595, 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, 2021 are as follows:

Fiscal Year Ending April 30,	Payment
2022	\$ 797,335
2023	791,103
2024	585,621
2025	380,910
2026	<u>98,359</u>
Total minimum lease payments	2,653,328
Depreciation reserve	873,690
Less amount representing interest	<u>(208,423)</u>
Present value of future minimum lease payments	3,318,595
Less current portion	<u>714,298</u>
LONG-TERM PORTION	<u>\$ 2,604,297</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 General Obligation Bonds</u>	
	Principal	Interest
2022	\$ 748,936	\$ 325,437
2023	815,971	289,225
2024	823,846	251,161
2025	844,511	211,229
2026	1,004,516	173,013
2027-2031	3,376,018	284,871
2032-2036	<u>102,473</u>	<u>3,994</u>
TOTAL	<u>\$ 7,716,271</u>	<u>\$ 1,538,930</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
2022	\$ 660,612	\$ 231,873	\$ 1,886,064	\$ 612,044	\$ 220,000	\$ 19,251
2023	672,957	219,528	1,399,029	549,531	220,000	14,519
2024	685,532	206,953	1,741,154	498,195	225,000	9,787
2025	698,342	194,143	805,489	421,927	230,000	4,947
2026	711,392	181,093	710,484	392,893	-	-
2027-2031	3,761,399	701,026	3,943,979	1,579,979	-	-
2032-2036	4,126,217	336,208	3,032,530	876,031	-	-
2037-2040	1,314,208	24,520	4,080,000	310,500	-	-
TOTAL	\$ 12,630,659	\$ 2,095,344	\$ 17,598,729	\$ 5,241,100	\$ 895,000	\$ 48,504

F. Changes in Long-Term Liabilities

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

	Balances			Balances		Current
	May 1	Issuances	Retirements	April 30	Portion	
General Obligation Bonds Payable	\$ 8,545,362	\$ -	\$ 829,091	\$ 7,716,271	\$ 748,936	
Unamortized Bond Premium	794,276	-	85,646	708,630	-	
Capital Leases	780,680	2,483,808	447,009	2,817,479	628,339	
Compensated Absences*	3,576,590	1,886,732	1,788,296	3,675,026	1,837,513	
Net Pension Liability - IMRF*	4,457,327	-	3,112,542	1,344,785	-	
Net Pension Liability - Fire*	18,810,255	-	9,983,520	8,826,735	-	
Net Pension Liability - Police*	37,629,310	-	7,588,353	30,040,957	-	
Total OPEB Liability*	5,119,568	184,691	-	5,304,259	219,715	
TOTAL	\$ 79,713,368	\$ 4,555,231	\$ 23,834,457	\$ 60,434,142	\$ 3,434,503	

*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	\$ 19,114,638	\$ 225,020	\$ 1,740,929	\$ 17,598,729	\$ 1,886,064
Promissory Note Payable	1,110,000	-	215,000	895,000	220,000
IEPA Loans Payable	13,279,153	-	648,494	12,630,659	660,612
Unamortized Bond Premium	1,187,033	-	79,678	1,107,355	-
Capital Leases	160,682	410,891	70,457	501,116	85,960
Well Asset Retirement Obligation	950,000	-	-	950,000	-
Compensated Absences	414,012	276,912	207,006	483,918	241,959
Net Pension Liability	1,582,631	-	999,791	582,840	-
Total OPEB Liability	212,096	21,664	-	233,760	9,683
TOTAL	\$ 38,010,245	\$ 934,487	\$ 3,961,355	\$ 34,983,377	\$ 3,104,278

G. 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.

H. 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.

6. LONG-TERM DEBT (Continued)

The City has the following SSA bond issues outstanding at April 30, 2021:

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, 2021 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, 2021 was \$50,000.

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, 2021 was \$2,145,000.

I. 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 99 years.

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 of health insurance premiums paid in the Internal Service Fund. 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.

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

7. RISK MANAGEMENT (Continued)

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, 2021, due to/from other funds were as follows:

Payable Fund	Receivable Fund	Amount
General	Waterworks and Sewerage	\$ 131,566
Capital Replacement	Waterworks and Sewerage	125,393
Waterworks and Sewerage	General	76,067
Nonmajor Governmental	General	89,203
General	Nonmajor Governmental	<u>20</u>
TOTAL DUE TO/FROM OTHER FUNDS		<u>\$ 422,249</u>

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

- \$125,393 due from the Capital Replacement Fund to the Waterworks and Sewerage Fund to adjust utility taxes to budget. Repayment is expected within one year.
- \$47,072 due from Nonmajor Governmental Fund (NCLPB Project Fund) and \$41,593 due from Nonmajor Governmental Fund (Parking Fund) to the General Fund to eliminate negative cash. Repayment is expected within one year.

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

8. INDIVIDUAL FUND DISCLOSURES (Continued)

Interfund transfers during the year ended April 30, 2021 were as follows:

	Transfers In	Transfers Out
General		
Capital Replacement	\$ -	\$ 7,373,621
Internal Service	-	256,305
Custodial	-	156,810
Nonmajor Governmental	118,612	972,051
Total General	<u>118,612</u>	<u>8,758,787</u>
Fire Rescue		
Capital Replacement	-	518,597
Total Fire Rescue Fund	<u>-</u>	<u>518,597</u>
Capital Replacement		
General	7,373,621	-
Fire Rescue	518,597	-
Nonmajor Governmental	920,284	-
Total Capital Replacement	<u>8,812,502</u>	<u>-</u>
Internal Service		
General	256,305	-
Total Internal Service	<u>256,305</u>	<u>-</u>
Nonmajor Governmental		
General	972,051	118,612
Capital Replacement	-	920,284
Nonmajor Governmental	66,177	66,177
Total Nonmajor Governmental	<u>1,038,228</u>	<u>1,105,073</u>
Custodial		
SSA #45 Bryn Mawr	156,810	-
TOTAL	<u>\$ 10,382,457</u>	<u>\$ 10,382,457</u>

8. INDIVIDUAL FUND DISCLOSURES (Continued)

The purpose of significant transfers is as follows:

- \$972,051 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.
- \$8,812,502 transferred to the Capital Equipment Replacement Fund from the General, Fire Rescue and Nonmajor Governmental funds for the purchase of equipment and capital projects. This transfer will not be repaid.
- \$156,810 transferred to SSA #45 Bryn Mawr from the General Fund to transfer a receivable to the General Fund. 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, 2021.

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, 2021 was \$1,461,590, and is reported net of an allowance of the same amount.

9. CONTINGENT LIABILITIES

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 \$1,048,556 to SEECOM during fiscal year 2021. In addition, the City's equity interest in the joint venture's net position of \$2,766,076 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 \$538,000 outstanding at April 30, 2021.

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, 2021
December 4, 2012	\$ 1,000,000	\$ 128,240	\$ 976,009
June 3, 2014	1,000,000	158,035	925,299
February 13, 2019	600,000	35,384	70,768

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, 2021, 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 \$5,538,019 was measured as of April 30, 2021 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, 2021, 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, 2021, including updating the discount rate at April 30, 2021, as noted in the table on the following page.

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	2.27%
Healthcare Cost Trend Rates	5.50% 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, 2020	<u>\$ 5,331,664</u>
Changes for the Period	
Service Cost	150,761
Interest	133,554
Difference Between Expected and Actual Experience	-
Changes in Assumptions*	151,438
Benefit Payments	<u>(229,398)</u>
Net Changes	<u>206,355</u>
BALANCES AT APRIL 30, 2021	<u>\$ 5,538,019</u>

*There were changes in assumptions related to 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 2.27% 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 (1.27%) or 1 percentage point higher (3.27%) than the current rate:

	1% Decrease (1.27%)	Current Discount Rate (2.27%)	1% Increase (3.27%)
Total OPEB Liability	\$ 6,106,764	\$ 5,538,019	\$ 5,039,021

The table below presents the total OPEB liability of the City calculated using the healthcare rate of 5.00% to 5.50% 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 (4.00% to 4.50%) or 1 percentage point higher (6.00% to 6.50%) than the current rate:

	1% Decrease (4.00% to 4.50%)	Current Healthcare Rate (5.00% to 5.50%)	1% Increase (6.00% to 6.50%)
Total OPEB Liability	\$ 4,849,504	\$ 5,538,019	\$ 6,356,388

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

For the year ended April 30, 2021, the City recognized OPEB expense of \$158,987. At April 30, 2021, 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	\$ -	\$ 53,740
Changes in Assumptions	968,849	-
TOTAL	\$ 968,849	\$ 53,740

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,	
2022	\$ 104,070
2023	104,070
2024	104,070
2025	104,070
2026	104,070
Thereafter	<u>394,759</u>
TOTAL	<u><u>\$ 915,109</u></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, 2021:

	IMRF	Police Pension	Fire Pension	Total
Net Pension Liability (Asset)	\$ 2,418,641	\$ 30,040,957	\$ 8,826,735	\$ 41,286,333
Deferred Outflows of Resources	2,446,841	3,354,105	1,937,557	7,738,503
Deferred Inflows of Resources	6,245,184	6,867,750	9,399,112	22,512,046
Pension Expense (Income)	(590,284)	2,884,869	1,063,111	3,357,696

14. DEFINED BENEFIT PENSION PLANS (Continued)

Illinois Municipal Retirement Fund

A. *Plan Membership*

At December 31, 2020, IMRF membership consisted of:

Inactive Employees or their Beneficiaries	
Currently Receiving Benefits	181
Inactive Employees Entitled to but not yet Receiving Benefits	129
Active Employees	166
 TOTAL	 476

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, 2021 was 13.76% 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, 2020 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, 2020
Actuarial Cost Method	Entry-Age Normal
Assumptions	
Price Inflation	2.25%
Salary Increases	2.85% to 13.75%
Investment Rate of Return	7.25%
Asset Valuation Method	Fair Value

For nondisabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

E. *Discount Rate*

The discount rate used to measure the total pension liability was 7.25% at December 31, 2020. 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) Total Pension Liability	(B) Plan Fiduciary Net Position	(A) - (B) Net Pension Liability
BALANCES AT JANUARY 1, 2020	\$ 77,456,989	\$ 69,942,301	\$ 7,514,688
Changes for the Period			
Service Cost	1,204,021	-	1,204,021
Interest	5,544,651	-	5,544,651
Difference Between Expected and Actual Experience	1,603,138	-	1,603,138
Changes in Assumptions	(699,531)	-	(699,531)
Employer Contributions	-	1,615,854	(1,615,854)
Employee Contributions	-	528,825	(528,825)
Net Investment Income	-	9,737,032	(9,737,032)
Benefit Payments and Refunds	(3,162,117)	(3,162,117)	-
Administrative Expense	-	-	-
Other (Net Transfer)	-	866,615	(866,615)
Net Changes	4,490,162	9,586,209	(5,096,047)
BALANCES AT DECEMBER 31, 2020	\$ 81,947,151	\$ 79,528,510	\$ 2,418,641

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, 2020, the employer contributions and the net pension liability at December 31, 2020, was \$6,039,958, \$1,287,620 and \$1,927,625, respectively. The Library's collective share of the net pension liability at January 1, 2020, the employer contributions and the net pension liability at December 31, 2020, was \$1,474,730, \$327,964 and \$491,016, 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, 2021, the City recognized pension expense (income) of \$(470,448) and the Library recognized pension expense (income) of \$(119,835).

At April 30, 2021, 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	\$ 1,530,729	\$ -
Changes in Assumption	429,591	512,984
Net Difference Between Projected and Actual		
Earnings on Pension Plan Investments	-	5,732,200
Employer Contributions After the Measurement Date	486,521	-
TOTAL	\$ 2,446,841	\$ 6,245,184

\$486,521 reported as deferred outflows of resources related to pensions resulting from City (\$387,757) and Library (\$98,764) contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ending April 30, 2022. 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,	City	Library	Total
2022	\$ (611,426)	\$ (155,733)	\$ (767,159)
2023	(342,330)	(87,193)	(429,523)
2024	(1,716,616)	(437,231)	(2,153,847)
2025	(744,665)	(189,670)	(934,335)
2026	-	-	-
Thereafter	-	-	-
TOTAL	\$ (3,415,037)	\$ (869,827)	\$ (4,284,864)

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, 2021 was \$1,950,100 and \$4,977,330, respectively. The Library's collective share of the deferred outflows and inflows of resources at April 30, 2021, was \$496,741 and \$1,267,854, 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%)
City - Net Pension Liability (Asset)	\$ 10,214,841	\$ 1,927,625	\$ (5,014,314)
Library - Net Pension Liability (Asset)	2,601,773	491,016	(877,562)
Total - Net Pension Liability (Asset)	<u>\$ 12,816,614</u>	<u>\$ 2,418,641</u>	<u>\$ (5,891,876)</u>

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.

14. DEFINED BENEFIT PENSION PLANS (Continued)

Police Pension Plan (Continued)

A. *Plan Administration* (Continued)

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.

B. *Plan Membership*

At April 30, 2021, the measurement date, membership consisted of:

Inactive Plan Members Currently Receiving Benefits	44
Inactive Plan Members Entitled to but not yet Receiving Benefits	16
Active Plan Members	<u>63</u>
 TOTAL	 <u><u>123</u></u>

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

Police Pension Plan (Continued)

C. *Benefits Provided* (Continued)

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).

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, 2021, the City's contribution was 41.74% 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

14. DEFINED BENEFIT PENSION PLANS (Continued)

Police Pension Plan (Continued)

E. *Investment Policy* (Continued)

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	33.0%-56.1%	45.00%	5.31%
Large Cap Domestic Equities	23.5%-35.3%	29.40%	10.39%
Small Cap Domestic Equities	6.0%-9.0%	7.50%	12.07%
International Equities	14.4%-21.8%	18.10%	9.40%

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, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 29.29%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

Police Pension Plan (Continued)

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, 2021, all deposits 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, 2021:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	Greater Than 10
U.S. Treasury Obligations	\$ 6,691,417	\$ -	\$ 2,980,709	\$ 3,710,708	\$ -
Mortgage Backed Securities	31,278	-	31,278	-	-
Corporate Bonds	9,532,444	1,119,293	5,393,744	2,991,183	28,224
TOTAL	\$ 16,255,139	\$ 1,119,293	\$ 8,405,731	\$ 6,701,891	\$ 28,224

The Fund has the following recurring fair value measurements as of April 30, 2021: The U.S. Treasury obligations, and mutual funds are valued using quoted prices in active markets for identical assets (Level 1 inputs). 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 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. To limit its exposure, all security transactions that are exposed to custodial credit risk are processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Fund's agent separate from where the investment was purchased in the Fund's name. The money market mutual funds are not subject to custodial credit risk.

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, 2021, using the following actuarial methods and assumptions.

Actuarial Valuation Date	April 30, 2021
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, 2021.

The table below presents the pension liability of the City, for year ended April 30, 2021, 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	\$ 42,371,191	\$ 30,040,957	\$ 20,065,425

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, 2020	\$ 77,085,285	\$ 39,455,975	\$ 37,629,310
Changes for the Period			
Service Cost	1,536,190	-	1,536,190
Interest	5,486,253	-	5,486,253
Difference Between Expected and Actual Experience	(91,869)	-	(91,869)
Changes in Assumptions	-	-	-
Changes in Benefit Terms	-	-	-
Employer Contributions	-	2,685,733	(2,685,733)
Employee Contributions	-	637,598	(637,598)
Other Contributions	-	160,935	(160,935)
Net Investment Income	-	11,056,030	(11,056,030)
Benefit Payments and Refunds	(3,228,925)	(3,228,925)	-
Administrative Expense	-	(21,369)	21,369
Net Changes	3,701,649	11,290,002	(7,588,353)
BALANCES AT APRIL 30, 2021	\$ 80,786,934	\$ 50,745,977	\$ 30,040,957

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

Police Pension Plan (Continued)

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

For the year ended April 30, 2021, the City recognized police pension expense of \$1,063,091. At April 30, 2021, 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
	<u> </u>	<u> </u>
Difference Between Expected and Actual Experience	\$ 942,526	\$ 1,813,980
Changes in Assumption	2,411,579	1,569,390
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	3,484,380
	<u> </u>	<u> </u>
TOTAL	\$ 3,354,105	\$ 6,867,750

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 <u>April 30,</u>	
2022	\$ (770,037)
2023	(585,764)
2024	(766,926)
2025	(1,633,531)
2026	47,901
Thereafter	<u>194,712</u>
TOTAL	<u>\$ (3,513,645)</u>

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, 2021, the measurement date, membership consisted of:

Inactive Plan Members Currently Receiving Benefits	24
Inactive Plan Members Entitled to but not yet Receiving Benefits	3
Active Plan Members	63
 TOTAL	 90

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 26.66% of covered payroll for the year ended April 30, 2021.

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. During the year ended April 30, 2021, changes to the investment policy related to performance benchmarks and adding language related to the Illinois Sustainable Investing Act.

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%	1.3%
Large Cap Domestic Equities	22%-65%	42.00%	5.7%
Small Cap Domestic Equities	0%-26%	12.00%	7.5%
International Equities	0%-13%	6.00%	7.0%

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, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 27.24%. 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, 2021, 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, 2021:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	Greater Than 10
U.S. Treasury Obligations	\$ 2,222,484	\$ 557,281	\$ 532,484	\$ 1,132,719	\$ -
Mortgage Backed Securities	394,661	-	378,894	1,908	13,859
Other Agency Securities	11,426,667	203,088	3,699,819	7,523,760	-
Corporate Bonds	2,902,154	-	796,248	2,105,906	-
Municipal Bonds	2,706,865	110,947	1,094,142	1,194,003	307,773
TOTAL	\$ 19,652,831	\$ 871,316	\$ 6,501,587	\$ 11,958,296	\$ 321,632

The Fund has the following recurring fair value measurements as of April 30, 2021: 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. To limit its exposure, all security transactions that are exposed to custodial credit risk are processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Fund's agent separate from where the investment was purchased in the Fund's name. The money market mutual funds are not subject to custodial credit risk.

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, 2021, using the following actuarial methods and assumptions.

Actuarial Valuation Date	April 30, 2021
Actuarial Cost Method	Entry-Age Normal
Assumptions	
Inflation	2.50%
Salary Increases	3.75% 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, 2021.

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	\$ 19,258,417	\$ 8,826,735	\$ 470,686

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, 2020	\$ 58,971,088	\$ 40,160,833	\$ 18,810,255
Changes for the Period			
Service Cost	1,806,035	-	1,806,035
Interest	4,065,873	-	4,065,873
Difference Between Expected and Actual Experience	(2,198,565)	-	(2,198,565)
Changes in Assumptions	-	-	-
Changes in Benefit Terms	-	-	-
Employer Contributions	-	1,878,976	(1,878,976)
Employee Contributions	-	666,374	(666,374)
Net Investment Income	-	11,129,344	(11,129,344)
Benefit Payments and Refunds	(1,575,630)	(1,575,630)	-
Administrative Expense	-	(17,831)	17,831
Net Changes	2,097,713	12,081,233	(9,983,520)
BALANCES AT APRIL 30, 2021	\$ 61,068,801	\$ 52,242,066	\$ 8,826,735

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, 2021, the City recognized firefighters' pension expense of \$1,063,111. At April 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to the firefighters' pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 169,272	\$ 3,641,261
Changes in Assumption	1,768,285	655,463
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	5,102,388
TOTAL	<u>\$ 1,937,557</u>	<u>\$ 9,399,112</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:

Fiscal Year Ending April 30,	
2022	\$ (1,325,472)
2023	(1,388,447)
2024	(1,428,905)
2025	(2,064,272)
2026	(379,107)
Thereafter	<u>(875,352)</u>
TOTAL	<u>\$ (7,461,555)</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	\$ 8,121	\$ 14,952	\$ 23,073
Investments			
Money Market Accounts	1,427,736	304,830	1,732,566
U.S. Treasury and U.S. Agency Securities	6,722,695	14,043,812	20,766,507
Corporate Bonds	9,532,444	2,902,154	5,609,019
Municipal Bonds	-	2,706,865	9,532,444
Mutual Funds - Stocks	32,946,104	32,170,769	65,116,873
Receivables			
Accrued Interest	109,461	115,740	225,201
Other	-	530	530
	<hr/>		
Total assets	50,746,561	52,259,652	103,006,213
	<hr/>		
LIABILITIES			
Accounts Payable	584	17,586	18,170
	<hr/>		
Total Liabilities	584	17,586	18,170
	<hr/>		
NET POSITION	\$ 50,745,977	\$ 52,242,066	\$ 102,988,043

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	\$ 2,685,733	\$ 1,878,976	\$ 4,564,709
Other	160,935	-	160,935
Employee	637,598	666,374	1,303,972
Total Contributions	3,484,266	2,545,350	6,029,616
Investment Income			
Net Appreciation in Fair Value of Investments	10,274,102	9,889,976	20,164,078
Interest Earned	974,637	1,432,571	2,407,208
Less Investment Expense	(192,709)	(193,203)	(385,912)
Net Investment Income	11,056,030	11,129,344	22,185,374
Total Additions	14,540,296	13,674,694	28,214,990
DEDUCTIONS			
Benefits and Refunds	3,228,925	1,575,630	4,804,555
Administrative	21,369	17,831	39,200
Total Deductions	3,250,294	1,593,461	4,843,755
NET INCREASE	11,290,002	12,081,233	23,371,235
NET POSITION RESTRICTED FOR PENSION BENEFITS			
January 1	39,455,975	40,160,833	79,616,808
December 31	\$ 50,745,977	\$ 52,242,066	\$ 102,988,043

16. PRIOR PERIOD ADJUSTMENT

The City restated beginning fund balance in the General Fund to correct an error in revenue recognition by \$410,773.

17. 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.

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

A. Summary of Significant Accounting Policies (Continued)

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.

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.

17. 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	\$ 133,338	\$ 133,338	\$ -	\$ -	\$ -
TOTAL	\$ 133,338	\$ 133,338	\$ -	\$ -	\$ -

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.

17. 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 2020 levy year attach as an enforceable lien on January 1, 2020, 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 2020 taxes are intended to finance the 2022 fiscal year and are not considered available or earned for current operations and are, therefore, shown as deferred revenue. The 2021 tax levy, which attached as an enforceable lien on property as of January 1, 2021, has not been recorded as a receivable as of April 30, 2021, as the tax has not yet been levied by the Library and will not be levied until December 2021 and, therefore, the levy is not measurable at April 30, 2021.

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

17. 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	1,694,310	87,645	9,526,459
Machinery, Equipment and Vehicles	336,536	48,383	125,274	259,645
Total Capital Assets Being Depreciated	<u>8,256,330</u>	<u>1,742,693</u>	<u>212,919</u>	<u>9,786,104</u>
Less Accumulated Depreciation for				
Building and Improvements	3,881,800	213,183	87,645	4,007,338
Machinery, Equipment and Vehicles	294,144	26,158	125,274	195,028
Total Accumulated Depreciation	<u>4,175,944</u>	<u>239,341</u>	<u>212,919</u>	<u>4,202,366</u>
Total Capital Assets Being Depreciated, Net	<u>4,080,386</u>	<u>1,503,352</u>	<u>-</u>	<u>5,583,738</u>
TOTAL CAPITAL ASSETS	<u>\$ 6,443,426</u>	<u>\$ 1,503,352</u>	<u>\$ -</u>	<u>\$ 7,946,778</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	\$ 154,142	\$ 119,257	\$ 77,071	\$ 196,328	\$ 98,164
Net Pension Liability	1,474,730	-	983,714	491,016	-
TOTAL	<u>\$ 1,628,872</u>	<u>\$ 119,257</u>	<u>\$ 1,060,785</u>	<u>\$ 687,344</u>	<u>\$ 98,164</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.

17. 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, 2021, the Library's total OPEB liability as of April 30, 2021, is immaterial and, therefore, not recorded by the Library and no further disclosure is deemed necessary.

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, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Charges for Service	\$ 470,653	\$ 470,653	\$ 294,700	\$ (175,953)
Licenses and Permits	542,730	542,730	934,440	391,710
Intergovernmental	15,185,346	15,185,346	20,406,028	5,220,682
Fines and Forfeitures	394,067	394,067	295,933	(98,134)
Property Taxes	4,572,738	4,572,738	4,564,751	(7,987)
Other Taxes	6,273,127	6,273,127	7,133,024	859,897
Investment Income	170,507	170,507	345,461	174,954
Miscellaneous	1,330,913	1,330,913	1,922,878	591,965
Total Revenues	28,940,081	28,940,081	35,897,215	6,957,134
EXPENDITURES				
General Government	7,222,489	7,972,489	7,176,526	(795,963)
Public Safety	15,762,655	15,762,655	14,886,476	(876,179)
Highway and Streets	5,189,025	5,189,025	5,055,031	(133,994)
Cultural Recreation	776,297	776,297	495,401	(280,896)
Debt Service				
Principal	40,317	40,317	40,316	(1)
Interest and Fees	13,380	13,380	13,179	(201)
Total Expenditures	29,004,163	29,754,163	27,666,929	(2,087,234)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(64,082)	(814,082)	8,230,286	9,044,368
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	-	-	195,719	195,719
Transfers In	79,250	79,250	118,612	39,362
Transfers (Out)	(3,614,702)	(3,614,702)	(8,758,787)	(5,144,085)
Total Other Financing Sources (Uses)	(3,535,452)	(3,535,452)	(8,444,456)	(4,909,004)
NET CHANGE IN FUND BALANCE	\$ (3,599,534)	\$ (4,349,534)	(214,170)	\$ 4,135,364
FUND BALANCE, MAY 1			22,381,220	
Prior Period Adjustment			<u>(410,773)</u>	
FUND BALANCE, MAY 1			<u>21,970,447</u>	
FUND BALANCE, APRIL 30			<u><u>\$ 21,756,277</u></u>	

(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, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Charges for Services	\$ 4,052,477	\$ 4,052,477	\$ 4,395,598	\$ 343,121
Intergovernmental	2,000	2,000	787,402	785,402
Property Taxes	6,850,922	6,850,922	6,838,859	(12,063)
Investment Income	36,684	36,684	3,583	(33,101)
Other	426,500	426,500	246,069	(180,431)
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	11,368,583	11,368,583	12,271,511	902,928
EXPENDITURES				
Public Safety				
Personnel Services	9,243,591	9,243,591	9,208,188	(35,403)
Contractual Services	1,350,621	1,350,621	1,186,140	(164,481)
Materials and Supplies	363,319	363,319	246,272	(117,047)
Miscellaneous	-	-	83,695	83,695
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	10,957,531	10,957,531	10,724,295	(233,236)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	411,052	411,052	1,547,216	1,136,164
OTHER FINANCING SOURCES (USES)				
Transfers (Out)	(2,009,337)	(2,009,337)	(518,597)	1,490,740
	<hr/>	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	<u>\$ (1,598,285)</u>	<u>\$ (1,598,285)</u>	1,028,619	<u>\$ 2,626,904</u>
FUND BALANCE, MAY 1			<u>4,483,217</u>	
FUND BALANCE, APRIL 30			<u>\$ 5,511,836</u>	

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2021

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 and Crystal Heights Debt Service), Capital Projects (except the NCLPB Project Fund), Enterprise Fund, Internal Service 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, Internal Service 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 \$111,712.

CITY OF CRYSTAL LAKE, ILLINOIS

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

Last Six Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2016	2017	2018	2019	2020	2021
Actuarially Determined Contribution	\$ 1,452,892	\$ 1,410,404	\$ 1,430,059	\$ 1,385,397	\$ 1,365,266	\$ 1,559,628
Contributions in Relation to the Actuarially Determined Contribution	1,452,892	1,410,404	1,430,059	1,385,397	1,365,266	1,559,628
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 11,133,366	\$ 10,753,366	\$ 11,069,426	\$ 11,160,501	\$ 11,377,411	\$ 11,337,608
Contributions as a Percentage of Covered Payroll	13.05%	13.12%	12.92%	12.41%	12.00%	13.76%

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 23 years; the asset valuation method was at five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.25% 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 Eight Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2014	2015	2016	2017	2018	2019	2020	2021
Actuarially Determined Contribution	\$ 1,860,207	\$ 1,973,564	\$ 1,869,923	\$ 1,992,354	\$ 2,091,066	\$ 2,418,845	\$ 2,391,323	\$ 2,690,477
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	2,685,733
CONTRIBUTION DEFICIENCY (Excess)	\$ 15,484	\$ 194,594	\$ (189,419)	\$ 2,578	\$ 1,126	\$ 3,697	\$ 4,980	\$ 4,744
Covered Payroll	\$ 5,720,770	\$ 5,773,467	\$ 5,437,640	\$ 5,691,409	\$ 5,953,131	\$ 6,099,597	\$ 6,149,431	\$ 6,433,892
Contributions as a Percentage of Covered Payroll	32.25%	30.81%	37.87%	34.96%	35.11%	39.60%	38.81%	41.74%

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 22 years; the asset valuation method was five-year smoothed market, and the interest rate assumption was 7.25% annually.

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 Eight Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2014	2015	2016	2017	2018	2019	2020	2021
Actuarially Determined Contribution	\$ 1,649,811	\$ 1,720,093	\$ 1,767,767	\$ 1,518,852	\$ 1,609,399	\$ 1,884,348	\$ 1,847,033	\$ 1,882,261
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	1,878,976
CONTRIBUTION DEFICIENCY (Excess)	\$ 31,547	\$ 164,438	\$ (161,161)	\$ (172,128)	\$ 860	\$ 2,620	\$ 3,854	\$ 3,285
Covered Payroll	\$ 5,278,118	\$ 5,531,971	\$ 5,744,609	\$ 5,908,574	\$ 6,229,293	\$ 6,482,045	\$ 7,075,908	\$ 7,047,861
Contributions as a Percentage of Covered Payroll	30.66%	28.12%	33.58%	28.62%	25.82%	29.03%	26.05%	26.66%

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 22 years; the asset valuation method was five-year smoothed market; and the interest rate assumption was 7.25% annually.

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 Six Calendar Years

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018	2019	2020
TOTAL PENSION LIABILITY						
Service Cost	\$ 1,211,429	\$ 1,199,753	\$ 1,173,075	\$ 1,117,896	\$ 1,160,290	\$ 1,204,021
Interest	4,343,976	4,539,611	4,819,887	4,947,320	5,275,067	5,544,651
Changes of Benefit Terms	-	-	-	-	-	-
Differences Between Expected and Actual Experience	(1,001,063)	121,980	126,838	1,257,266	283,884	1,603,138
Changes of Assumptions	79,521	(248,700)	(1,994,006)	2,166,714	-	(699,531)
Benefit Payments, Including Refunds of Member Contributions	(1,903,179)	(1,959,499)	(2,251,265)	(2,546,931)	(2,883,298)	(3,162,117)
Net Change in Total Pension Liability	2,730,684	3,653,145	1,874,529	6,942,265	3,835,943	4,490,162
Total Pension Liability - Beginning	58,420,423	61,151,107	64,804,252	66,678,781	73,621,046	77,456,989
TOTAL PENSION LIABILITY - ENDING	\$ 61,151,107	\$ 64,804,252	\$ 66,678,781	\$ 73,621,046	\$ 77,456,989	\$ 81,947,151
PLAN FIDUCIARY NET POSITION						
Contributions - Employer	\$ 1,390,362	\$ 1,424,559	\$ 1,388,105	\$ 1,469,484	\$ 1,260,041	\$ 1,615,854
Contributions - Member	485,951	490,006	507,135	503,413	553,793	528,825
Net Investment Income	256,105	3,526,328	9,228,845	(3,068,591)	11,122,244	9,737,032
Benefit Payments, Including Refunds of Member Contributions	(1,903,179)	(1,959,499)	(2,251,265)	(2,546,931)	(2,883,298)	(3,162,117)
Other	(702,990)	335,991	(550,873)	1,044,285	(412,236)	866,615
Net Change in Plan Fiduciary Net Position	(473,751)	3,817,385	8,321,947	(2,598,340)	9,640,544	9,586,209
Plan Fiduciary Net Position - Beginning	51,234,516	50,760,765	54,578,150	62,900,097	60,301,757	69,942,301
PLAN FIDUCIARY NET POSITION - ENDING	\$ 50,760,765	\$ 54,578,150	\$ 62,900,097	\$ 60,301,757	\$ 69,942,301	\$ 79,528,510
EMPLOYER'S NET PENSION LIABILITY						
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	83.01%	84.22%	94.33%	81.91%	90.30%	97.05%
Covered Payroll	\$ 10,752,994	\$ 10,717,757	\$ 10,847,310	\$ 11,174,779	\$ 11,382,497	\$ 11,751,668
Employer's Net Pension Liability as a Percentage of Covered Payroll	96.63%	95.41%	34.84%	119.19%	66.02%	20.58%

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.

In 2020, there were no benefit changes during the year. Changes in assumptions related to salary rates, price inflation, retirement age, and mortality rates since the previous measurement date.

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 Eight 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 2021.

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	2021
\$ 1,384,616	\$ 1,480,535	\$ 1,514,366	\$ 1,428,215	\$ 1,536,190
4,647,595	4,740,074	4,795,473	5,108,983	5,486,253
-	-	-	264,843	-
(90,119)	(3,331,174)	1,017,819	394,864	(91,869)
(2,002,799)	2,903,482	(1,868,828)	1,047,031	-
(2,564,023)	(2,763,423)	(3,154,254)	(3,254,765)	(3,228,925)
1,375,270	3,029,494	2,304,576	4,989,171	3,701,649
65,386,774	66,762,044	69,791,538	72,096,114	77,085,285
\$ 66,762,044	\$ 69,791,538	\$ 72,096,114	\$ 77,085,285	\$ 80,786,934
\$ 1,989,776	\$ 2,089,940	\$ 2,415,148	\$ 2,386,343	\$ 2,685,733
551,461	570,493	633,079	608,715	798,533
3,391,766	2,829,729	1,623,122	(1,363,475)	11,056,030
(2,564,023)	(2,763,423)	(3,154,254)	(3,254,765)	(3,228,925)
(37,390)	(16,115)	(16,137)	(20,134)	(21,369)
3,331,590	2,710,624	1,500,958	(1,643,316)	11,290,002
33,556,119	36,887,709	39,598,333	41,099,291	39,455,975
\$ 36,887,709	\$ 39,598,333	\$ 41,099,291	\$ 39,455,975	\$ 50,745,977
\$ 29,874,335	\$ 30,193,205	\$ 30,996,823	\$ 37,629,310	\$ 30,040,957
55.25%	56.74%	57.01%	51.18%	62.81%
\$ 5,691,409	\$ 5,953,131	\$ 6,099,597	\$ 6,149,431	\$ 6,433,892
524.90%	507.18%	508.18%	611.92%	466.92%

(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 Eight 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	2021
\$ 1,597,021	\$ 1,663,767	\$ 1,518,410	\$ 1,593,494	\$ 1,806,035
3,314,039	3,466,784	3,583,943	3,890,887	4,065,873
-	-	-	496,787	-
20,498	(1,976,589)	221,515	(507,207)	(2,198,565)
(1,386,277)	(48,865)	419,832	598,398	-
(1,381,293)	(1,495,603)	(1,482,619)	(1,537,360)	(1,575,630)
2,163,988	1,609,494	4,261,081	4,534,999	2,097,713
46,401,526	48,565,514	50,175,008	54,436,089	58,971,088
\$ 48,565,514	\$ 50,175,008	\$ 54,436,089	\$ 58,971,088	\$ 61,068,801
\$ 1,690,980	\$ 1,608,539	\$ 1,881,728	\$ 1,843,179	\$ 1,878,976
544,683	584,464	603,777	660,175	666,374
2,510,351	2,061,996	2,384,267	662,186	11,129,344
(1,381,293)	(1,495,603)	(1,482,619)	(1,537,360)	(1,575,630)
(58,025)	(16,840)	(22,532)	(18,449)	(17,831)
3,306,696	2,742,556	3,364,621	1,609,731	12,081,233
29,137,229	32,443,925	35,186,481	38,551,102	40,160,833
\$ 32,443,925	\$ 35,186,481	\$ 38,551,102	\$ 40,160,833	\$ 52,242,066
\$ 16,121,589	\$ 14,988,527	\$ 15,884,987	\$ 18,810,255	\$ 8,826,735
66.80%	70.13%	70.82%	68.10%	85.55%
\$ 5,908,574	\$ 6,229,293	\$ 6,482,045	\$ 7,075,908	\$ 7,047,861
272.85%	240.61%	245.06%	265.84%	125.24%

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

**SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND**

Last Eight Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2014	2015	2016	2017	2018	2019	2020	2021
Annual money-weighted rate of return, net of investment expense	9.26%	5.30%	(1.60%)	9.98%	7.62%	4.20%	(2.96%)	29.29%

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 Eight Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2014	2015	2016	2017	2018	2019	2020	2021
Annual money-weighted rate of return, net of investment expense	5.46%	7.26%	0.74%	7.77%	6.26%	7.25%	1.67%	27.24%

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 Four Fiscal Years

MEASUREMENT DATE APRIL 30,	2018	2019	2020	2021
TOTAL OPEB LIABILITY				
Service Cost	\$ 120,186	\$ 124,957	\$ 109,111	\$ 150,761
Interest	160,856	163,403	159,615	133,554
Differences Between Expected and Actual Experience	-	-	(66,180)	-
Changes of Benefit Terms	-	-	-	-
Changes of Assumptions	-	79,519	951,236	151,438
Benefit Payments	(224,631)	(209,087)	(201,398)	(229,398)
Net Change in Total OPEB Liability	56,411	158,792	952,384	206,355
Total OPEB Liability - Beginning	4,164,077	4,220,488	4,379,280	5,331,664
TOTAL OPEB LIABILITY - ENDING	\$ 4,220,488	\$ 4,379,280	\$ 5,331,664	\$ 5,538,019
Covered Payroll	\$ 21,087,988	\$ 23,410,540	\$ 23,397,653	\$ 24,788,593
Employer's Total OPEB Liability as a Percentage of Covered Payroll	20.01%	18.71%	22.79%	22.34%

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 discount rate were made in 2021.

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, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Charges for Services				
Review Fees	\$ 75,000	\$ 75,000	\$ 121,296	\$ 46,296
Parking	83,609	83,609	1,880	(81,729)
Police Revenue	155,000	155,000	82,096	(72,904)
Other Fees	157,044	157,044	89,428	(67,616)
Total Charges for Services	470,653	470,653	294,700	(175,953)
Licenses and Permits				
Liquor Licenses	107,502	107,502	73,573	(33,929)
Miscellaneous Licenses and Permits	25,000	25,000	14,965	(10,035)
Building Permits	410,228	410,228	845,902	435,674
Total Licenses and Permits	542,730	542,730	934,440	391,710
Intergovernmental				
Income Tax	3,438,900	3,438,900	4,670,667	1,231,767
Local Use Tax	1,178,125	1,178,125	1,819,596	641,471
Replacement Tax	165,069	165,069	166,446	1,377
State Sales Tax	10,376,252	10,376,252	12,215,655	1,839,403
Grants	27,000	27,000	1,533,664	1,506,664
Total Intergovernmental	15,185,346	15,185,346	20,406,028	5,220,682
Fines and Forfeitures				
Police Fines	305,015	305,015	229,244	(75,771)
Adjudication Fines	89,052	89,052	66,689	(22,363)
Total Fines and Forfeitures	394,067	394,067	295,933	(98,134)
Property Taxes	4,572,738	4,572,738	4,564,751	(7,987)
Other Taxes				
Auto Rental Tax	41,380	41,380	39,076	(2,304)
Franchise Fees - Cable	646,798	646,798	620,139	(26,659)
Home Rule Sales Tax	4,627,660	4,627,660	5,523,531	895,871
Hotel Tax	204,630	204,630	286,198	81,568
Telecommunications Tax	752,659	752,659	664,080	(88,579)
Total Other Taxes	6,273,127	6,273,127	7,133,024	859,897
Investment Income	170,507	170,507	345,461	174,954
Miscellaneous				
Rental Income	325,599	325,599	355,369	29,770
Host Fees	330,294	330,294	424,410	94,116
Other	675,020	675,020	1,143,099	468,079
Total Miscellaneous	1,330,913	1,330,913	1,922,878	591,965
TOTAL REVENUES	\$ 28,940,081	\$ 28,940,081	\$ 35,897,215	\$ 6,957,134

(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, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
GENERAL GOVERNMENT				
Executive Department				
Personal Services	\$ 22,800	\$ 22,800	\$ 22,700	\$ (100)
Contractual Services	329,551	329,551	168,855	(160,696)
Total Executive Department	<u>352,351</u>	<u>352,351</u>	<u>191,555</u>	<u>(160,796)</u>
Legal and Judiciary Department				
Contractual Services	516,295	516,295	798,804	282,509
Total Legal and Judiciary Department	<u>516,295</u>	<u>516,295</u>	<u>798,804</u>	<u>282,509</u>
Administration Department				
Personal Services	1,618,846	1,618,846	1,560,469	(58,377)
Contractual Services	251,820	251,820	171,763	(80,057)
Materials and Supplies	99,861	99,861	50,444	(49,417)
Total Administration Department	<u>1,970,527</u>	<u>1,970,527</u>	<u>1,782,676</u>	<u>(187,851)</u>
Administration Adjudication Department				
Personal Services	78,315	78,315	74,948	(3,367)
Contractual Services	32,500	32,500	23,174	(9,326)
Materials and Supplies	2,450	2,450	33	(2,417)
Total Administration Adjudication Department	<u>113,265</u>	<u>113,265</u>	<u>98,155</u>	<u>(15,110)</u>
Community Development				
Personal Services	1,709,170	1,709,170	1,549,529	(159,641)
Contractual Services	726,501	1,476,501	1,214,845	(261,656)
Materials and Supplies	23,963	23,963	12,144	(11,819)
Total Community Development	<u>2,459,634</u>	<u>3,209,634</u>	<u>2,776,518</u>	<u>(433,116)</u>
Information Technology				
Personal Services	201,534	201,534	189,127	(12,407)
Contractual Services	348,585	348,585	273,577	(75,008)
Materials and Supplies	47,950	47,950	45,621	(2,329)
Total Information Technology	<u>598,069</u>	<u>598,069</u>	<u>508,325</u>	<u>(89,744)</u>

(This schedule 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, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
GENERAL GOVERNMENT (Continued)				
Shared Services				
Contractual Services	\$ 657,591	\$ 657,591	\$ 491,444	\$ (166,147)
Materials and Supplies	126,630	126,630	157,381	30,751
Total Shared Services	<u>784,221</u>	<u>784,221</u>	<u>648,825</u>	<u>(135,396)</u>
Special Projects Department				
Contractual Services	423,627	423,627	245,676	(177,951)
Materials and Supplies	4,500	4,500	125,992	121,492
Total Special Department Projects	<u>428,127</u>	<u>428,127</u>	<u>371,668</u>	<u>(56,459)</u>
Total General Government	<u>7,222,489</u>	<u>7,972,489</u>	<u>7,176,526</u>	<u>(795,963)</u>
PUBLIC SAFETY				
Police Department				
Personal Services	9,296,816	9,296,816	8,710,740	(586,076)
Contractual Services	1,531,546	1,531,546	1,318,945	(212,601)
Materials and Supplies	331,859	331,859	268,533	(63,326)
Total Police Department	<u>11,160,221</u>	<u>11,160,221</u>	<u>10,298,218</u>	<u>(862,003)</u>
Pension Obligation				
Police Pension Contribution	2,690,477	2,690,477	2,685,775	(4,702)
Fire Pension Contribution	1,882,261	1,882,261	1,878,976	(3,285)
Total Pension Obligation	<u>4,572,738</u>	<u>4,572,738</u>	<u>4,564,751</u>	<u>(7,987)</u>
Fire and Police Commission				
Contractual Services	29,696	29,696	23,507	(6,189)
Total Fire and Police Commission	<u>29,696</u>	<u>29,696</u>	<u>23,507</u>	<u>(6,189)</u>
Total Public Safety	<u>15,762,655</u>	<u>15,762,655</u>	<u>14,886,476</u>	<u>(876,179)</u>
HIGHWAY AND STREETS				
Engineering Department				
Personal Services	821,516	821,516	809,320	(12,196)
Contractual Services	74,200	74,200	26,524	(47,676)
Materials and Supplies	29,253	29,253	30,612	1,359
Total Engineering Department	<u>924,969</u>	<u>924,969</u>	<u>866,456</u>	<u>(58,513)</u>

(This schedule 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, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
HIGHWAY AND STREETS (Continued)				
Street Department				
Personal Services	\$ 1,740,483	\$ 1,740,483	\$ 1,780,698	\$ 40,215
Contractual Services	1,277,620	1,277,620	1,258,754	(18,866)
Materials and Supplies	274,449	274,449	239,061	(35,388)
Total Street Department	<u>3,292,552</u>	<u>3,292,552</u>	<u>3,278,513</u>	<u>(14,039)</u>
Fleet and Facility Services				
Personal Services	824,185	824,185	765,600	(58,585)
Contractual Services	111,749	111,749	121,183	9,434
Materials and Supplies	35,570	35,570	23,279	(12,291)
Total Fleet and Facility Services	<u>971,504</u>	<u>971,504</u>	<u>910,062</u>	<u>(61,442)</u>
Total Highways and Streets	<u>5,189,025</u>	<u>5,189,025</u>	<u>5,055,031</u>	<u>(133,994)</u>
CULTURE AND RECREATION				
Three Oaks Recreation Area				
Personal Services	441,416	441,416	211,281	(230,135)
Contractual Services	257,401	257,401	240,397	(17,004)
Materials and Supplies	77,480	77,480	43,723	(33,757)
Total Three Oaks Recreation	<u>776,297</u>	<u>776,297</u>	<u>495,401</u>	<u>(280,896)</u>
Total Culture and Recreation	<u>776,297</u>	<u>776,297</u>	<u>495,401</u>	<u>(280,896)</u>
DEBT SERVICE				
Principal	40,317	40,317	40,316	(1)
Interest and Fees	13,380	13,380	13,179	(201)
Total Debt Service	<u>53,697</u>	<u>53,697</u>	<u>53,495</u>	<u>(202)</u>
TOTAL EXPENDITURES	<u>\$ 29,004,163</u>	<u>\$ 29,754,163</u>	<u>\$ 27,666,929</u>	<u>\$ (2,087,234)</u>

(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, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Licenses and Permits	\$ 43,500	\$ 43,500	\$ 45,300	\$ 1,800
Other Taxes	2,170,836	2,170,836	1,733,929	(436,907)
Total Revenues	2,214,336	2,214,336	1,779,229	(435,107)
EXPENDITURES				
Debt Service				
Principal	817,578	817,578	447,009	(370,569)
Interest	-	-	63,719	63,719
Capital Outlay				
Information Technology	251,800	251,800	220,100	(31,700)
Police	1,066,582	1,066,582	1,040,248	(26,334)
Community Development	-	-	33,209	33,209
Streets	1,914,229	1,914,229	1,995,578	81,349
Engineering	427,165	427,165	44,389	(382,776)
Fleet and Facility Services	767,930	767,930	919,420	151,490
Fire Rescue	2,129,167	2,129,167	496,502	(1,632,665)
Road Resurfacing	1,975,000	1,975,000	2,083,167	108,167
Road Reconstruction	2,981,913	2,981,913	2,897,759	(84,154)
Three Oaks Recreation Area	271,200	271,200	45,631	(225,569)
Administration	26,440	26,440	2,288	(24,152)
Total Expenditures	12,629,004	12,629,004	10,289,019	(2,339,985)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(10,414,668)	(10,414,668)	(8,509,790)	1,904,878
OTHER FINANCING SOURCES (USES)				
Capital Lease Issued	2,611,128	2,611,128	2,483,808	(127,320)
Transfers In	7,680,987	7,680,987	8,812,502	1,131,515
Total Other Financing Sources (Uses)	10,292,115	10,292,115	11,296,310	1,004,195
NET CHANGE IN FUND BALANCE	\$ (122,553)	\$ (122,553)	2,786,520	\$ 2,909,073
FUND BALANCE, MAY 1			2,033,009	
FUND BALANCE, APRIL 30			\$ 4,819,529	

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

CITY OF CRYSTAL LAKE, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2021

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
ASSETS				
Cash and Investments	\$ 10,603,828	\$ 241,347	\$ 1,360,959	\$ 12,206,134
Receivables				
Property Taxes	1,235,417	-	221,156	1,456,573
Accounts Receivable	129,499	-	-	129,499
Other	34,888	134,290	66	169,244
Prepaid Items	15,086	-	-	15,086
Due from Other Governments	149,079	-	-	149,079
Due from Other Funds	20	-	-	20
Total Assets	12,167,817	375,637	1,582,181	14,125,635
DEFERRED OUTFLOWS OF RESOURCES				
None	-	-	-	-
Total Deferred Outflows of Resources	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 12,167,817	\$ 375,637	\$ 1,582,181	\$ 14,125,635
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 64,420	\$ -	\$ -	\$ 64,420
Recapture Fees Payable	-	-	75,399	75,399
Due to Other Funds	42,131	47,072	-	89,203
Total Liabilities	106,551	47,072	75,399	229,022
DEFERRED INFLOWS OF RESOURCES				
Deferred Revenue - Property Taxes	1,235,417	-	221,156	1,456,573
Total Deferred Inflows of Resources	1,235,417	-	221,156	1,456,573
Total Liabilities and Deferred Inflows of Resources	1,341,968	47,072	296,555	1,685,595

(This statement is continued on the following page.)

CITY OF CRYSTAL LAKE, ILLINOIS

COMBINING BALANCE SHEET (Continued)
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2021

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
FUND BALANCES				
Nonspendable				
Prepaid Items	\$ 15,086	\$ -	\$ -	\$ 15,086
Restricted				
IMRF/FICA	1,820,320	-	-	1,820,320
Public Safety	671,118	-	-	671,118
Debt Service	-	328,565	-	328,565
Park Development	-	-	964,812	964,812
Highway and Street Maintenance	8,163,778	-	-	8,163,778
Capital Improvement Projects	-	-	320,814	320,814
Unrestricted				
Assigned				
Special Revenue Funds	179,466	-	-	179,466
Unassigned (Deficit)	(23,919)	-	-	(23,919)
	<hr/>	<hr/>	<hr/>	<hr/>
Total Fund Balances	10,825,849	328,565	1,285,626	12,440,040
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 12,167,817	\$ 375,637	\$ 1,582,181	\$ 14,125,635
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(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, 2021

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
REVENUES				
Charges for Services	\$ 26,251	\$ 44,806	\$ -	\$ 71,057
Licenses and Permits	178,874	-	-	178,874
Intergovernmental	3,000,123	-	-	3,000,123
Fines and Forfeitures	5,429	-	-	5,429
Property Taxes	2,058,898	20,273	215,835	2,295,006
Other Taxes	42,766	-	-	42,766
Developer Donations	-	-	553,878	553,878
Investment Income	25,898	218	693	26,809
Miscellaneous	31,321	-	-	31,321
Total Revenues	5,369,560	65,297	770,406	6,205,263
EXPENDITURES				
Current Operating				
General Government	1,133,978	513	2,250	1,136,741
Public Safety	228,608	-	-	228,608
Highways and Streets	1,133,822	-	-	1,133,822
Culture and Recreation	15,065	-	-	15,065
Debt Service				
Principal	-	563,755	-	563,755
Interest and Fiscal Charges	-	473,960	-	473,960
Total Expenditures	2,511,473	1,038,228	2,250	3,551,951
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,858,087	(972,931)	768,156	2,653,312
OTHER FINANCING SOURCES (USES)				
Transfers In	-	1,038,228	-	1,038,228
Transfers (Out)	(870,084)	-	(234,989)	(1,105,073)
Total Other Financing Sources (Uses)	(870,084)	1,038,228	(234,989)	(66,845)
NET CHANGE IN FUND BALANCES	1,988,003	65,297	533,167	2,586,467
FUND BALANCES, MAY 1	8,837,846	263,268	752,459	9,853,573
FUND BALANCES, APRIL 30	\$ 10,825,849	\$ 328,565	\$ 1,285,626	\$ 12,440,040

(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.

Motor Fuel Tax - To account 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.

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, 2021

	Motor Fuel Tax	IMRF/ FICA	Road/ Vehicle License	School Crossing Guard
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
ASSETS				
Cash and Investments	\$ 7,946,004	\$ 1,820,170	\$ 51,735	\$ 120,061
Receivables				
Property Taxes, Net	-	1,180,957	-	54,460
Accounts Receivable	122,437	-	-	-
Other	8,118	150	4	20,779
Prepaid Expenses	-	-	684	-
Due from Other Governments	134,219	-	-	-
Due from Other Funds	-	-	-	-
Total Assets	8,210,778	3,001,277	52,423	195,300
DEFERRED OUTFLOWS OF RESOURCES				
None	-	-	-	-
Total Deferred Outflows of Resources	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 8,210,778	\$ 3,001,277	\$ 52,423	\$ 195,300
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 46,463	\$ -	\$ 2,360	\$ 13,761
Due to Other Funds	537	-	-	-
Total Liabilities	47,000	-	2,360	13,761
DEFERRED INFLOWS OF RESOURCES				
Deferred Revenue - Property Tax	-	1,180,957	-	54,460
Total Deferred Inflows of Resources	-	1,180,957	-	54,460
Total Liabilities and Deferred Inflows of Resources	47,000	1,180,957	2,360	68,221
FUND BALANCES				
Nonspendable				
Prepaid Items	-	-	684	-
Restricted				
IMRF/FICA	-	1,820,320	-	-
Public Safety	-	-	-	-
Parking	-	-	-	-
Highway and Street Maintenance	8,163,778	-	-	-
Assigned	-	-	49,379	127,079
Unassigned (Deficit)	-	-	-	-
Total Fund Balances (Deficit)	8,163,778	1,820,320	50,063	127,079
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 8,210,778	\$ 3,001,277	\$ 52,423	\$ 195,300

	Foreign Fire Insurance	Restricted Police	Commuter Parking	SSA 47	Total
\$	276,299	\$ 376,551	\$ 10,000	\$ 3,008	\$10,603,828
	-	-	-	-	1,235,417
	-	-	7,062	-	129,499
	23	3,385	2,429	-	34,888
	-	-	14,402	-	15,086
	-	14,860	-	-	149,079
	-	-	20	-	20
	<u>276,322</u>	<u>394,796</u>	<u>33,913</u>	<u>3,008</u>	<u>12,167,817</u>
	-	-	-	-	-
	-	-	-	-	-
\$	<u>276,322</u>	<u>\$ 394,796</u>	<u>\$ 33,913</u>	<u>\$ 3,008</u>	<u>\$12,167,817</u>
\$	-	\$ -	\$ 1,836	\$ -	\$ 64,420
	-	-	41,594	-	42,131
	-	-	43,430	-	106,551
	-	-	-	-	1,235,417
	-	-	-	-	1,235,417
	-	-	43,430	-	1,341,968
	-	-	14,402	-	15,086
	-	-	-	-	1,820,320
	276,322	394,796	-	-	671,118
	-	-	-	-	-
	-	-	-	-	8,163,778
	-	-	-	3,008	179,466
	-	-	(23,919)	-	(23,919)
	<u>276,322</u>	<u>394,796</u>	<u>(9,517)</u>	<u>3,008</u>	<u>10,825,849</u>
\$	<u>276,322</u>	<u>\$ 394,796</u>	<u>\$ 33,913</u>	<u>\$ 3,008</u>	<u>\$12,167,817</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, 2021

	Motor Fuel Tax	IMRF/ FICA	Road/ Vehicle License	School Crossing Guard
REVENUES				
Charges for Service	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	178,874	-
Intergovernmental	2,929,526	-	-	-
Fines and Forfeitures	-	-	-	-
Property Taxes	-	1,572,232	430,259	54,907
Other Taxes	-	-	-	-
Investment Income	23,398	1,987	102	130
Miscellaneous	-	-	-	30,821
Total Revenues	2,952,924	1,574,219	609,235	85,858
EXPENDITURES				
General Government	-	949,084	-	-
Public Safety	-	165,713	-	61,641
Highways and Streets	704,531	376,620	52,671	-
Culture and Recreation	-	15,065	-	-
Total Expenditures	704,531	1,506,482	52,671	61,641
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,248,393	67,737	556,564	24,217
OTHER FINANCING SOURCES (USES)				
Transfers (Out)	(336,554)	-	(533,530)	-
Total Other Financing Sources (Uses)	(336,554)	-	(533,530)	-
NET CHANGE IN FUND BALANCES	1,911,839	67,737	23,034	24,217
FUND BALANCES, MAY 1	6,251,939	1,752,583	27,029	102,862
FUND BALANCES (DEFICIT), APRIL 30	\$8,163,778	\$ 1,820,320	\$ 50,063	\$ 127,079

Foreign Fire Insurance	Restricted Police	Commuter Parking	SSA 47	Total
\$ -	\$ -	\$ 26,251	\$ -	\$ 26,251
-	-	-	-	178,874
-	70,597	-	-	3,000,123
-	-	5,429	-	5,429
-	-	-	1,500	2,058,898
-	42,766	-	-	42,766
254	-	24	3	25,898
-	500	-	-	31,321
254	113,863	31,704	1,503	5,369,560
-	-	184,894	-	1,133,978
604	650	-	-	228,608
-	-	-	-	1,133,822
-	-	-	-	15,065
604	650	184,894	-	2,511,473
(350)	113,213	(153,190)	1,503	2,858,087
-	-	-	-	(870,084)
-	-	-	-	(870,084)
(350)	113,213	(153,190)	1,503	1,988,003
276,672	281,583	143,673	1,505	8,837,846
\$ 276,322	\$ 394,796	\$ (9,517)	\$ 3,008	\$10,825,849

(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, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Intergovernmental	\$ 1,446,572	\$ 1,446,572	\$ 2,929,526	\$ 1,482,954
Investment Income	64,834	64,834	23,398	(41,436)
Total Revenues	1,511,406	1,511,406	2,952,924	1,441,518
EXPENDITURES				
Highway and Streets				
Contractual Services	208,000	208,000	109,855	(98,145)
Materials and Supplies	733,000	733,000	594,676	(138,324)
Total Expenditures	941,000	941,000	704,531	(236,469)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	570,406	570,406	2,248,393	1,677,987
OTHER FINANCING SOURCES (USES)				
Transfers (Out)	(2,740,365)	(2,740,365)	(336,554)	2,403,811
Total Other Financing Sources (Uses)	(2,740,365)	(2,740,365)	(336,554)	2,403,811
NET CHANGE IN FUND BALANCE	\$ (2,169,959)	\$ (2,169,959)	1,911,839	\$ 4,081,798
FUND BALANCE, MAY 1			6,251,939	
FUND BALANCE, APRIL 30			\$ 8,163,778	

(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, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property Taxes	\$ 1,575,010	\$ 1,575,010	\$ 1,572,232	\$ (2,778)
Investment Income	15,858	15,858	1,987	(13,871)
Total Revenues	1,590,868	1,590,868	1,574,219	(16,649)
EXPENDITURES				
Personnel Services				
General Government	1,053,656	1,053,656	949,084	(104,572)
Public Safety	183,972	183,972	165,713	(18,259)
Highways and Streets	418,118	418,118	376,620	(41,498)
Culture and Recreation	16,725	16,725	15,065	(1,660)
Total Expenditures	1,672,471	1,672,471	1,506,482	(165,989)
NET CHANGE IN FUND BALANCE	\$ (81,603)	\$ (81,603)	67,737	\$ 149,340
FUND BALANCE, MAY 1			1,752,583	
FUND BALANCE, APRIL 30			\$ 1,820,320	

(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, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Licenses and Permits	\$ 146,000	\$ 146,000	\$ 178,874	\$ 32,874
Property Taxes	443,210	443,210	430,259	(12,951)
Investment Income	-	-	102	102
Total Revenues	589,210	589,210	609,235	20,025
EXPENDITURES				
Highways and Streets	55,680	55,680	52,671	(3,009)
Total Expenditures	55,680	55,680	52,671	(3,009)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	533,530	533,530	556,564	23,034
OTHER FINANCING SOURCES (USES)				
Transfers (Out)	(533,530)	(533,530)	(533,530)	-
Total Other Financing Sources (Uses)	(533,530)	(533,530)	(533,530)	-
NET CHANGE IN FUND BALANCE	\$ -	\$ -	23,034	\$ 23,034
FUND BALANCE, MAY 1			27,029	
FUND BALANCE, APRIL 30			\$ 50,063	

(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, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property Taxes	\$ 55,000	\$ 55,000	\$ 54,907	\$ (93)
Investment Income	-	-	130	130
Miscellaneous	55,000	55,000	30,821	(24,179)
Total Revenues	110,000	110,000	85,858	(24,142)
EXPENDITURES				
Public Safety				
Contractual Services	110,000	110,000	61,641	(48,359)
Total Expenditures	110,000	110,000	61,641	(48,359)
NET CHANGE IN FUND BALANCE	\$ -	\$ -	24,217	\$ 24,217
FUND BALANCE, MAY 1			102,862	
FUND BALANCE, APRIL 30			\$ 127,079	

(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, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Investment Income	\$ 995	\$ 995	\$ 254	\$ (741)
Total Revenues	995	995	254	(741)
EXPENDITURES				
Public Safety				
Contractual Services	61,100	61,100	525	(60,575)
Materials and Supplies	3,600	3,600	79	(3,521)
Total Expenditures	64,700	64,700	604	(64,096)
NET CHANGE IN FUND BALANCE	<u>\$ (63,705)</u>	<u>\$ (63,705)</u>	(350)	<u>\$ 63,355</u>
FUND BALANCE, MAY 1			<u>276,672</u>	
FUND BALANCE, APRIL 30			<u><u>\$ 276,322</u></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, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Intergovernmental	\$ 73,000	\$ 73,000	\$ 70,597	\$ (2,403)
Other Taxes	-	-	42,766	42,766
Miscellaneous	-	-	500	500
Total Revenues	73,000	73,000	113,863	40,863
EXPENDITURES				
Public Safety				
Miscellaneous	30,600	30,600	650	(29,950)
Total Expenditures	30,600	30,600	650	(29,950)
NET CHANGE IN FUND BALANCE	\$ 42,400	\$ 42,400	113,213	\$ 70,813
FUND BALANCE, MAY 1			281,583	
FUND BALANCE, APRIL 30			\$ 394,796	

(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, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Charges for Services	\$ 191,167	\$ 191,167	\$ 26,251	\$ (164,916)
Fines and Forfeitures	17,000	17,000	5,429	(11,571)
Investment Income	500	500	24	(476)
Total Revenues	208,667	208,667	31,704	(176,963)
EXPENDITURES				
General Government				
Personnel Services	121,392	121,392	120,871	(521)
Contractual Services	150,128	150,128	63,503	(86,625)
Materials and Supplies	4,619	4,619	520	(4,099)
Total Expenditures	276,139	276,139	184,894	(91,245)
NET CHANGE IN FUND BALANCE	\$ (67,472)	\$ (67,472)	(153,190)	\$ (85,718)
FUND BALANCE, MAY 1			<u>143,673</u>	
FUND BALANCE, APRIL 30			<u>\$ (9,517)</u>	

(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).

Three Oaks Debt Service - To account for debt service costs associated with the Three Oaks Recreation Area within the Vulcan Lake TIF.

CITY OF CRYSTAL LAKE, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS

April 30, 2021

	Special Assessment No. 149	Crystal Heights Debt Service	Three Oaks Debt Service	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
ASSETS				
Cash and Investments	\$ -	\$ 241,347	\$ -	\$ 241,347
Receivables				
Other	90,645	43,645	-	134,290
Total Assets	90,645	284,992	-	375,637
DEFERRED OUTFLOWS OF RESOURCES				
None	-	-	-	-
Total Deferred Outflows of Resources	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 90,645	\$ 284,992	\$ -	\$ 375,637
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Due To Other Funds	\$ 47,072	\$ -	\$ -	\$ 47,072
Total Liabilities	47,072	-	-	47,072
DEFERRED INFLOWS OF RESOURCES				
None	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Total Liabilities and Deferred Inflows of Resources	-	-	-	-
FUND BALANCES				
Restricted For Debt Service	43,573	284,992	-	328,565
Total Fund Balances	43,573	284,992	-	328,565
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 90,645	\$ 284,992	\$ -	\$ 375,637

(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, 2021

	Special Assessment No. 149	Crystal Heights Debt Service	Three Oaks Debt Service	Total
REVENUES				
Charges for Services	\$ -	\$ 44,806	\$ -	\$ 44,806
Property Taxes	-	20,273	-	20,273
Investment Income	-	218	-	218
Total Revenues	-	65,297	-	65,297
EXPENDITURES				
General Government				
Contractual	-	-	513	513
Miscellaneous	-	-	-	-
Debt Service				
Principal Retirement	-	-	563,755	563,755
Interest and Fiscal Charges	-	-	473,960	473,960
Total Expenditures	-	-	1,038,228	1,038,228
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	65,297	(1,038,228)	(972,931)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	1,038,228	1,038,228
Total Other Financing Sources (Uses)	-	-	1,038,228	1,038,228
NET CHANGE IN FUND BALANCES	-	65,297	-	65,297
FUND BALANCES, MAY 1	43,573	219,695	-	263,268
FUND BALANCES, APRIL 30	\$ 43,573	\$ 284,992	\$ -	\$ 328,565

(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, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
None	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-
EXPENDITURES				
General Government				
Contractual	1,000	1,000	513	(487)
Debt Service				
Principal Retirement	470,535	470,535	563,755	93,220
Interest and Fiscal Charges	454,981	454,981	473,960	18,979
Total Expenditures	926,516	926,516	1,038,228	111,712
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(926,516)	(926,516)	(1,038,228)	(111,712)
OTHER FINANCING SOURCES (USES)				
Transfers In	926,516	926,516	1,038,228	111,712
Total Other Financing Sources (Uses)	926,516	926,516	1,038,228	111,712
NET CHANGE IN FUND BALANCE	\$ -	\$ -	-	\$ -
FUND BALANCE, MAY 1			-	
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, 2021

	Main Street TIF Construction	Virginia Street Corridor TIF	Vulcan Lakes TIF District
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
ASSETS			
Cash and Investments	\$ 320,788	\$ -	\$ -
Receivables			
Property Taxes, Net	33,983	129,691	57,482
Other	26	-	-
Total Assets	<u>354,797</u>	<u>129,691</u>	<u>57,482</u>
DEFERRED OUTFLOWS OF RESOURCES			
None	-	-	-
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 354,797</u>	<u>\$ 129,691</u>	<u>\$ 57,482</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Recapture Fees Payable	\$ -	\$ -	\$ -
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Revenue - Property Tax	33,983	129,691	57,482
Total Deferred Inflows of Resources	<u>33,983</u>	<u>129,691</u>	<u>57,482</u>
Total Liabilities and Deferred Inflows of Resources	<u>33,983</u>	<u>129,691</u>	<u>57,482</u>
FUND BALANCES			
Restricted			
Park Development	-	-	-
Capital Improvements	320,814	-	-
Total Fund Balances	<u>320,814</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 354,797</u>	<u>\$ 129,691</u>	<u>\$ 57,482</u>

Three Oaks Development	NCLPB Project Fund	Total
\$ 964,778	\$ 75,393	\$ 1,360,959
-	-	221,156
34	6	66
<u>964,812</u>	<u>75,399</u>	<u>1,582,181</u>
-	-	-
-	-	-
<u>\$ 964,812</u>	<u>\$ 75,399</u>	<u>\$ 1,582,181</u>
<u>\$ -</u>	<u>\$ 75,399</u>	<u>\$ 75,399</u>
-	75,399	75,399
-	-	221,156
-	-	221,156
-	75,399	296,555
964,812	-	964,812
-	-	320,814
<u>964,812</u>	<u>-</u>	<u>1,285,626</u>
<u>\$ 964,812</u>	<u>\$ 75,399</u>	<u>\$ 1,582,181</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, 2021

	Main Street TIF Project	Virginia Street Corridor TIF Project	Vulcan Lakes TIF Project
REVENUES			
Property Tax	\$ 29,556	\$ 119,360	\$ 66,919
Developer Donations	-	-	-
Investment Income	304	2	8
Total Revenues	<u>29,860</u>	<u>119,362</u>	<u>66,927</u>
EXPENDITURES			
General Government Contractual	<u>750</u>	<u>750</u>	<u>750</u>
Total Expenditures	<u>750</u>	<u>750</u>	<u>750</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>29,110</u>	<u>118,612</u>	<u>66,177</u>
OTHER FINANCING SOURCES (USES)			
Transfers (Out)	<u>(50,200)</u>	<u>(118,612)</u>	<u>(66,177)</u>
Total Other Financing Sources (Uses)	<u>(50,200)</u>	<u>(118,612)</u>	<u>(66,177)</u>
NET CHANGE IN FUND BALANCES	(21,090)	-	-
FUND BALANCES, MAY 1	<u>341,904</u>	-	-
FUND BALANCES, APRIL 30	<u><u>\$ 320,814</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Three Oaks Development	NCLPB Project Fund	Total
\$ -	\$ -	\$ 215,835
553,878	-	553,878
379	-	693
554,257	-	770,406
-	-	2,250
-	-	2,250
554,257	-	768,156
-	-	(234,989)
-	-	(234,989)
554,257	-	533,167
410,555	-	752,459
\$ 964,812	\$ -	\$ 1,285,626

(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, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property Taxes	\$ -	\$ -	\$ 29,556	\$ 29,556
Investment Income	-	-	304	304
Total Revenues	-	-	29,860	29,860
EXPENDITURES				
Contracted Services	750	750	750	-
Total Expenditures	750	750	750	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(750)	(750)	29,110	29,860
OTHER FINANCING SOURCES (USES)				
Transfers (Out)	(241,548)	(241,548)	(50,200)	191,348
Total Other Financing Sources (Uses)	(241,548)	(241,548)	(50,200)	191,348
NET CHANGE IN FUND BALANCE	\$ (242,298)	\$ (242,298)	(21,090)	\$ 221,208
FUND BALANCE, MAY 1			<u>341,904</u>	
FUND BALANCE, APRIL 30			<u>\$ 320,814</u>	

(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, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property Taxes	\$ 80,000	\$ 80,000	\$ 119,360	\$ 39,360
Investment Income	-	-	2	2
Total Revenues	80,000	80,000	119,362	39,362
EXPENDITURES				
General Governmental Contractual	750	750	750	-
Total Expenditures	750	750	750	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	79,250	79,250	118,612	39,362
OTHER FINANCING SOURCES (USES)				
Transfers (Out)	(79,250)	(79,250)	(118,612)	(39,362)
Total Other Financing Sources (Uses)	(79,250)	(79,250)	(118,612)	(39,362)
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, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property Taxes	\$ 47,308	\$ 47,308	\$ 66,919	\$ 19,611
Investment Income	-	-	8	8
Total Revenues	47,308	47,308	66,927	19,619
EXPENDITURES				
General Governmental Contractual	750	750	750	-
Total Expenditures	750	750	750	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	46,558	46,558	66,177	19,619
OTHER FINANCING SOURCES (USES)				
Transfers (Out)	(46,558)	(46,558)	(66,177)	(19,619)
Total Other Financing Sources (Uses)	(46,558)	(46,558)	(66,177)	(19,619)
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
THREE OAKS DEVELOPMENT FUND**

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Developer Contributions	\$ -	\$ -	\$ 553,878	\$ 553,878
Investment Income	3,800	3,800	379	(3,421)
Total Revenues	<u>3,800</u>	<u>3,800</u>	<u>554,257</u>	<u>550,457</u>
EXPENDITURES				
None	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ 3,800</u>	<u>\$ 3,800</u>	<u>554,257</u>	<u>\$ 550,457</u>
FUND BALANCE, MAY 1			<u>410,555</u>	
FUND BALANCE, APRIL 30			<u>\$ 964,812</u>	

(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, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
OPERATING REVENUES				
Charges for Sales and Services				
Water Sales	\$ 6,631,010	\$ 6,631,010	\$ 6,646,251	\$ 15,241
Sewer Sales	6,428,591	6,428,591	6,325,299	(103,292)
Penalties	297,175	297,175	229,490	(67,685)
Water Meter Fees	63,444	63,444	86,799	23,355
Water Turn On Fee	10,700	10,700	10,800	100
Red Tag Fee	13,000	13,000	12,828	(172)
Capital Facility Fees	20,000	20,000	101,509	81,509
Miscellaneous Income	133,400	133,400	137,319	3,919
Total Operating Revenues	<u>13,597,320</u>	<u>13,597,320</u>	<u>13,550,295</u>	<u>(47,025)</u>
OPERATING EXPENSES				
Administration	2,435,868	2,435,868	1,513,011	(922,857)
Water Operations	17,082,103	17,082,103	7,617,540	(9,464,563)
Sewer Operations	7,880,533	7,880,533	5,304,265	(2,576,268)
Total Operating Expenses	<u>27,398,504</u>	<u>27,398,504</u>	<u>14,434,816</u>	<u>(12,963,688)</u>
OPERATING INCOME (LOSS)	<u>(13,801,184)</u>	<u>(13,801,184)</u>	<u>(884,521)</u>	<u>12,916,663</u>
NON-OPERATING REVENUES (EXPENSES)				
Capital Lease Issued	537,287	537,287	410,891	(126,396)
Bonds Issued, At Par	6,545,000	6,545,000	-	(6,545,000)
Principal payments	(2,855,114)	(2,855,114)	(2,674,890)	180,224
Interest Expense	(1,539,420)	(1,539,420)	(1,082,410)	457,010
Other Tax	1,000,000	1,000,000	1,000,000	-
Investment Income	77,513	77,513	154,482	76,969
Rental Income	303,452	303,452	303,449	(3)
Connection Fees	997,500	997,500	1,568,689	571,189
Total Non-Operating Revenues (Expenses)	<u>5,066,218</u>	<u>5,066,218</u>	<u>(319,789)</u>	<u>(5,386,007)</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS	<u>(8,734,966)</u>	<u>(8,734,966)</u>	<u>(1,204,310)</u>	<u>7,530,656</u>
CONTRIBUTIONS	<u>87,315</u>	<u>87,315</u>	<u>609,019</u>	<u>521,704</u>
NET INCOME - BUDGET BASIS	<u>\$ (8,647,651)</u>	<u>\$ (8,647,651)</u>	<u>(595,291)</u>	<u>\$ 8,052,360</u>
ADJUSTMENTS TO GAAP BASIS				
Capital Assets Capitalized - Administration			678,688	
Capital Assets Capitalized - Water			3,148,745	
Capital Assets Capitalized - Sewer			1,558,315	
Depreciation			(4,006,913)	
Gain (Loss) on Sale of Capital Assets			(3,612)	
Principal Payments			2,674,890	
Well ARO Amortization			(9,500)	
Capital Lease Issued			(410,891)	
Pension Expense			315,485	
OPEB Expense			(17,556)	
Change in Compensated Absences			(69,906)	
Total Adjustments to GAAP Basis			<u>3,857,745</u>	
CHANGE IN NET POSITION			3,262,454	
NET POSITION, MAY 1			<u>57,204,715</u>	
NET POSITION, APRIL 30			<u>\$ 60,467,169</u>	

(See independent auditor's report.)

INTERNAL SERVICE FUNDS

CITY OF CRYSTAL LAKE, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION - BUDGET AND ACTUAL
GROUP INSURANCE FUND

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
OPERATING REVENUES				
Charges for Sales and Services				
Employer Contributions	\$ 4,871,169	\$ 4,871,169	\$ 4,869,580	\$ (1,589)
Employee Contributions	887,643	887,643	896,724	9,081
Miscellaneous Income	15,000	15,000	176,491	161,491
Total Operating Revenues	<u>5,773,812</u>	<u>5,773,812</u>	<u>5,942,795</u>	<u>168,983</u>
OPERATING EXPENSES				
Administration	5,801,825	5,801,825	5,535,906	(265,919)
Total Operating Expenses	<u>5,801,825</u>	<u>5,801,825</u>	<u>5,535,906</u>	<u>(265,919)</u>
OPERATING INCOME (LOSS)	<u>(28,013)</u>	<u>(28,013)</u>	<u>406,889</u>	<u>434,902</u>
NON-OPERATING REVENUES (EXPENSES)				
Investment Income	-	-	164	164
Total Non-Operating Revenues (Expenses)	<u>-</u>	<u>-</u>	<u>164</u>	<u>164</u>
NET INCOME BEFORE TRANSFERS	<u>(28,013)</u>	<u>(28,013)</u>	<u>407,053</u>	<u>435,066</u>
TRANSFERS IN	<u>578,537</u>	<u>578,537</u>	<u>256,305</u>	<u>(322,232)</u>
CHANGE IN NET POSITION	<u>\$ 550,524</u>	<u>\$ 550,524</u>	<u>663,358</u>	<u>\$ 112,834</u>
NET POSITION, MAY 1			<u>-</u>	
NET POSITION, APRIL 30			<u>\$ 663,358</u>	

(See independent auditor's report.)

FIDUCIARY FUNDS

CITY OF CRYSTAL LAKE, ILLINOIS

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

April 30, 2021

	Police Pension	Firefighters' Pension	Total
ASSETS			
Cash and Short-Term Investments	\$ 8,121	\$ 14,952	\$ 23,073
Investments, at Fair Value			
Money Market Accounts	1,427,736	304,830	1,732,566
U.S. Treasury and U.S. Agency Securities	6,722,695	14,043,812	20,766,507
Corporate Bonds	9,532,444	2,902,154	12,434,598
Municipal Bonds	-	2,706,865	2,706,865
Mutual Funds - Stocks	32,946,104	32,170,769	65,116,873
Receivables			
Accrued Interest	109,461	115,740	225,201
Prepaid expenses	-	530	530
 Total Assets	 50,746,561	 52,259,652	 103,006,213
LIABILITIES			
Accounts Payable	584	17,586	18,170
 Total Liabilities	 584	 17,586	 18,170
 NET POSITION RESTRICTED FOR PENSION BENEFITS	 \$ 50,745,977	 \$ 52,242,066	 \$ 102,988,043

(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, 2021

	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Employer	\$ 2,685,733	\$ 1,878,976	\$ 4,564,709
Employee	798,533	666,374	1,464,907
Total Contributions	<u>3,484,266</u>	<u>2,545,350</u>	<u>6,029,616</u>
Investment Income			
Net Appreciation in the Fair Value of Investments	10,274,102	9,889,976	20,164,078
Interest	974,637	1,432,571	2,407,208
Total Investment Income	<u>11,248,739</u>	<u>11,322,547</u>	<u>22,571,286</u>
Less Investment Expense	<u>(192,709)</u>	<u>(193,203)</u>	<u>(385,912)</u>
Net Investment Income	<u>11,056,030</u>	<u>11,129,344</u>	<u>22,185,374</u>
Total Additions	<u>14,540,296</u>	<u>13,674,694</u>	<u>28,214,990</u>
DEDUCTIONS			
Pension Benefits and Refunds	3,228,925	1,575,630	4,804,555
Administrative Expenses	21,369	17,831	39,200
Total Deductions	<u>3,250,294</u>	<u>1,593,461</u>	<u>4,843,755</u>
NET INCREASE	11,290,002	12,081,233	23,371,235
NET POSITION RESTRICTED FOR PENSION BENEFITS			
May 1	<u>39,455,975</u>	<u>40,160,833</u>	<u>79,616,808</u>
April 30	<u>\$ 50,745,977</u>	<u>\$ 52,242,066</u>	<u>\$ 102,988,043</u>

(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, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
ADDITIONS				
Contributions				
Employer	\$ 2,690,477	\$ 2,690,477	\$ 2,685,733	\$ (4,744)
Employee	669,700	669,700	798,533	128,833
Total Contributions	<u>3,360,177</u>	<u>3,360,177</u>	<u>3,484,266</u>	<u>124,089</u>
Investment Income				
Net Appreciation in the Fair Value of Investments	-	-	10,274,102	10,274,102
Interest	1,100,000	1,100,000	974,637	(125,363)
Total Investment Income	<u>1,100,000</u>	<u>1,100,000</u>	<u>11,248,739</u>	<u>10,148,739</u>
Less Investment Expense	<u>(195,000)</u>	<u>(195,000)</u>	<u>(192,709)</u>	<u>2,291</u>
Net Investment Income	<u>905,000</u>	<u>905,000</u>	<u>11,056,030</u>	<u>10,151,030</u>
Total Additions	<u>4,265,177</u>	<u>4,265,177</u>	<u>14,540,296</u>	<u>10,275,119</u>
DEDUCTIONS				
Pension Benefits and Refunds	3,545,000	3,545,000	3,228,925	(316,075)
Administrative Expenses	27,000	27,000	21,369	(5,631)
Total Deductions	<u>3,572,000</u>	<u>3,572,000</u>	<u>3,250,294</u>	<u>(321,706)</u>
NET INCREASE	<u>\$ 693,177</u>	<u>\$ 693,177</u>	11,290,002	<u>\$ 10,596,825</u>
NET POSITION RESTRICTED FOR PENSION BENEFITS				
May 1			<u>39,455,975</u>	
April 30			<u>\$ 50,745,977</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, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
ADDITIONS				
Contributions				
Employer	\$ 1,882,261	\$ 1,882,261	\$ 1,878,976	\$ (3,285)
Employee	651,500	651,500	666,374	14,874
Total Contributions	<u>2,533,761</u>	<u>2,533,761</u>	<u>2,545,350</u>	<u>11,589</u>
Investment Income				
Net Appreciation in the Fair Value of Investments	-	-	9,889,976	9,889,976
Interest	1,100,000	1,100,000	1,432,571	332,571
Total Investment Income	<u>1,100,000</u>	<u>1,100,000</u>	<u>11,322,547</u>	<u>10,222,547</u>
Less Investment Expense	<u>(151,000)</u>	<u>(151,000)</u>	<u>(193,203)</u>	<u>(42,203)</u>
Net Investment Income	<u>949,000</u>	<u>949,000</u>	<u>11,129,344</u>	<u>10,180,344</u>
Total Additions	<u>3,482,761</u>	<u>3,482,761</u>	<u>13,674,694</u>	<u>10,191,933</u>
DEDUCTIONS				
Pension Benefits and Refunds	1,935,000	1,935,000	1,575,630	(359,370)
Administrative Expenses	27,600	27,600	17,831	(9,769)
Total Deductions	<u>1,962,600</u>	<u>1,962,600</u>	<u>1,593,461</u>	<u>(369,139)</u>
NET INCREASE	<u>\$ 1,520,161</u>	<u>\$ 1,520,161</u>	12,081,233	<u>\$ 10,561,072</u>
NET POSITION RESTRICTED FOR PENSION BENEFITS				
May 1			<u>40,160,833</u>	
April 30			<u>\$ 52,242,066</u>	

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

**COMBINING STATEMENT OF NET POSITION
CUSTODIAL FUNDS**

For the Year Ended April 30, 2021

	SSA 44 Tracy Trail	SSA 45 Bryn Mawr	SSA 46 Ryland	Total
ASSETS				
Cash and Investments	\$ 67,578	\$ 271,340	\$ 56,190	\$ 395,108
Accounts Receivable	6	-	5	11
Total Assets	<u>67,584</u>	<u>271,340</u>	<u>56,195</u>	<u>395,119</u>
LIABILITIES				
None	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION (DEFICIT) RESTRICTED FOR DEBT SERVICE	<u>\$ 67,584</u>	<u>\$ 271,340</u>	<u>\$ 56,195</u>	<u>\$ 395,119</u>

(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, 2021

	SSA 44 Tracy Trail	SSA 45 Bryn Mawr	SSA 46 Ryland	Total
ADDITIONS				
Contributions				
Property Owner	\$ -	\$ 137,376	\$ 164,612	\$ 301,988
Total Contributions	-	137,376	164,612	301,988
Investment Income				
Interest	79	99	109	287
Total Investment Income	79	99	109	287
Total Additions	79	137,475	164,721	302,275
DEDUCTIONS				
Debt Service				
Principal	50,000	-	75,000	125,000
Interest and Fiscal Charges	4,750	4,148	91,890	100,788
Total Deductions	54,750	4,148	166,890	225,788
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(54,671)	133,327	(2,169)	76,487
OTHER FINANCING SOURCES (USES)				
Transfers (Out)	-	156,810	-	156,810
CHANGE IN NET POSITION	(54,671)	290,137	(2,169)	233,297
NET POSITION (DEFICIT) RESTRICTED FOR DEBT SERVICE				
May 1	122,255	(18,797)	58,364	161,822
April 30	\$ 67,584	\$ 271,340	\$ 56,195	\$ 395,119

(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, 2021

	General Operating Fund	Special Reserve	Nonmajor Governmental	Adjustments	Statement of Net Position
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
ASSETS					
Cash and Investments	\$ 3,538,223	\$ 121,593	\$ 1,303,760	\$ -	\$ 4,963,576
Receivables					
Property Taxes, Net	4,153,741	-	475,652	-	4,629,393
Prepaid Items	88,134	-	-	-	88,134
Due from Other Funds	221,601	-	-	(221,601)	-
Due from Primary Government	-	-	152,660	-	152,660
Capital Assets					
Nondepreciable	-	-	-	2,363,040	2,363,040
Depreciable, Net of Accumulated Depreciation	-	-	-	5,583,738	5,583,738
Total Assets	8,001,699	121,593	1,932,072	7,725,177	17,780,541
DEFERRED OUTFLOWS OF RESOURCES					
Pension Items - IMRF	-	-	-	496,741	496,741
Total Deferred Outflows of Resources	-	-	-	496,741	496,741
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 8,001,699	\$ 121,593	\$ 1,932,072	\$ 8,221,918	\$ 18,277,282
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 704,706	\$ -	\$ -	\$ -	\$ 704,706
Accrued Payroll	88,240	-	18,181	-	106,421
Accrued Taxes	-	-	55,018	-	55,018
Deposits	-	-	14,695	-	14,695
Due to Other Funds	-	174,743	46,858	(221,601)	-
Noncurrent Liabilities					
Due Within One Year	-	-	-	98,164	98,164
Due in More than One Year	-	-	-	589,180	589,180
Total Liabilities	792,946	174,743	134,752	465,743	1,568,184
DEFERRED INFLOWS OF RESOURCES					
Deferred Revenue - Property Tax	4,153,741	-	475,652	-	4,629,393
Pension Items - IMRF	-	-	-	1,267,854	1,267,854
Total Deferred Inflows of Resources	4,153,741	-	475,652	1,267,854	5,897,247
Total Liabilities and Deferred Inflows of Resources	4,946,687	174,743	610,404	1,733,597	7,465,431

(This schedule 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, 2021

	General Operating Fund	Special Reserve	Nonmajor Governmental	Adjustments	Statement of Net Position
FUND BALANCES					
Net Invested in Capital Assets	\$ -	\$ -	\$ -	\$ 7,946,778	\$ 7,946,778
Nonspendable					
Prepaid Items	88,134	-	-	(88,134)	-
Restricted					
Retirement	-	-	303,722	-	303,722
Capital Projects	72,776	-	-	-	72,776
Working Cash	-	-	51,293	-	51,293
Library	-	-	454,574	-	454,574
Unrestricted					
Assigned	-	-	512,079	-	512,079
Assigned for subsequent years budget	902,265	-	-	-	902,265
Unassigned (Deficit)	1,991,837	(53,150)	-	(1,370,323)	568,364
Total Fund Balances	3,055,012	(53,150)	1,321,668	6,488,321	10,811,851
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 8,001,699	\$ 121,593	\$ 1,932,072	\$ 8,221,918	\$ 18,277,282

(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, 2021

	General Operating Fund	Special Reserve	Nonmajor Governmental	Adjustments	Statement of Activities
REVENUES					
Property Tax	\$ 4,188,374	\$ -	\$ 479,599	\$ -	\$ 4,667,973
Intergovernmental	70,293	-	-	-	70,293
Fines and Forfeitures	20,589	-	-	-	20,589
Investment Income	24,070	14,373	12,709	-	51,152
Rental Income	-	-	113,968	-	113,968
Miscellaneous	16,991	-	95,693	-	112,684
Total Revenues	4,320,317	14,373	701,969	-	5,036,659
EXPENDITURES					
Current					
Culture and Recreation	3,547,590	673,969	642,043	272,450	5,136,052
Capital Outlay	72,776	2,125,469	-	(2,188,020)	10,225
Total Expenditures	3,620,366	2,799,438	642,043	(1,915,570)	5,146,277
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	699,951	(2,785,065)	59,926	1,915,570	(109,618)
OTHER FINANCING SOURCES (USES)					
Transfers In	-	358,617	-	(358,617)	-
Transfers (Out)	(358,617)	-	-	358,617	-
Total Other Financing Sources (Uses)	(358,617)	358,617	-	-	-
NET CHANGE IN FUND BALANCES	341,334	(2,426,448)	59,926	1,915,570	(109,618)
FUND BALANCES, MAY 1	2,713,678	2,373,298	1,261,742	4,572,751	10,921,469
FUND BALANCES, APRIL 30	\$ 3,055,012	\$ (53,150)	\$ 1,321,668	\$ 6,488,321	\$ 10,811,851

(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, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property Taxes	\$ 4,250,028	\$ 4,195,692	\$ 4,188,374	\$ (7,318)
Intergovernmental	126,858	126,858	70,293	(56,565)
Fines and Forfeitures	124,000	96,000	20,589	(75,411)
Investment Income	30,000	30,000	24,070	(5,930)
Miscellaneous	15,300	15,150	16,991	1,841
	<hr/>			
Total Revenues	4,546,186	4,463,700	4,320,317	(143,383)
<hr/>				
EXPENDITURES				
Current				
Culture and Recreation				
Personnel Services	3,308,952	3,218,279	2,833,503	(384,776)
Contracted Services	1,025,206	774,495	368,460	(406,035)
Materials and Supplies	599,584	608,482	345,627	(262,855)
Capital Outlay	112,444	612,444	72,776	(539,668)
	<hr/>			
Total Expenditures	5,046,186	5,213,700	3,620,366	(1,593,334)
<hr/>				
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(500,000)	(750,000)	699,951	1,449,951
<hr/>				
OTHER FINANCING SOURCES (USES)				
Transfers (Out)	-	-	(358,617)	(358,617)
	<hr/>			
Total Other Financing Sources (Uses)	-	-	(358,617)	(358,617)
<hr/>				
NET CHANGE IN FUND BALANCE	<u>\$ (500,000)</u>	<u>\$ (750,000)</u>	341,334	<u>\$ 1,091,334</u>
<hr/>				
FUND BALANCE, MAY 1			<u>2,713,678</u>	
<hr/>				
FUND BALANCE, APRIL 30			<u><u>\$ 3,055,012</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
 SPECIAL RESERVE FUND (SPECIAL REVENUE FUND)

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Investment Income	\$ -	\$ -	\$ 14,373	\$ 14,373
Total Revenues	-	-	14,373	14,373
EXPENDITURES				
Current				
Culture and Recreation				
Contracted Services	400,000	650,000	673,969	23,969
Capital Outlay	2,200,000	2,250,000	2,125,469	(124,531)
Total Expenditures	2,600,000	2,900,000	2,799,438	(100,562)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,600,000)	(2,900,000)	(2,785,065)	114,935
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	358,617	358,617
Total Other Financing Sources (Uses)	-	-	358,617	358,617
NET CHANGE IN FUND BALANCE	<u>\$ (2,600,000)</u>	<u>\$ (2,900,000)</u>	(2,426,448)	<u>\$ 473,552</u>
FUND BALANCE, MAY 1			<u>2,373,298</u>	
FUND BALANCE, APRIL 30			<u><u>\$ (53,150)</u></u>	

(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, 2021

	Special Revenue Funds			
	Gift and Memorial	Ames	IMRF	FICA
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
ASSETS				
Cash and Investments	\$ 112,182	\$ 389,013	\$ 156,601	\$ 165,302
Receivables				
Property Taxes, Net	-	-	277,404	198,248
Due from Primary Government	-	-	-	-
Total Assets	<u>112,182</u>	<u>389,013</u>	<u>434,005</u>	<u>363,550</u>
DEFERRED OUTFLOWS OF RESOURCES				
None	-	-	-	-
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 112,182</u>	<u>\$ 389,013</u>	<u>\$ 434,005</u>	<u>\$ 363,550</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accrued Payroll	\$ -	\$ -	\$ 11,660	\$ 6,521
Accrued Taxes	-	-	-	-
Deposits	-	-	-	-
Due to Other Funds	46,621	-	-	-
Total Liabilities	<u>46,621</u>	<u>-</u>	<u>11,660</u>	<u>6,521</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Revenue - Property Tax	-	-	277,404	198,248
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>277,404</u>	<u>198,248</u>
Total Liabilities and Deferred Inflows of Resources	<u>46,621</u>	<u>-</u>	<u>289,064</u>	<u>204,769</u>
FUND BALANCES				
Restricted	65,561	389,013	144,941	158,781
Assigned	-	-	-	-
Total Fund Balances	<u>65,561</u>	<u>389,013</u>	<u>144,941</u>	<u>158,781</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 112,182</u>	<u>\$ 389,013</u>	<u>\$ 434,005</u>	<u>\$ 363,550</u>

Capital Project Fund	Permanent Fund	
Public Library Construction and Repair	Working Cash	Total
\$ 429,369	\$ 51,293	\$ 1,303,760
-	-	475,652
152,660	-	152,660
582,029	51,293	1,932,072
-	-	-
-	-	-
\$ 582,029	\$ 51,293	\$ 1,932,072
\$ -	\$ -	\$ 18,181
55,018	-	55,018
14,695	-	14,695
237	-	46,858
69,950	-	134,752
-	-	475,652
-	-	475,652
69,950	-	610,404
-	51,293	809,589
512,079	-	512,079
512,079	51,293	1,321,668
\$ 582,029	\$ 51,293	\$ 1,932,072

(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, 2021

	Special Revenue Funds			
	Gift and Memorial	Ames	IMRF	FICA
REVENUES				
Property Tax	\$ -	\$ -	\$ 279,710	\$ 199,889
Investment Income	-	4,874	1,617	897
Rental Income	-	-	-	-
Miscellaneous	2,276	-	-	-
Total Revenues	2,276	4,874	281,327	200,786
EXPENDITURES				
Current				
Culture and Recreation				
Personnel	-	-	317,231	177,009
Contractual	3,137	-	-	-
Materials and Supplies	-	-	-	-
Capital Outlay	59,656	-	-	-
Total Expenditures	62,793	-	317,231	177,009
NET CHANGE IN FUND BALANCES	(60,517)	4,874	(35,904)	23,777
FUND BALANCES, MAY 1	126,078	384,139	180,845	135,004
FUND BALANCES, APRIL 30	\$ 65,561	\$ 389,013	\$ 144,941	\$ 158,781

Capital Project Fund	Permanent Fund		
Public Library Construction and Repair	Working Cash		Total
\$ -	\$ -	\$	479,599
5,154	167		12,709
113,968	-		113,968
93,417	-		95,693
212,539	167		701,969
-	-		494,240
80,047	-		83,184
-	-		-
4,963	-		64,619
85,010	-		642,043
127,529	167		59,926
384,550	51,126		1,261,742
\$ 512,079	\$ 51,293	\$	1,321,668

(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, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Miscellaneous				
Miscellaneous Income	\$ 30,000	\$ 110,000	\$ 2,276	\$ (107,724)
Total Revenues	<u>30,000</u>	<u>110,000</u>	<u>2,276</u>	<u>(107,724)</u>
EXPENDITURES				
Current				
Culture and Recreation				
Contractual	120,300	25,204	3,137	(22,067)
Supplies and Materials	30,700	20,420	-	(20,420)
Capital outlay	-	190,454	59,656	(130,798)
Total Expenditures	<u>151,000</u>	<u>236,078</u>	<u>62,793</u>	<u>(173,285)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (121,000)</u>	<u>\$ (126,078)</u>	(60,517)	<u>\$ 65,561</u>
FUND BALANCE, MAY 1			<u>126,078</u>	
FUND BALANCE, APRIL 30			<u><u>\$ 65,561</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, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property Taxes	\$ 320,201	\$ 280,203	\$ 279,710	\$ (493)
Interest Income	-	-	1,617	1,617
Total Revenues	<u>320,201</u>	<u>280,203</u>	<u>281,327</u>	<u>1,124</u>
EXPENDITURES				
Culture and Recreation				
Personnel Services	<u>373,342</u>	<u>373,342</u>	<u>317,231</u>	<u>(56,111)</u>
Total Expenditures	<u>373,342</u>	<u>373,342</u>	<u>317,231</u>	<u>(56,111)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (53,141)</u>	<u>\$ (93,139)</u>	<u>(35,904)</u>	<u>\$ 57,235</u>
FUND BALANCE, MAY 1			<u>180,845</u>	
FUND BALANCE, APRIL 30			<u>\$ 144,941</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, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property Taxes	\$ 213,455	\$ 200,241	\$ 199,889	\$ (352)
Interest Income	-	-	897	897
Total Revenues	213,455	200,241	200,786	545
EXPENDITURES				
Culture and Recreation				
Personnel Services	213,455	213,455	177,009	(36,446)
Total Expenditures	213,455	213,455	177,009	(36,446)
NET CHANGE IN FUND BALANCE	\$ -	\$ (13,214)	23,777	\$ 36,991
FUND BALANCE, MAY 1			135,004	
FUND BALANCE, APRIL 30			\$ 158,781	

(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, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
REVENUES				
Interest	\$ -	\$ -	\$ 5,154	\$ 5,154
Rental Income	123,420	117,560	113,968	(3,592)
Miscellaneous	-	75,000	93,417	18,417
Total Revenues	<u>123,420</u>	<u>192,560</u>	<u>212,539</u>	<u>19,979</u>
EXPENDITURES				
Current				
Culture and Recreation				
Contractual Services	523,420	335,201	80,047	(255,154)
Capital outlay	-	257,359	4,963	(252,396)
Total Expenditures	<u>523,420</u>	<u>592,560</u>	<u>85,010</u>	<u>(507,550)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (400,000)</u>	<u>\$ (400,000)</u>	127,529	<u>\$ 527,529</u>
FUND BALANCE, MAY 1			<u>384,550</u>	
FUND BALANCE, APRIL 30			<u>\$ 512,079</u>	

(See independent auditor's report.)

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.	142-151
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	152-155
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.	156-159
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.	160-161
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.	162-164

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	2012	2013	2014	2015
GOVERNMENTAL ACTIVITIES				
Net Investment in Capital Assets	\$ 151,485,526	\$ 164,606,919	\$ 166,610,233	\$ 169,307,809
Restricted	10,050,248	8,563,063	9,326,916	8,310,611
Unrestricted (Deficit)	22,599,394	20,479,784	17,142,358	16,387,714
TOTAL GOVERNMENTAL ACTIVITIES	\$ 184,135,168	\$ 193,649,766	\$ 193,079,507	\$ 194,006,134
BUSINESS-TYPE ACTIVITIES				
Net Investment in Capital Assets	\$ 51,149,367	\$ 47,890,962	\$ 43,238,913	\$ 45,482,321
Restricted	-	-	-	-
Unrestricted	3,360,482	8,600,766	11,414,079	6,465,993
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 54,509,849	\$ 56,491,728	\$ 54,652,992	\$ 51,948,314
PRIMARY GOVERNMENT				
Net Investment in Capital Assets	\$ 202,634,893	\$ 212,497,881	\$ 209,849,146	\$ 214,790,130
Restricted	10,050,248	8,563,063	9,326,916	8,310,611
Unrestricted (Deficit)	25,959,876	29,080,550	28,556,437	22,853,707
TOTAL PRIMARY GOVERNMENT	\$ 238,645,017	\$ 250,141,494	\$ 247,732,499	\$ 245,954,448

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

Data Source

Audited Financial Statements

2016*	2017	2018	2019	2020	2021
\$ 173,957,143	\$ 176,078,381	\$ 175,911,065	\$ 173,931,309	\$ 174,038,413	\$ 177,510,754
7,095,286	7,369,493	8,417,145	8,500,749	9,379,343	12,269,407
(15,551,944)	(20,991,234)	(27,233,715)	(26,053,960)	(31,443,463)	(25,836,721)
<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>	<u>\$ 163,943,440</u>
\$ 44,805,894	\$ 44,551,283	\$ 44,397,118	\$ 44,395,007	\$ 49,163,769	\$ 52,160,171
-	-	-	-	-	-
5,786,960	6,510,946	7,018,743	8,979,964	8,040,946	8,306,998
<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>	<u>\$ 60,467,169</u>
\$ 218,763,037	\$ 220,629,664	\$ 220,308,183	\$ 218,326,316	\$ 223,202,182	\$ 229,670,925
7,095,286	7,369,493	8,417,145	8,500,749	9,379,343	12,269,407
(9,764,984)	(14,480,288)	(20,214,972)	(17,073,996)	(23,402,517)	(17,529,723)
<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>	<u>\$ 224,410,609</u>

CITY OF CRYSTAL LAKE, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	2012	2013	2014	2015
EXPENSES				
Governmental Activities				
General Government	\$ 10,447,524	\$ 8,982,683	\$ 9,433,013	\$ 9,219,290
Public Health and Safety	24,157,329	23,061,425	23,491,319	23,670,546
Highways and Streets	7,848,907	7,755,990	8,923,262	9,738,091
Culture and Recreation	1,400,906	1,020,428	1,020,029	1,045,576
Interest	625,751	773,768	629,055	531,492
Total Governmental Activities Expenses	<u>44,480,417</u>	<u>41,594,294</u>	<u>43,496,678</u>	<u>44,204,995</u>
BUSINESS-TYPE ACTIVITIES				
Waterworks and Sewerage	9,907,476	10,092,510	11,573,150	12,584,450
Total Business-Type Activities Expenses	<u>9,907,476</u>	<u>10,092,510</u>	<u>11,573,150</u>	<u>12,584,450</u>
TOTAL PRIMARY GOVERNMENT EXPENSES	<u>\$ 54,387,893</u>	<u>\$ 51,686,804</u>	<u>\$ 55,069,828</u>	<u>\$ 56,789,445</u>
PROGRAM REVENUES				
Governmental Activities				
Charges for Services				
General Government	\$ 1,001,950	\$ 1,154,208	\$ 1,137,583	\$ 1,185,748
Public Health and Safety	3,656,295	3,592,630	3,542,573	3,888,838
Public Works	240,339	247,139	232,521	234,750
Culture and Recreation	488,712	445,580	407,383	406,991
Operating Grants and Contributions				
Public Works	1,178,089	1,342,940	1,206,621	1,446,094
Other Activities	132,808	636,459	111,147	658,469
Capital Grants and Contributions				
Public Works	3,723,623	2,023,692	142,398	1,226,760
Other Activities	-	262,863	359,298	243,238
Total Governmental Activities Program Revenues	<u>10,421,816</u>	<u>9,705,511</u>	<u>7,139,524</u>	<u>9,290,888</u>
Business-Type Activities				
Charges for Services				
Waterworks and Sewerage	8,230,935	11,127,180	9,231,762	9,411,316
Operating Grants and Contributions	-	-	-	-
Capital Grants and Contributions	101,311	65,842	167,250	312,550
Total Business-Type Activities Program Revenues	<u>8,332,246</u>	<u>11,193,022</u>	<u>9,399,012</u>	<u>9,723,866</u>
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	<u>\$ 18,754,062</u>	<u>\$ 20,898,533</u>	<u>\$ 16,538,536</u>	<u>\$ 19,014,754</u>

	2016*	2017	2018	2019	2020	2021
\$	9,453,754	\$ 9,186,944	\$ 9,480,281	\$ 8,975,593	\$ 10,132,372	\$ 8,086,815
	25,243,996	28,675,754	28,257,439	28,418,257	30,628,583	26,072,431
	11,137,715	8,803,178	9,075,738	10,526,101	10,577,802	9,917,045
	1,158,493	1,202,081	1,240,815	1,316,230	1,295,958	1,059,755
	472,785	434,677	395,280	357,479	295,700	134,854
	47,466,743	48,302,634	48,449,553	49,593,660	52,930,415	45,270,900
	11,161,179	10,911,625	11,871,081	12,508,300	13,345,604	13,923,480
	11,161,179	10,911,625	11,871,081	12,508,300	13,345,604	13,923,480
\$	58,627,922	\$ 59,214,259	\$ 60,320,634	\$ 62,101,960	\$ 66,276,019	\$ 59,194,380
\$	1,015,508	\$ 1,151,113	\$ 1,278,712	\$ 1,769,715	\$ 1,221,025	\$ 1,300,137
	3,907,398	4,548,947	4,675,869	4,759,684	4,815,622	4,819,013
	240,659	216,074	227,659	207,974	440,929	217,594
	494,003	626,341	652,572	637,618	399,884	278,033
	3,371,612	1,064,996	1,072,190	1,076,674	2,008,677	2,929,526
	275,424	240,876	169,325	318,273	28,361	2,351,705
	2,627,832	305,691	1,023,140	488,055	120,168	1,880
	2,076	23,132	4,370	4,638	758,751	2,053,878
	11,934,512	8,177,170	9,103,837	9,262,631	9,793,417	13,951,766
	10,048,556	11,182,267	11,967,058	13,953,200	14,279,570	15,285,114
	-	-	3,500	-	-	-
	849,507	113,616	-	-	69,920	609,019
	10,898,063	11,295,883	11,970,558	13,953,200	14,349,490	15,894,133
\$	22,832,575	\$ 19,473,053	\$ 21,074,395	\$ 23,215,831	\$ 24,142,907	\$ 29,845,899

CITY OF CRYSTAL LAKE, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

Fiscal Year	2012	2013	2014	2015
NET (EXPENSE) REVENUE				
Governmental Activities	\$ (34,058,601)	\$ (31,888,783)	\$ (36,357,154)	\$ (34,914,107)
Business-Type Activities	(1,575,230)	1,100,512	(2,174,138)	(2,860,584)
TOTAL PRIMARY GOVERNMENT NET (EXPENSE) REVENUE	\$ (35,633,831)	\$ (30,788,271)	\$ (38,531,292)	\$ (37,774,691)
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental Activities				
Taxes				
Property	\$ 11,061,961	\$ 11,327,721	\$ 11,165,180	\$ 11,054,823
Home Rule	4,710,538	4,756,678	5,000,073	5,084,373
Auto Rental	35,281	36,185	43,174	47,986
Franchise Fees - Cable	604,233	640,472	645,315	692,094
Telecommunications	1,824,479	1,746,976	1,559,980	1,381,207
Hotel/Other	281,817	278,356	272,587	298,471
Intergovernmental				
Replacement	139,013	142,418	152,358	156,255
State Sales and Use	10,736,957	10,662,042	11,326,567	11,903,296
Income	3,451,994	3,854,999	3,890,892	4,104,684
Investment Income	367,609	354,263	213,842	179,247
Miscellaneous	1,222,460	814,168	1,504,447	938,298
Release of Commitment of SSA Debt	-	8,155,975	-	-
Transfers	(1,697,616)	(848,275)	12,480	-
Total Governmental Activities	<u>32,738,726</u>	<u>41,921,978</u>	<u>35,786,895</u>	<u>35,840,734</u>
Business-Type Activities				
Investment Income	5,062	2,382	40,184	39,673
Miscellaneous	30,442	30,710	307,698	116,233
Other Tax	-	-	-	-
Connection Charges	-	-	-	-
Rental Income	-	-	-	-
Transfers	1,697,616	848,275	(12,480)	-
Total Business-Type Activities	<u>1,733,120</u>	<u>881,367</u>	<u>335,402</u>	<u>155,906</u>
TOTAL PRIMARY GOVERNMENT	\$ 34,471,846	\$ 42,803,345	\$ 36,122,297	\$ 35,996,640
CHANGE IN NET POSITION				
Governmental Activities	\$ (1,319,875)	\$ 10,033,195	\$ (570,259)	\$ 926,627
Business-Type Activities	157,890	1,981,879	(1,838,736)	(2,704,678)
TOTAL PRIMARY GOVERNMENT CHANGE IN NET POSITION	\$ (1,161,985)	\$ 12,015,074	\$ (2,408,995)	\$ (1,778,051)

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

Data Source

Audited Financial Statements

	2016*	2017	2018	2019	2020	2021
\$	(35,532,231)	\$ (40,125,464)	\$ (39,345,716)	\$ (40,331,029)	\$ (43,136,998)	\$ (31,319,134)
	(263,116)	384,258	99,477	1,444,900	1,003,886	1,970,653
\$	(35,795,347)	\$ (39,741,206)	\$ (39,246,239)	\$ (38,886,129)	\$ (42,133,112)	\$ (29,348,481)
\$	13,424,456	\$ 12,368,764	\$ 12,499,058	\$ 12,985,292	\$ 13,034,033	\$ 13,698,616
	5,040,729	5,078,986	5,159,592	5,403,739	5,296,696	5,523,531
	42,515	43,751	40,230	43,839	42,370	39,076
	790,182	615,070	728,314	670,865	700,274	620,139
	1,276,159	1,155,832	1,076,925	988,663	829,847	664,080
	301,467	357,772	408,156	393,659	1,478,225	2,062,893
	133,431	160,573	147,318	140,488	153,893	166,446
	12,103,709	12,310,138	12,595,524	13,321,347	13,315,600	14,035,251
	4,167,471	3,841,569	3,707,369	4,215,078	4,008,499	4,670,667
	470,909	484,987	334,737	1,036,053	1,317,219	375,853
	1,170,199	664,177	920,423	498,526	2,295,775	1,999,312
	-	-	-	-	-	-
	-	-	-	(82,917)	-	-
	38,921,227	37,081,619	37,617,646	39,614,632	42,472,431	43,855,864
	79,071	(12,899)	(3,132)	283,436	578,038	154,482
	209,444	98,016	257,285	147,859	297,458	137,319
	-	-	-	-	1,000,000	1,000,000
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	82,917	-	-
	288,515	85,117	254,153	514,212	1,875,496	1,291,801
\$	39,209,742	\$ 37,166,736	\$ 37,871,799	\$ 40,128,844	\$ 44,347,927	\$ 45,147,665
\$	3,388,996	\$ (3,043,845)	\$ (1,728,070)	\$ (716,397)	\$ (664,567)	\$ 12,536,730
	25,399	469,375	353,630	1,959,112	2,879,382	3,262,454
\$	3,414,395	\$ (2,574,470)	\$ (1,374,440)	\$ 1,242,715	\$ 2,214,815	\$ 15,799,184

CITY OF CRYSTAL LAKE, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2012*	2013	2014	2015
GENERAL FUND				
Nonspendable	\$ 2,910,564	\$ 2,845,081	\$ 3,237,798	\$ 1,578,916
Committed	-	-	-	3,128
Unrestricted				
Assigned	2,452,902	3,660,817	2,419,158	3,615,389
Unassigned	12,539,460	11,123,805	10,024,692	7,820,204
TOTAL GENERAL FUND	\$ 17,902,926	\$ 17,629,703	\$ 15,681,648	\$ 13,017,637
ALL OTHER GOVERNMENTAL FUNDS				
Nonspendable	\$ 150,365	\$ 82,460	\$ 429	\$ 7,392
Restricted	10,052,009	8,566,087	9,676,061	8,995,527
Committed	-	-	-	-
Unrestricted				
Assigned	11,208,998	10,064,518	8,921,536	8,588,879
Unassigned (Deficit)	(1,798,831)	(1,844,949)	(2,039,724)	(1,621)
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 19,612,541	\$ 16,868,116	\$ 16,558,302	\$ 17,590,177

Data Source

Audited Financial Statements

2016	2017	2018	2019	2020	2021
\$ 1,807,119	\$ 2,295,685	\$ 2,455,422	\$ 2,513,094	\$ 3,146,413	\$ 3,282,256
3,128	3,128	3,796	37,611	122,612	338,750
1,082,174	2,584,111	1,848,473	2,620,028	3,632,706	4,687,516
10,224,095	9,616,898	11,533,098	14,172,882	15,479,489	13,447,755
\$ 13,116,516	\$ 14,499,822	\$ 15,840,789	\$ 19,343,615	\$ 22,381,220	\$ 21,756,277
\$ 7,860	\$ 4,923	\$ 46,355	\$ 47,313	\$ 7,868	\$ 219,758
7,781,945	7,910,749	8,883,168	9,060,963	9,379,343	12,269,407
-	-	-	253,534	332,702	543,117
9,645,831	7,044,977	6,069,668	5,871,826	6,649,886	9,763,042
-	-	-	-	-	(23,919)
\$ 17,435,636	\$ 14,960,649	\$ 14,999,191	\$ 15,233,636	\$ 16,369,799	\$ 22,771,405

CITY OF CYRSTAL LAKE, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2012	2013	2014	2015
REVENUES				
Charges for Services	\$ 4,252,140	\$ 4,151,306	\$ 3,976,998	\$ 4,255,331
Licenses and Permits	603,915	681,467	689,030	594,261
Intergovernmental	18,468,845	18,897,440	17,210,359	19,178,195
Fines and Forfeitures	681,590	581,230	593,493	1,186,481
Property Taxes	11,061,961	11,327,721	11,165,179	11,054,823
Other Taxes	8,349,987	7,458,667	7,521,129	7,504,131
Developer Donations	-	-	-	-
Investment Income	367,608	354,263	213,846	179,247
Miscellaneous	1,128,819	865,199	1,595,211	1,037,793
Total Revenues	44,914,865	44,317,293	42,965,245	44,990,262
EXPENDITURES				
General Government	7,325,941	8,134,756	8,442,528	8,433,073
Public Health and Safety	21,396,677	21,638,535	22,065,741	22,521,524
Public Works	5,439,262	5,962,709	5,908,318	8,248,411
Culture and Recreation	546,814	550,698	542,720	563,450
Debt Service				
Principal	1,460,345	1,343,197	1,325,384	1,338,673
Interest	1,060,370	974,494	579,843	545,577
Capital Outlay	12,104,347	8,723,799	6,371,060	4,943,965
Total Expenditures	49,333,756	47,328,188	45,235,594	46,594,673
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(4,418,891)	(3,010,895)	(2,270,349)	(1,604,411)
OTHER FINANCING SOURCES (USES)				
Transfers In	15,343,341	6,354,136	8,751,359	10,011,992
Transfers (Out)	(17,040,957)	(7,273,393)	(8,738,879)	(10,039,717)
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)	(1,697,616)	(6,755)	12,480	(27,725)
NET CHANGE IN FUND BALANCES	\$ (6,116,507)	\$ (3,017,650)	\$ (2,257,869)	\$ (1,632,136)
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	6.10%	5.78%	4.50%	4.39%

	2016	2017	2018	2019	2020	2021
\$	4,561,965	\$ 5,259,621	\$ 5,264,409	\$ 5,567,308	\$ 5,239,878	\$ 4,761,355
	546,408	626,878	659,908	887,689	899,643	1,158,614
	22,510,761	17,740,346	18,841,214	18,972,402	19,559,437	24,193,553
	715,857	687,186	520,692	465,779	462,293	301,362
	13,424,456	12,368,764	12,499,057	12,985,292	13,034,033	13,698,616
	7,451,052	7,251,411	7,317,786	7,500,765	8,347,412	8,909,719
	-	-	-	-	410,527	553,878
	470,909	484,987	334,734	1,036,053	1,317,219	375,853
	1,232,711	943,772	1,350,750	1,611,094	2,629,098	2,200,268
	50,914,119	45,362,965	46,788,550	49,026,382	51,899,540	56,153,218
	8,013,493	8,176,893	8,312,721	8,212,507	9,121,535	8,313,267
	23,852,909	23,956,258	24,143,224	25,231,400	25,551,179	25,839,379
	7,333,376	7,122,954	5,426,131	5,761,105	5,948,684	6,188,853
	618,351	736,944	723,546	743,393	661,596	510,466
	1,383,967	1,426,983	1,447,120	1,496,632	9,975,381	1,051,080
	589,605	475,339	479,218	411,984	228,933	550,858
	9,178,080	4,559,275	4,877,081	3,491,356	6,150,077	9,778,291
	50,969,781	46,454,646	45,409,041	45,348,377	57,637,385	52,232,194
	(55,662)	(1,091,681)	1,379,509	3,678,005	(5,737,845)	3,921,024
	9,006,449	7,315,265	6,702,316	3,098,328	6,609,374	9,969,342
	(9,006,449)	(7,315,265)	(6,702,316)	(3,098,328)	(6,609,374)	(10,382,457)
	-	-	-	-	7,954,054	-
	-	-	-	-	787,327	-
	-	-	-	-	-	-
	-	-	-	59,266	813,338	2,483,808
	-	-	-	-	52,807	195,719
	-	-	-	59,266	9,607,526	2,266,412
\$	(55,662)	\$ (1,091,681)	\$ 1,379,509	\$ 3,737,271	\$ 3,869,681	\$ 6,187,436
	4.20%	4.42%	4.27%	4.20%	18.72%	3.56%

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
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%
2020	1,818,208	903,785,948	265,462,865	70,787,741	1,560,639	2,001,775	1,245,417,176	1.0481	3,736,251,528	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 value.

[Data Source](#)

McHenry County Clerk

CITY OF CRYSTAL LAKE, ILLINOIS

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Levy Years

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Operating:										
Municipal Retirement	0.0958	0.1313	0.1372	0.1461	0.1540	0.1729	0.1761	0.1724	0.1291	0.1177
Police Pension	0.2353	0.2242	0.2083	0.2219	0.2022	0.2034	0.1952	0.1992	0.1704	0.1533
School Cross Guard	0.0044	0.0046	0.0048	0.0050	0.0053	0.0046	0.0047	0.0046	0.0023	0.0029
Fire Protection	0.5501	0.5710	0.5761	0.5992	0.6315	0.6592	0.6736	0.6280	0.5276	0.4556
Firemen Pension	0.1625	0.1569	0.1609	0.1729	0.1556	0.1729	0.1856	0.1746	0.1503	0.1295
Total City of Crystal Lake	1.0481	1.0879	1.0873	1.1452	1.1485	1.2130	1.2351	1.1786	0.9797	0.8590
Crystal Lake Public Library	0.3755	0.3897	0.3997	0.4210	0.4345	0.4589	0.4670	0.4436	0.3878	0.3471
McHenry County	0.7621	0.7868	0.8317	0.9019	1.0539	1.0781	1.1412	1.0960	0.9958	0.8879
District 47	3.8548	3.8851	3.9469	4.0463	4.1616	4.3488	4.3867	4.1626	3.7347	3.2520
District 155	2.1636	2.5236	2.5646	2.6953	2.7749	2.9060	2.9721	2.8118	2.5090	2.1864
Debt Service:										
McHenry County	-	-	-	-	-	-	-	-	-	-
District 47	-	-	-	0.2143	0.2119	0.2103	0.2655	0.2446	0.2129	0.1815
District 155	0.3485	0.0466	0.0485	0.0066	0.0537	0.1196	0.1227	0.1495	0.1360	0.1115
Other										
Total Tax Rate:										
City of Crystal Lake	1.0481	1.0879	1.0873	1.1452	1.1485	1.2130	1.2351	1.1786	0.9797	0.8590
Crystal Lake Public Library	0.3755	0.3897	0.3997	0.4210	0.4345	0.4589	0.4670	0.4436	0.3878	0.3471
McHenry County	0.7621	0.7868	0.8317	0.9019	1.0539	1.0781	1.1412	1.0960	0.9958	0.8879
District 47	3.8548	3.8851	3.9469	4.2607	4.3735	4.5591	4.6522	4.4072	3.9477	3.4335
District 155	2.5121	2.5702	2.6130	2.7019	2.8286	3.0255	3.0948	2.9613	2.6450	2.2979
Other:										
College District 528 MCC	0.3433	0.3564	0.3655	0.3847	0.4066	0.4348	0.4453	0.4306	0.3921	0.3395
McHenry County Conservation	0.2236	0.2286	0.2380	0.2449	0.2588	0.2766	0.2840	0.2748	0.2481	0.2191
Crystal Lake Park District	0.4813	0.4886	0.5003	0.5178	0.5310	0.5535	0.5582	0.5193	0.4605	0.4135
Township (Algonquin)	0.0558	0.0573	0.0603	0.0638	0.0712	0.0828	0.0851	0.0821	0.0742	0.0659
Road and Bridge (Algonquin)	0.1265	0.1323	0.1417	0.1527	0.1705	0.1862	0.1913	0.1827	0.1627	0.1450

Data Source

McHenry County Clerk.

CITY OF CRYSTAL LAKE, ILLINOIS

PRINCIPAL PROPERTY TAX PAYERS

Current Year and Nine Years Ago

Taxpayer	Type of Business	2020		2011		Percent of Total District Taxable Assessed Value	Percent of Total District Taxable Assessed Value
		Taxable Assessed Value	Rank	Taxable Assessed Value	Rank		
Madison Skyridge LLC	Residential	\$ 7,625,848	1	0.64%			
Inland Crystal Point LLC	Retail	7,587,399	2	0.63%	\$ 9,298,462	1	0.78%
Centro Bradley Crystal Lake	Retail	6,912,576	3	0.58%	8,702,012	3	0.73%
ARHC CLCRYIL01 LLC	Commercial	6,357,344	4	0.53%			
Colfin Cobalt Industrial	Industrial	6,267,334	5	0.52%	6,557,411	4	0.55%
KPR US LLC	Industrial	5,877,601	6	0.49%			0.00%
Darlington Cunat LLC	Residential	5,718,526	7	0.48%			0.00%
Walmart Real Est Business	Retail	3,783,191	8	0.32%	5,272,108	5	0.44%
Watermark Crystal Lake	Residential	3,562,595	9	0.30%			0.00%
Inland Bohl Farm LLC	Retail	3,482,321	10	0.29%	4,155,348	8	0.35%
Northern Illinois Medical Center	Healthcare	3,238,556	11	0.27%	3,825,371	9	0.32%
Crystal Corners LLC	Retail	3,108,955	12	0.26%			0.00%
Crystal Lake LP	Retail	3,078,105	13	0.26%			0.00%
30 West Pershing LLC	Retail	2,913,161	14	0.24%			0.00%
Menard Inc	Retail	2,828,913	15	0.24%			0.00%
Skyridge Partners LLC	Residential			0.00%	8,878,646	2	0.74%
Tyco Healthcare Group	Manufacturing			0.00%	5,021,082	6	0.42%
Sunrise Residential Housing	Residential			0.00%	4,348,111	7	0.36%
Inland Showplace LLC	Retail			0.00%	3,449,172	10	0.29%
		<u>\$ 72,342,425</u>		<u>6.03%</u>	<u>\$ 59,507,723</u>		<u>4.97%</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 Fiscal Year of the Levy		Collections In Subsequent Years	Total Collections to Date	
		Amount	Percentage of Extension		Amount	Percentage of Extension
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
2021	13,053,697	13,030,707	99.82	-	13,030,707	99.82

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			
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
2021	7,716,271	-	2,817,479	17,598,729	13,525,659	501,116	42,159,254	2.56%	1,047

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
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
2021	25,315,000	284,992	25,030,008	2.01%	621.57

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 BONDED DEBT
AND CAPITAL LEASES**

April 30, 2021

Governmental Unit	Bonded Debt	Applicable to the City	
		Percent	Amount
Bonded Debt	\$ 7,716,271		
Capital Leases	<u>2,817,479</u>		
Total City of Crystal Lake	<u>10,533,750</u>	100%	<u>\$ 10,533,750</u>
Overlapping:			
College District 509	146,490,000	0.003%	4,395
School District Number 155	14,430,000	40.415%	5,831,885
School District Number 46	1,190,000	10.758%	128,020
School District Number 200	84,755,352	0.924%	783,139
School District Number 300	231,746,782	0.010%	23,175
McHenry County Conservation District	67,510,000	13.623%	9,196,887
Crystal Lake Park District	295,000	74.851%	220,810
Cary Park District	755,970	0.036%	272
Huntley Park District	<u>315,000</u>	0.637%	2,007
Total others	<u>547,488,104</u>		<u>16,190,590</u>
Total overlapping debt	<u>\$ 558,021,854</u>		<u>\$ 26,724,340</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)
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%
2021	40,269	1,645,028,919	40,851	12,639	5.0%

(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%
Snap-On Tools Co.	590	3	1.45%
McHenry County College	500	4	1.23%
Knaack Manufacturing	500	5	1.23%
Crystal Lake Park District	480	6	1.18%
Aptar Group	475	7	1.17%
Cardinal Health	350	8	0.86%
Walmart	350	9	0.86%
City of Crystal Lake	241	10	0.59%
Jewel Foodstores	220	11	0.54%
	<u>5,959</u>		<u>14.63%</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

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Government	30.95	37.25	37.75	38.75	38.75	39.25	40.25	43.50	43.50	45.50
Public Safety:										
Police	77.70	77.75	77.75	77.75	78.75	78.75	79.75	79.75	80.25	81.25
Fire	67.50	67.50	67.50	67.50	67.50	67.50	67.75	67.75	67.50	67.50
Highways and Streets:										
Administration	3.25	4.25	4.25	4.25	5.25	5.25	5.25	5.25	5.00	5.00
Engineering	7.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Facilities	7.00	7.00	7.00	7.00	6.50	6.50	6.50	6.50	6.50	6.50
Maintenance	15.00	17.00	17.00	18.00	18.00	18.00	19.00	20.00	19.75	19.75
Waterworks and sewerage	30.00	28.00	28.00	28.00	30.00	31.00	31.00	31.50	31.50	31.50
	<u>238.40</u>	<u>238.75</u>	<u>239.25</u>	<u>241.25</u>	<u>244.75</u>	<u>246.25</u>	<u>249.50</u>	<u>254.25</u>	<u>254.00</u>	<u>257.00</u>

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. In Fiscal Year 2021, Engineering moved from the Community Development Department (General Government) to the Public Works Department.

Data Source

City of Crystal Lake records

CITY OF CRYSTAL LAKE, ILLINOIS

OPERATING INDICATORS

Last Ten Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Police:										
Physical arrests	611	769	854	838	905	935	1,010	918	979	1,089
Parking violations	2,019	3,228	2,339	3,310	3,742	4,131	5,406	4,569	5,018	7,171
Traffic violations	3,697	8,788	9,937	10,910	11,869	13,961	11,267	11,381	10,193	6,613
Fire:										
Number of calls answered	6,283	6,799	6,345	6,228	5,894	5,833	5,695	5,452	5,475	5,357
Inspections	588	853	957	981	650	833	1,104	1,060	1,077	976
Highways and Streets:										
Street resurfacing (miles)	10.8	10.0	6.9	6.9	8.3	6.0	6.9	8.1	8.8	6.2
Water:										
New connections	123	76	19	8	12	5	23	7	7	15
Water main breaks	22	21	28	19	24	18	29	34	23	34
Average daily consumption (millions of gallons)	3.87	4.01	3.85	3.85	3.90	3.93	3.93	4.40	4.65	4.65
Wastewater:										
Average daily sewage treatment (millions of gallons)	4.77	5.00	4.80	4.80	4.80	5.10	5.10	5.00	5.00	5.00
Library:										
Circulation										
Physical materials	115,152	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
e-materials	94,193	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Cardholders	21,109	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Programs										
Number	1,020	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Attendance	88,730	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Data Source

City records
N/A - data not available

CITY OF CRYSTAL LAKE, ILLINOIS

CAPITAL ASSETS STATISTICS

Last Ten Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Public safety:										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	22	19	19	19	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	176	160	160	160	160	160	160
Streetlights	2,417	2,417	2,417	2,417	2,417	2,410	2,410	1,996	1,996	1,996
Traffic signals	33	33	33	33	33	33	33	31	31	31
Culture and Recreation:										
Parks acreage	450	450	450	450	450	450	450	450	450	450
Water:										
Water mains (miles)	267	236	230	230	230	230	230	230	226	226
Fire hydrants	3,181	3,122	3,122	3,122	3,114	3,095	3,095	3,095	3,110	3,110
Maximum daily capacity (million of gallons)	8.54	8.54	8.54	8.54	8.54	8.54	8.54	8.54	8.37	8.37
Sewer:										
Sanitary sewers (miles)	185	161	166	166	166	166	166	166	166	166
Storm sewers (miles)	187	115	114	60	60	60	60	60	60	60
Maximum daily treatment (millions of gallons)	20.20	20.20	20.20	19.50	16.50	16.50	16.50	16.50	16.50	16.50

Data Source

City records



COVERAGE DECLARATIONS

Coverage Period:

November 1, 2020 to November 1, 2021

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 (per member)
Auto Liability <ul style="list-style-type: none"> ▪ Uninsured/Underinsured Motorist 	\$3,000,000	\$15,000,000 \$50,000 (per member)
Public Officials Liability <ul style="list-style-type: none"> ▪ Wrongful Acts ▪ Employment Practices 	\$3,000,000	\$15,000,000 (per member)
Workers' Compensation <ul style="list-style-type: none"> ▪ Employer's Liability 	\$1,500,000	Statutory \$1,000,000 (per member)
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 	\$1,000,000 \$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 (per member)
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 (per member)
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	\$75,449,420

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