



CITY OF
Crystal Lake Illinois

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED APRIL 30, 2024

CITY OF CRYSTAL LAKE, ILLINOIS

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

For the Year Ended
April 30, 2024

Prepared by the Finance Department

Jodie Hartman
Director of Finance

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INTRODUCTORY SECTION



CITY OF
Crystal Lake
ILLINOIS

October 17, 2024

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

We submit to you the Annual Comprehensive Financial Report of the City of Crystal Lake, Illinois, for the fiscal year ended April 30, 2024. State law requires that all general-purpose local governments publish within six months of the close of each fiscal year complete a 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 Annual Comprehensive Financial Report (ACFR) of the City of Crystal Lake for the fiscal year ended April 30, 2024.

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 CPA LLC, 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, 2024 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, 2024, 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 Annual Comprehensive 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 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. Starting January 1, 2025, the City's fiscal year will move to match the calendar year which will make December 31st the new close of the City'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 inflation, supply chain issues, and geopolitical events having a substantial effect on the national economy, the City has been 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.

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, almost completed construction of a 500-unit residential development, Woodlore Estates, on the northeast section of Crystal Lake. The Springs at Three Oaks, a 280 unit luxury apartment complex, was completed in 2022. Enclave, a 99 unit luxury rental project was completed in 2024 and Redwood, a 304 rental ranch townhome community plans to be completed in 2025. More housing is currently underway including Clover Communities, a 121-unit age-restricted independent living apartment complex; and Woodlore Townes, a 47-unit townhome community.

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 grown slightly 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 2023, 1,100,122 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 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 2023 Crystal Lake welcomed sixty-five new businesses. The City is also home to several large auto retailers, all of which over the past decade 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 37% above the national average and approximately 31% above the State average. Over 40% of residents twenty-five or older have college degrees, compared to the State and National averages of 37% and 34% 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 5, 2023, 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 included a modest overall increase of 3%, primarily attributable to increased funding to Fire Rescue Department and the City's pension obligations. With overall growth to the City's tax base from new construction, the impact to property owners was a decrease of 3.5% for the City's levy. The City takes pride in minimizing the use of property taxes, relying upon other revenue sources for funding both operations and capital expenditures.

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, 2024, the Police Pension plan's fiduciary net position as a percentage of the total pension liability was 58.33%. As of April 30, 2024, the Fire Pension plan's fiduciary net position as a percentage of the total pension liability was 76.19%. 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, 2023, the date of the most recent actuarial valuation, the IMRF plan's fiduciary net position as a percentage of the total pension liability was 90.52%.

In 2022, Standard and Poor's upgraded the City to a AAA stable rating. The City of Crystal Lake's AAA credit rating represents the highest credit rating that can be earned by an organization and has been assigned to very few governments within the State of Illinois. According to S&P, the City of Crystal Lake "embodies many characteristics of a 'AAA' issuer, including a diverse economy that is independently strong and growing...with consistently stable financial operating results with no discernible budgetary pressures... and a sophisticated and knowledgeable management team that has strong planning practices." At the end of the current fiscal year, the City had \$45.15 million of debt instruments outstanding. The City also has \$7.33 million relating to Special Service Area obligations which are not the financial responsibility of the City. Under current state statute, the City has no legal debt limit on general obligation debt.

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:

- Purchasing
- Travel and Training
- City Credit Card
- Petty Cash
- Donation Acceptance
- Economic Development Incentives
- Cash Receipts
- Accounting and Financial Reporting
- Accounts Payable and Vendor Disbursements
- Surplus Personal Property Disposal
- Accounts Receivable and Collections
- Grant Management
- Annual Budget
- Debt Management
- Investments
- Fraud Reporting
- Capital Assets

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 Annual Comprehensive Financial Report (ACFR) for the fiscal year ended April 30, 2023. This results in thirty-four 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 ACFR. This report satisfied both GAAP and applicable legal requirements.

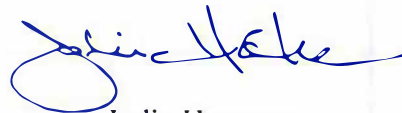
A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The City of Crystal Lake received the Distinguished Budget presentation award for the Fiscal Year 2024 Budget document for the sixteenth consecutive year. The City also received its third consecutive Certificate of Achievement for Excellence in Popular Financial Reporting for Fiscal Year 2023. It is an honor for the City of Crystal Lake to receive these three 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 and Accounting Manager Stephanie Wrolson. 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.



Eric Helm
City Manager



Jodie Hartman
Director of Finance/Treasurer



CITY OF CRYSTAL LAKE, ILLINOIS

CITY OFFICIALS

As of April 30, 2024

MAYOR

Haig Haleblian

COUNCILMEMBERS

Ellen Brady

Cameron Hubbard

Amanda Montford

Brett Hopkins

Ian Philpot

Denise Smith

CITY CLERK

Nick Kachiroubas

ADMINISTRATION

Eric Helm

Nicholas Hammonds

Kathryn Cowlin

Jodie Hartman

Julie Meyer

Steven Weishaar

Michael P. Magnuson

Craig Snyder

James Black

City Manager

Assistant City Manager

Director of Community Development

Director of Finance/Treasurer

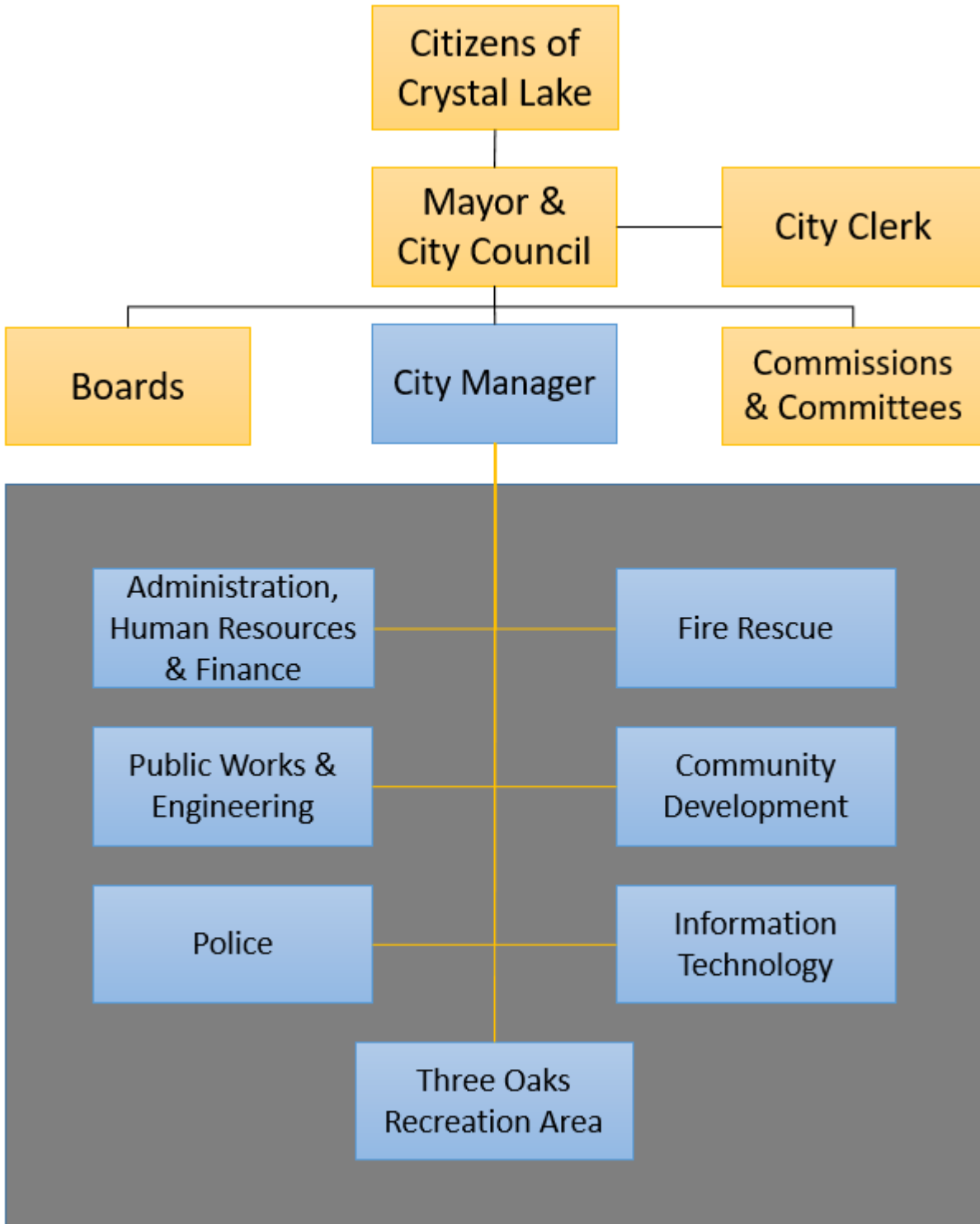
Director of Human Resources

Director of Information Technology

Director of Public Works

Chief of Fire Rescue

Chief of Police





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Crystal Lake
Illinois**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

April 30, 2023

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

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

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

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, 2024, and the related notes to financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, 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, 2024, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under these standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management 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 and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

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 is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund statements and schedules are presented for 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 combining and individual fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory, statistical sections, and continuing disclosure but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 17, 2024, 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 solely 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 the effectiveness of the Village's 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 Village's internal control over financial reporting and compliance.

Sibich CPA LLC

Naperville, Illinois
October 17, 2024

1415 West Diehl Road, Suite 400
Naperville, IL 60563
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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

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

We have audited, in accordance with the 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 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, 2024, and the related notes to financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated October 17, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sikich CPA LLC

Naperville, Illinois
October 17, 2024

**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, 2024. 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 vii 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, 2024, with the difference reported as net position.

- **Net position**, excluding the Crystal Lake Public Library, was \$269.34 million.
- **Change in net position** due to activity during the year was an increase of \$17.21 million.
- **Combined revenues** totaled \$85.14 million, an increase of 6.3%
- **Combined expenses** totaled \$67.93 million, a decrease of 0.04%

GENERAL FUND

- **Revenues** for the fiscal year totaled \$44.59 million, an increase of \$3.22 million.
- **Expenditures** for the fiscal year totaled \$31.26 million, an increase of \$936k.
- **Fund Balance** as of April 30, 2024 was \$23.69 million. The net change in fund balance due to activity during the fiscal year was an increase of \$2.61 million.

BUSINESS-TYPE ACTIVITIES (Waterworks and Sewerage Fund)

- **Operating revenues** for the fiscal year totaled \$15.01 million, an increase of \$588k.
- **Operating expenses** for the fiscal year totaled \$13.67 million, a decrease of \$518k. Depreciation and amortization of capital assets, a non-cash expense totaling \$4.36 million, is included in the operating expenses total.

LONG-TERM DEBT

- **Bonded Debt for governmental activities outstanding** as of April 30, 2024 decreased \$824k to \$5.33 million during the year.
- **Bonded Debt for business-type activities outstanding** as of April 30, 2024 decreased \$2.03 million to \$19.37 million during the year.
- **Net Pension Liability for Public Safety Pensions** increased \$1.19 million to \$56.13 million. This includes the liabilities for both Police and Firefighters' Pension Funds.
- **Net Pension Liability for IMRF** (non-sworn employees excluding the Crystal Lake Library) decreased \$2.32 million, to net pension liability of \$7 million as of December 31, 2023.

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

CAPITAL INVESTMENT

- **City-wide assets**, net of depreciation, total \$279.80 million at April 30, 2024, an increase of \$6.50 million.
- **Governmental capital assets** net of depreciation increased \$5.01 million to \$191.92 million.
- **Business-type capital assets** net of depreciation increased \$1.48 million to \$87.87 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 a 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 7-10 of this report.

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

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

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 11-15 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 16-20 of this report.

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

Notes to the financial statements. These notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 23-81 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 82-96 of this report.

Other supplementary information. This includes combining and individual fund statements and schedules, which can be found beginning on page 97 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 149.

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, 2023 and 2024**

| Category | Governmental Activities | | Business-type Activities | | Total Primary Government | |
|---|-------------------------|-----------------------|--------------------------|----------------------|--------------------------|-----------------------|
| | 4/30/2024 | 4/30/2023 | 4/30/2024 | 4/30/2023 | 4/30/2024 | 4/30/2023 |
| Current and other assets | \$ 94,496,320 | \$ 88,400,676 | \$ 37,009,571 | \$ 34,820,787 | \$ 131,505,891 | \$ 123,221,463 |
| Capital assets | 191,924,966 | 186,913,940 | 87,872,033 | 86,387,966 | 279,796,999 | 273,301,906 |
| Total assets | 286,421,286 | 275,314,616 | 124,881,604 | 121,208,753 | 411,302,890 | 396,523,369 |
| Deferred Outflows | 15,593,442 | 18,046,552 | 2,434,306 | 3,007,085 | 18,027,748 | 21,053,637 |
| Total assets & deferred outflows | 302,014,728 | 293,361,168 | 127,315,910 | 124,215,838 | 429,330,638 | 417,577,006 |
| Current liabilities | 8,185,953 | 7,113,077 | 6,931,752 | 7,329,888 | 15,117,705 | 14,442,965 |
| Long-term liabilities | 76,521,771 | 77,494,236 | 42,375,201 | 45,464,818 | 118,896,972 | 122,959,054 |
| Total liabilities | 84,707,724 | 84,607,313 | 49,306,953 | 52,794,706 | 134,014,677 | 137,402,019 |
| Deferred Inflows | 22,538,495 | 23,774,729 | 3,441,582 | 4,274,264 | 25,980,077 | 28,048,993 |
| Total liabilities & deferred inflows | 107,246,219 | 108,382,042 | 52,748,535 | 57,068,970 | 159,994,754 | 165,451,012 |
| Net position: | | | | | | |
| Net Invest. In Capital Assets | 181,837,388 | 176,875,488 | 55,271,549 | 54,686,616 | 237,108,937 | 231,562,104 |
| Restricted | 10,649,313 | 11,849,081 | - | - | 10,649,313 | 11,849,081 |
| Unrestricted | 2,281,808 | (3,745,443) | 19,295,826 | 12,460,252 | 21,577,634 | 8,714,809 |
| Total net position | \$ 194,768,509 | \$ 184,979,126 | \$ 74,567,375 | \$ 67,146,868 | \$ 269,335,884 | \$ 252,125,994 |

Total assets increased \$14.78 million during the year, including an increase of \$8.29 million in current and other assets including cash and investments. The current year also includes an increase of \$960k in the City's equity investment in Southeast Emergency Communications (SEECOM) for a total of \$4.60 million. 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 \$6.50 million for the year.

Deferred outflows of resources decreased \$3.03 million over the year. This is mostly attributable to the pension items for the IMRF, Police and Firefighters pensions, which decreased a combined \$3.41 million. Other Post-Employment Benefits (OPEB) saw an increase of \$395k. 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 \$903k.

Total liabilities decreased \$3.39 million for the year. Current liabilities increased \$675k, and long-term liabilities decreased \$4.06 million. Of this amount, the increase to net pension liability for public safety pensions (sworn employees) totaled \$1.19 million. The net pension liability for non-sworn employees through the Illinois Municipal Retirement Fund (IMRF) decreased \$2.32 million for a total of \$7 million. Also, a component of long-term liabilities, lease obligations decreased \$296k. While its fleet leasing program continues, the City is no long exclusively leasing vehicles for its fleet. Outstanding bonded debt decreased \$2.86 million.

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

Deferred inflows of resources decreased \$2.07 million over the year. Deferred inflows for pension items accounted for most of the net decrease. IMRF and the police and fire pensions saw a combined decrease of \$1.81 million. Deferred inflows related to leases decreased \$895k. Changes to deferred inflows relating to the property tax levy and other postemployment benefits make up the remainder of the change.

As of April 30, 2024, net position for the City was \$269.34 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 (\$10.65 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. Unrestricted net position is \$21.58 million at April 30, 2024. GASB requires the City to recognize the net pension liability totaling \$63.12 million at April 30, 2024 for its three pension plans and requires the City to recognize net other post-employment benefit obligations totaling \$6.30 million. Unrestricted net position increased \$12.86 million from the previous fiscal year primarily due to revenues exceeding expenses.

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 9-10 of this report.

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

**Statement of Activities
For the Year Ended April 30, 2023 and 2024**

| Category | Governmental Activities | | Business-type Activities | | Total Primary Government | |
|--|-------------------------|-----------------------|--------------------------|----------------------|--------------------------|-----------------------|
| | 2023/24 | 2022/23 | 2023/24 | 2022/23 | 2023/24 | 2022/23 |
| Revenues: | | | | | | |
| Program revenues: | | | | | | |
| Charges for services | \$ 8,361,879 | \$ 8,034,322 | \$ 16,775,808 | \$ 15,397,219 | \$ 25,137,687 | \$ 23,431,541 |
| Operating grants/contributions | 1,933,578 | 2,238,021 | - | - | 1,933,578 | 2,238,021 |
| Capital grants/contributions | 665,817 | 2,601,288 | - | 109,003 | 665,817 | 2,710,291 |
| General revenues: | | | | | | |
| Taxes | 24,538,354 | 24,937,069 | 2,596,683 | 1,000,000 | 27,135,037 | 25,937,069 |
| Intergovernmental | 23,656,862 | 22,852,234 | 1,326,955 | - | 24,983,817 | 22,852,234 |
| Investment earnings | 1,924,376 | 329,908 | 936,253 | 246,960 | 2,860,629 | 576,868 |
| Other | 2,199,979 | 1,716,455 | 224,268 | 638,101 | 2,424,247 | 2,354,556 |
| Total revenues | 63,280,845 | 62,709,297 | 21,859,967 | 17,391,283 | 85,140,812 | 80,100,580 |
| Expenses: | | | | | | |
| General Government | 8,868,981 | 9,204,627 | - | - | 8,868,981 | 9,204,627 |
| Public Safety | 30,928,000 | 30,424,252 | - | - | 30,928,000 | 30,424,252 |
| Highways and Streets | 11,648,259 | 11,473,336 | - | - | 11,648,259 | 11,473,336 |
| Culture and Recreation | 1,745,214 | 1,558,416 | - | - | 1,745,214 | 1,558,416 |
| Interest on long-term debt | 202,288 | 250,474 | - | - | 202,288 | 250,474 |
| Water/Sewer | - | - | 14,538,180 | 15,048,735 | 14,538,180 | 15,048,735 |
| Total expenses | 53,392,742 | 52,911,105 | 14,538,180 | 15,048,735 | 67,930,922 | 67,959,840 |
| Excess (deficiency) of revenues over expenses | 9,888,103 | 9,798,192 | 7,321,787 | 2,342,548 | 17,209,890 | 12,140,740 |
| Transfers: | (98,720) | - | 98,720 | - | - | - |
| Change in net position | 9,789,383 | 9,798,192 | 7,420,507 | 2,342,548 | 17,209,890 | 12,140,740 |
| Beginning net position | 184,979,126 | 175,298,114 | 67,146,868 | 64,820,265 | 252,125,994 | 240,118,379 |
| Change in accounting principle | - | (117,180) | - | (15,945) | - | (133,125) |
| Ending net position | \$ 194,768,509 | \$ 184,979,126 | \$ 74,567,375 | \$ 67,146,868 | \$ 269,335,884 | \$ 252,125,994 |

Overall, revenues for the City totaled \$85.14 million, an increase of \$5.04 million from the prior fiscal year. Expenses city-wide totaled \$67.92 million, a decrease of \$29k from the prior fiscal year. The resulting change from the fiscal year activities is an increase in net position of \$17.21 million, representing growth of 6.8%. The change in accounting principle in FY2022/23 was due to the implementation of GASB Statement No. 87, *Leases*. See Note 6D for more information.

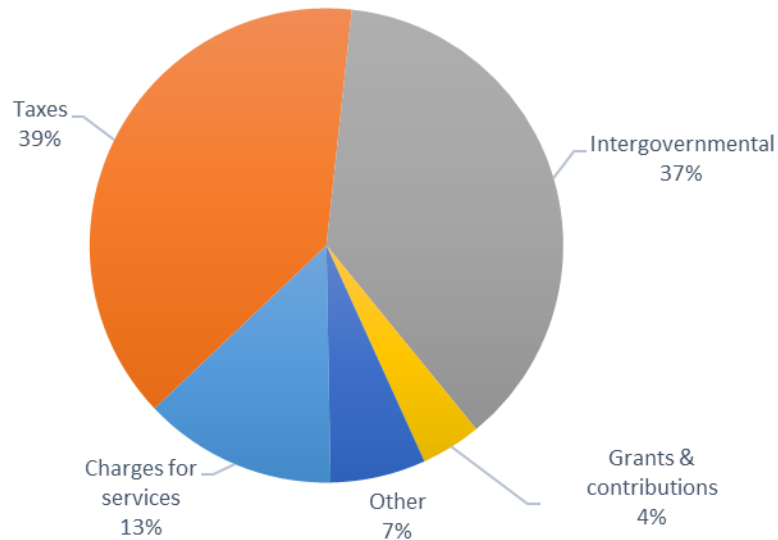
Governmental Activities

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 \$53.39 million exceeded program revenues of \$10.96 million by \$42.43 million; general revenues of \$52.32 million are used to make up the difference. With governmental revenues performing better than anticipated while expenses remained low, the City experienced a \$9.79 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

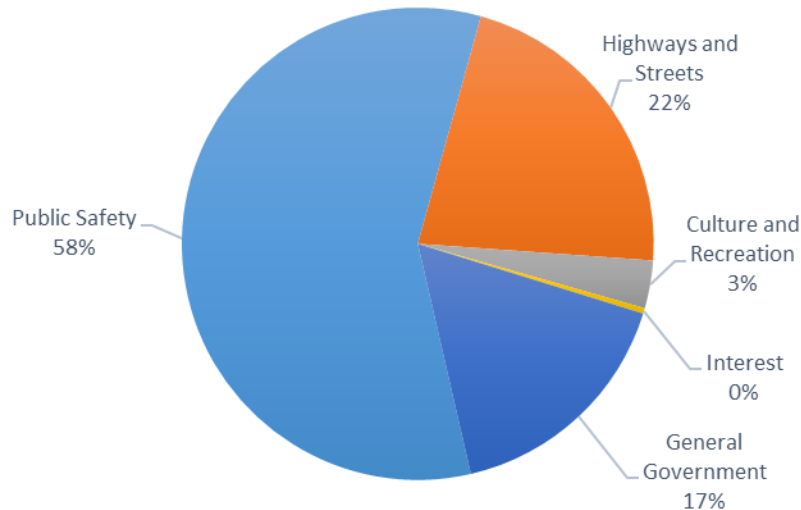


- Charges for services increased \$328k for the year, and grant and contribution revenues decreased by \$2.24 million.
- Intergovernmental revenues increased \$805k. States Sales and Use Taxes were up \$869k and State Income Tax was up \$86k.
- Investment earnings ended the year at \$1.92 million, an increase of \$1.59 million primarily due to improved yields and a shorter average maturity within the investment portfolio.
- Revenue from taxes decreased \$399k. Receipts from the Home Rule Sales Tax increased \$352k while the Telecommunications Tax (down \$28k) continued to decline year over year. In prior fiscal years, a portion of the utility taxes went into the governmental activities. In FY2022/23, \$1.68 million of utility taxes was used for governmental activities. However, in FY2023/24, all utility taxes were dedicated to business-type activities.
- Other revenues of \$2.20 million increased \$483k. This category includes recognition of interest of \$504k on funds held with the Intergovernmental Risk Management Agency (IRMA). This category also includes capital facility fees, reimbursements from other agencies, and host fees for transfer facilities.

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, increased by \$504k (1.7%) to \$30.93 million. The increase in police and fire pension liability represents a significant portion of the increase in public safety expenses due to the actuarial accrued liability increasing more than the investment returns. 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 \$335k (-3.6%) over the prior year. This decrease is due in part to a decrease in IMRF pension liability due to investment returns coming in higher than the investment projections. Highway and Streets increased \$175k (1.5%) from the prior year due to an increase in personnel expenditures resulting from contractual obligations. Interest expense on long-term debt for governmental activities decreased \$48k as debt service continues to be paid down.

Business-type activities

The Waterworks and Sewerage Fund activity resulted in an increase to net position of \$7.42 million from the fiscal year's activity. Net position ended the fiscal year with \$74.57 million.

Revenues

Charges for services increased \$1.38 million (9.0%) from the prior year. In FY2023/24, there was a 3% increase to the water and sewer rates that took effect September 1, 2023, but consumption trends are down overall. Connection fees increased \$434k (34.7%) to \$1.69 million due to increase in issuance of multi-family and single family home permits issued in FY2023/24.

In order to fund capital needs, all utility taxes totaling \$2.60 million were deposited in the business-type funds. In prior fiscal years, utility taxes were divided between the Capital and Equipment Replacement Fund and the Water and Sewer Capital Replacement Fund. Investment income for business-type revenues increased \$689k up to \$936k.

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

Expenses

Operating expenses of the Waterworks and Sewerage Fund were \$518k lower than the previous year, a decrease of 3.7% due to the reclassification of a position into the General Fund, the net change in the IMRF pension expense, and a reversal of retainage for a large capital project. Principal payments decreased by \$194k to \$3.06 million and interest expenses increased \$7.7k to \$866k per the debt service payment schedules. Depreciation and amortization expense increased \$195k to \$4.36 million.

GOVERNMENTAL FUND FINANCIAL STATEMENTS

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

At the end of the fiscal year 2024, the City's governmental funds reported combined ending fund balances of \$63.15 million, an increase of \$3.03 million from the prior year. The unassigned portion of the ending fund balances totaled \$15.21 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 \$23.69 million, with \$15.40 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 49.3% of FY2023/24 General Fund operating expenditures.

The ending fund balance of the General Fund increased by \$2.61 million. General Fund revenues totaled \$44.59 million, an increase of \$3.22 million (7.8%). Intergovernmental revenue was up \$853k. Charges for services were up \$450k, as review fees, parking receipts and Three Oaks Recreation fee revenues were all higher than the prior year. Sales Tax increased \$1.01 million to \$15.17 million. General Fund expenditures totaled \$31.26 million, an increase of \$936k (3.1%).

Fire Rescue Fund

The Fire Rescue Fund is also a major governmental fund, with an ending fund balance of \$8.68 million. This was an increase of \$1.04 million from annual activity. Revenues increased \$43k (0.3%) to \$12.73 million. Primary revenue sources of the Fire Rescue Fund include charges for services to other agencies, ambulance transport fees, and a property tax. Expenditures increased \$120k (1.0%). Of the increase, personnel costs alone increased \$110k, most of which is the result of salary increases based on labor contracts and overtime required to maintain minimum staffing levels.

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

Capital and Equipment Replacement Fund

The ending fund balance in the Capital and Equipment Replacement Fund was \$16.10 million, a decrease of \$3.45 million from the prior year, a planned draw-down of fund balance for multiple larger projects. Revenues for the year of \$420k included \$238k in taxes from video gaming. In prior fiscal years, utility taxes were divided between the Capital and Equipment Replacement Fund and the Water and Sewer Capital Replacement Fund. In fiscal year 2023/24, all utility taxes were budgeted for the Water and Sewer Capital Replacement Fund. Other financing sources included \$492k in financing for new leased vehicles and \$9.51 million from other funds as transfers in for capital purchases.

Expenditures totaled \$13.88 million, compared to budgeted expenditures of \$24.31 million; several projects were delayed due to supply chain issues and availability of contractors. Major projects for the year included the annual street resurfacing program (\$1.46 million), the sidewalk and curb program (\$573k), new vehicle and equipment purchases and leases (\$1.85 million), building improvements (\$2.53 million), and road/intersection improvements (\$4.04 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 \$2.83 from the previous year. Highlights from some of these funds include:

- The Motor Fuel Tax Fund had a fund balance of \$6.53 million as of April 30, 2024, a decrease of \$1.58 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 \$2.94 million provided roadway, intersection and pedestrian path improvements, as well as the construction of a salt storage building.
- 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 \$1.06 million, a decrease of \$81k due to an intentional drawdown of fund balance reserves.
- 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 \$786k, an increase of \$83k.
- The Three Oaks 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 2023/24, but received other financing sources of \$1.02 million. This includes \$1.02 million in debt service payments. The ending fund balance is \$0.

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

- The Water's Edge TIF Project Fund is used to account for funds associated with the tax increment financing district created to assist in the redevelopment of the former Crystal Court Shopping Center. The fund received its first tax increment revenue in the amount of \$32k for fiscal year 2023/24. Over the past three fiscal years, the General Fund has advanced the Water's Edge TIF Project Fund \$187k to cover planning and engineering expenditures.

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, including capital improvements and debt service obligations. This fund 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 \$7.42 million through fiscal year activity to \$74.57 million at April 30, 2024. Of the total, \$55.27 million represents the City's net investment in capital assets. The remaining \$19.30 million of total net position, represents unrestricted net position. Expenses included water main and storm sewer replacements, construction of new deep well #19, generator replacements for lift stations #12, #19 and #20, improvements to water treatment plant #2, equipment replacement at wastewater treatment plant #3 and engineering costs for various projects.

The Group Insurance Fund had an ending fund balance of \$2.0 million, all of which is unrestricted. The majority of revenues (\$6.24 million) came from employer and employee contributions. Group health insurance premiums totaling \$5.76 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 and facility maintenance and administration.

Actual revenues of \$44.59 million surpassed budget expectations by \$4.45 million. Combined with other financing sources, inflows exceeded budget by \$4.52 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.

Expenditures ended the year \$1.80 million below budget. Other financing uses ended the year \$4.18 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 \$6 million of operating surplus to provide advanced funding of future capital needs.

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

**General Fund Budgetary Highlights
Fiscal Year Ended April 30, 2024**

| | Final Budget | Actual | Variance \$ | Variance % |
|--|---------------------|---------------------|---------------------|-------------------|
| Revenues & Other Financing Sources | | | | |
| Taxes | \$ 14,428,726 | \$ 14,755,806 | \$ 327,080 | 2.3% |
| Licenses and permits | 639,000 | 1,266,076 | 627,076 | 98.1% |
| Intergovernmental | 22,920,594 | 23,772,042 | 851,448 | 3.7% |
| Charges for services | 833,650 | 1,079,746 | 246,096 | 29.5% |
| Fines and forfeits | 334,000 | 498,692 | 164,692 | 49.3% |
| Investment Income | 300,000 | 1,623,809 | 1,323,809 | 441.3% |
| Other revenue | 687,254 | 1,593,482 | 906,228 | 131.9% |
| Sub-total revenues | 40,143,224 | 44,589,653 | 4,446,429 | 11.1% |
| Other financing sources | 139,180 | 212,493 | 73,313 | 52.7% |
| Total Revenues and Other Financing Sources | 40,282,404 | 44,802,146 | 4,519,742 | 11.2% |
| Expenditures and Other Financing Uses | | | | |
| General Government | 7,545,814 | 6,766,540 | (779,274) | -10.3% |
| Public Safety | 17,733,100 | 17,373,063 | (360,037) | -2.0% |
| Highways and Streets | 6,882,788 | 6,164,077 | (718,711) | -10.4% |
| Culture and Recreation | 846,603 | 901,246 | 54,643 | 6.5% |
| Debt service | 52,924 | 52,717 | (207) | -0.4% |
| Sub-total expenditures | 33,061,229 | 31,257,643 | (1,803,586) | -5.5% |
| Other financing uses | | | | |
| Transfers to Other Funds | 6,755,304 | 10,935,096 | 4,179,792 | 61.9% |
| Total Expenditures and Other Financing Uses | 39,816,533 | 42,192,739 | 2,376,206 | 6.0% |
| Change in Fund Balance | \$ 465,871 | \$ 2,609,407 | \$ 2,143,536 | |

During the fiscal year, the City of Crystal Lake Council approved one amendment to the General Fund budget, increasing the Executive Department's budget to reflect donations received for the Crystal Lake fireworks display (\$30k).

Major General Fund Revenues

State Sales Tax receipts of \$15.17 million surpassed its budgeted amount by \$768k. Receipts from sales tax continue to grow as prices rise with inflation. 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. So in addition to sales of groceries and general merchandise, online purchases are now supporting State Sales Tax revenues.

Home Rule Sales Tax receipts of \$7.18 million exceeded budgeted expectations by \$200k. Purchases of groceries are exempt from Home Rule Sales Tax, however staple items and online retail orders are not exempted.

Income Tax receipts ended the fiscal year at \$6.59 million. This total slightly exceeded the budgeted amount by \$140k.

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

Use Tax totaled \$1.52 million for FY2023/24. This was less than its budgeted expectation by \$121k. Online retail sales that were formerly in Use Tax are now being remitted under the Sales Tax category.

Hotel Tax receipts ended the fiscal year at \$352k. The Hotel Tax exceeded its budgeted amount by \$7,400 and brought in \$23k more than the prior fiscal year.

Building permits of \$1.10 million exceeded budgeted expectations by \$601k. Lennar Homes continues to construct single-family and age-targeted single-family homes in addition to townhomes in the northeast corner of the City near Routes 176 and 31. Several large multi-family projects also account for the increase in building permit revenue.

Investment earnings of \$1.62 million surpassed budget expectations by \$1.32 million. The increase in investment earnings was mainly driven by improved yields and a shorter average maturity within the investment portfolio. As the City is restricted statutorily on the types of investment vehicles, 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 \$1.59 million exceeded budget expectations by \$906k. This category includes an interest earnings credit of \$504k 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 \$1.08 million which was \$246k above budgeted expectations. Beach admission and boat rental revenues at Three Oaks Recreation Area were \$70k above their budgeted expectations as hot, dry weather drove attendance at the park. Plan review fees ended the year \$143k higher than the budgeted amount. Of this increase, \$113k was for the engineering site review for a new, mixed use development.

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.
- Contractual services expenditures were under budget mainly in professional services as projects were delayed or managed internally.

CAPITAL ASSETS

The City's investment in capital assets for its governmental and business-type activities as of April 30, 2024, totaled \$279.80 million (net of accumulated depreciation). This investment in capital assets includes land, infrastructure, buildings, improvements, and machinery and equipment.

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

**Capital Assets, Net of Depreciation and Amortization
As of April 30, 2023 and 2024**

| | Governmental Activities | | Business-type Activities | | Total Primary Government | |
|------------------------------|-------------------------|----------------|--------------------------|---------------|--------------------------|----------------|
| | FYE 24 | FYE 23 | FYE 24 | FYE 23 | FYE 24 | FYE 23 |
| Land and Improvements | \$104,097,773 | \$103,734,813 | \$ 2,209,776 | \$ 2,209,776 | \$106,307,549 | \$ 105,944,589 |
| Building and Improvements | 20,347,199 | 19,428,374 | 17,569,683 | 18,959,703 | 37,916,882 | 38,388,077 |
| Machinery, Equip. & Vehicles | 7,261,812 | 7,193,484 | 5,035,310 | 5,390,827 | 12,297,122 | 12,584,311 |
| Construction in Progress | 5,023,434 | 1,137,278 | 4,998,248 | 8,214,156 | 10,021,682 | 9,351,434 |
| Infrastructure | 55,194,748 | 55,419,991 | 58,059,016 | 51,613,504 | 113,253,764 | 107,033,495 |
| Total | \$ 191,924,966 | \$ 186,913,940 | \$ 87,872,033 | \$ 86,387,966 | \$ 279,796,999 | \$ 273,301,906 |

During the fiscal year, the City invested \$15.08 million in capital (buildings, equipment and infrastructure). Major capital asset acquisitions made during the fiscal year included:

- Eight new leased vehicles for the Police Department
- Five police vehicles
- Two ambulances
- A heavy rescue vehicle
- A Public Works wheel loader
- Two public works pickup trucks
- A Public Works asphalt trailer
- Public Works garage floor replacement
- Three Oaks Storage Building improvements
- City Hall overhead paging system
- Wireless system upgrade
- Salt storage building at Wastewater Treatment Plan #2
- Crystal Lake Train Station
- Three Oaks Playground Surface Replacement
- City Hall building improvements
- Dole Avenue reconstruction
- Three Oaks lake level adjustment
- Annual road resurfacing program
- Lift station generator replacements
- New deep well #19
- Water main replacements
- 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

In March 2022, the City received a bond rating upgrade from AA+ to AAA from S&P Global Ratings with a stable outlook. Some factors cited by S&P Global Ratings for the rating increase include:

- **Maintenance of very strong reserves and liquidity;**
- **Very strong management conditions, with robust planning and policies;**
- **Very low debt profile, with manageable pension costs;**
- **Strong institutional framework as a home-rule community.**

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

At the end of the current fiscal year, the City had \$45.15 million of debt outstanding, including \$1.20 million in lease liability. The chart below summarizes the City’s outstanding long-term debt by debt instrument.

**Long-Term Debt Outstanding
As of April 30, 2023 and 2024**

| | Governmental Activities | | Business-type Activities | | Total Primary Government | |
|--------------------------|-------------------------|--------------|--------------------------|--------------|--------------------------|---------------|
| | FYE 24 | FYE 23 | FYE 24 | FYE 23 | FYE 24 | FYE 23 |
| General Obligation Bonds | \$ 5,327,518 | \$ 6,151,364 | \$19,367,482 | \$21,398,636 | \$ 24,695,000 | \$ 27,550,000 |
| Unamortized Bond Premium | 436,973 | 530,758 | 569,011 | 700,101 | 1,005,984 | 1,230,859 |
| IEPA Loans | - | - | 18,021,057 | 17,952,107 | 18,021,057 | 17,952,107 |
| General Obligation Note | - | - | 230,000 | 455,000 | 230,000 | 455,000 |
| Lease Liability | 986,480 | 1,176,190 | 215,466 | 321,999 | 1,201,946 | 1,498,189 |
| Total | \$ 6,750,971 | \$ 7,858,312 | \$38,403,016 | \$40,827,843 | \$ 45,153,987 | \$ 48,686,155 |

Currently, the City has four general obligation bonds outstanding. As of April 30, 2024, the total outstanding balance general obligation is \$24.70 million, of which \$5.33 million is attributed to governmental activities and \$19.37 million is related to business-type activities.

Taxable General Obligation Bonds, Series 2022A, was repaid in December 2023.

The City has two loan agreements with the Illinois Environmental Protection Agency. The first began in 2015 and authorized the City to borrow \$14.78 million to fund improvements to the City’s wastewater treatment plants. The City is currently awaiting the final disbursement on the second IEPA loan. This loan is providing funding for improvements to the City’s water treatment plant #2 and has an outstanding payable balance of \$7.41 million. Both loans are paid on a semi-annual basis over 20 years. As of April 30, 2024, the City has a total outstanding loan payable of \$18.02 million.

The City also has an outstanding balance of \$230k 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.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES

High inflation, supply chain issues, and geopolitical conflicts continue to inject uncertainty into the economy. However, the City enjoys a healthy mix of retail diversity which has proven to weather economic downturns well. Management continually monitors revenues sources and cash balances into order to ensure sufficient resources are available to support City services.

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.

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

Effective January 1, 2026, the State of Illinois will eliminate the 1% tax on groceries. In anticipation of this loss of revenue, the City has increased its home rule sales tax by 0.5% to 1.25% which took effect starting July 1, 2024. This is the first home rule sales tax increase since its inception in 2008.

In June 2024, the City no longer required all residents and businesses to purchase a City vehicle license sticker. Previously, the vehicle license sticker was required for any motor vehicles kept or used within the corporate limits of the City for more than 30 days during the calendar year. Revenue generated from the sale of vehicle stickers was used to offset a portion of the cost of road improvements each year. Going forward, the City will utilize a portion of the new home rule sales tax to supplement the road improvement program.

A water and sewer rate increase of 3% went into effect on September 1, 2024. 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.

As of May 1, 2024, the user fee currently charged for emergency medical patients who are transported to the hospital via a Crystal Lake Fire Rescue ambulance automatically adjusted to match the rate generated by the State of Illinois Ground Emergency Transportation (GEMT) program. The City files an annual report of ambulance service related expenses and is assigned a GEMT rate per call on an annual basis. The GEMT rate will provide a consistent annual rate calculation based on actual expenses incurred. Additionally, the City will also no longer bill residents for the portion of the ambulance transportation bill remaining after any insurance adjustments. This is the first adjustment to the ambulance user fee rate since 2017.

The City has traditionally operated on a fiscal year that would start on May 1st of each year and end April 30th of the following year. The City of Crystal Lake will transition its fiscal year to a calendar year basis effective January 1, 2025. In order to achieve this transition, the City will operate a shortened, 8-month fiscal year which will be called Fiscal Year 2024B. This transitional fiscal year (FY 2024B) started on May 1, 2024 and will end on December 31, 2024. The benefits of making this conversion include aligning the City's budget with the annual tax levy request, federal W2 and 1099 reporting, and State of Illinois Motor Fuel Tax audit cycles. A significant benefit is that it also allows for the entire construction season for many capital projects to fall within a single fiscal year.

To keep the fiscal year 2024B 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.

The fiscal year 2024B 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.

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

REQUESTS FOR INFORMATION

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

BASIC FINANCIAL STATEMENTS

CITY OF CRYSTAL LAKE, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2024

| | Governmental Activities | Business-Type Activities | Total | Component Unit Crystal Lake Public Library |
|---|----------------------------|-----------------------------|--------------------|--|
| ASSETS | | | | |
| Cash and Investments | \$ 59,415,849 | \$ 29,034,825 | \$ 88,450,674 | \$ 5,034,849 |
| Receivables (Net, Where Applicable, of Allowances for Uncollectible) | | | | |
| Property Taxes | 15,188,155 | - | 15,188,155 | 5,042,097 |
| Accounts Receivable | 1,296,847 | 3,925,607 | 5,222,454 | 44 |
| Accrued Interest on Investments | 227,957 | 80,246 | 308,203 | 7,566 |
| Leases | 1,537,523 | 3,524,617 | 5,062,140 | - |
| Other | 412,287 | - | 412,287 | - |
| Prepaid Items | 5,840,198 | 215,147 | 6,055,345 | 62,016 |
| Internal Balances | (229,129) | 229,129 | - | - |
| Due from Other Governments | 6,080,695 | - | 6,080,695 | - |
| Due from Primary Government | - | - | - | 127,907 |
| Inventory | 127,844 | - | 127,844 | - |
| Investment in Joint Venture | 4,598,094 | - | 4,598,094 | - |
| Capital Assets Not Being Depreciated | 109,121,207 | 7,208,024 | 116,329,231 | 2,472,561 |
| Capital Assets (Net of Accumulated Depreciation) | 82,803,759 | 80,664,009 | 163,467,768 | 5,048,837 |
| Total Assets | 286,421,286 | 124,881,604 | 411,302,890 | 17,795,877 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Other Postemployment Benefits | 1,887,145 | 128,317 | 2,015,462 | 60,361 |
| Pension Items - IMRF | 3,144,313 | 1,403,489 | 4,547,802 | 1,178,265 |
| Pension Items - Police Pension | 5,935,557 | - | 5,935,557 | - |
| Pension Items - Firefighters' Pension | 4,626,427 | - | 4,626,427 | - |
| Well Asset Retirement Obligation | - | 902,500 | 902,500 | - |
| Total Deferred Outflows of Resources | 15,593,442 | 2,434,306 | 18,027,748 | 1,238,626 |
| Total Assets and Deferred Outflows of Resources | 302,014,728 | 127,315,910 | 429,330,638 | 19,034,503 |

(This statement is continued on the following page.)

CITY OF CRYSTAL LAKE, ILLINOIS

STATEMENT OF NET POSITION (Continued)

April 30, 2024

| | Governmental Activities | Business-Type Activities | Total | Component Unit Crystal Lake Public Library |
|--|------------------------------------|-------------------------------------|-----------------------|---|
| LIABILITIES | | | | |
| Accounts Payable | \$ 6,410,571 | \$ 2,547,586 | \$ 8,958,157 | \$ 170,061 |
| Recapture Fees Payable | 75,566 | - | 75,566 | - |
| Accrued Salaries | 701,639 | 88,055 | 789,694 | 152,498 |
| Accrued Interest Payable | 84,201 | 371,501 | 455,702 | - |
| Escrows and Refundable Deposits | 678,762 | 192,971 | 871,733 | 17,288 |
| Due to Component Unit | 127,907 | - | 127,907 | - |
| Unearned Revenue | 107,307 | 3,731,639 | 3,838,946 | - |
| Long-Term Liabilities | | | | |
| Due Within One Year | 3,215,801 | 3,406,265 | 6,622,066 | 87,825 |
| Due in More than One Year | 73,305,970 | 38,968,936 | 112,274,906 | 2,064,105 |
| Total Liabilities | 84,707,724 | 49,306,953 | 134,014,677 | 2,491,777 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Deferred Revenue - Property Taxes | 15,188,155 | - | 15,188,155 | 5,042,097 |
| Deferred Inflows - Leases | 1,466,929 | 3,382,441 | 4,849,370 | - |
| Other Postemployment Benefits | 796,860 | 54,182 | 851,042 | 25,488 |
| Pension Items - IMRF | 11,111 | 4,959 | 16,070 | 4,163 |
| Pension Items - Police Pension | 1,738,196 | - | 1,738,196 | - |
| Pension Items - Firefighters' Pension | 3,337,244 | - | 3,337,244 | - |
| Total Deferred Inflows of Resources | 22,538,495 | 3,441,582 | 25,980,077 | 5,071,748 |
| Total Liabilities and Deferred Inflows of Resources | 107,246,219 | 52,748,535 | 159,994,754 | 7,563,525 |
| NET POSITION | | | | |
| Net Investment in Capital Assets | 181,837,388 | 55,271,549 | 237,108,937 | 7,521,398 |
| Restricted | | | | |
| Highways and Streets | 6,536,900 | - | 6,536,900 | - |
| Retirement | 1,064,479 | - | 1,064,479 | 446,393 |
| Public Safety | 785,580 | - | 785,580 | - |
| Parking | 72,771 | - | 72,771 | - |
| Debt Service | - | - | - | - |
| Capital Projects | 2,189,583 | - | 2,189,583 | - |
| Library | - | - | - | 927,968 |
| Working Cash | - | - | - | 54,240 |
| Unrestricted | 2,281,808 | 19,295,826 | 21,577,634 | 2,520,979 |
| TOTAL NET POSITION | \$ 194,768,509 | \$ 74,567,375 | \$ 269,335,884 | \$ 11,470,978 |

See accompanying notes to financial statements.

CITY OF CRYSTAL LAKE, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2024

| FUNCTIONS/PROGRAMS | Expenses | Program Revenues | | |
|---------------------------------|----------------------|----------------------|------------------------------------|----------------------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| PRIMARY GOVERNMENT | | | | |
| Governmental Activities | | | | |
| General Government | \$ 8,868,981 | \$ 1,715,823 | \$ - | \$ - |
| Public Safety | 30,928,000 | 5,753,213 | 136,057 | 57,734 |
| Highways and Streets | 11,648,259 | 269,142 | 1,797,521 | - |
| Culture and Recreation | 1,745,214 | 623,701 | - | 608,083 |
| Interest | 202,288 | - | - | - |
| Total Governmental Activities | 53,392,742 | 8,361,879 | 1,933,578 | 665,817 |
| Business-Type Activities | | | | |
| Waterworks and Sewerage | 14,538,180 | 16,775,808 | - | - |
| Total Business-Type Activities | 14,538,180 | 16,775,808 | - | - |
| TOTAL PRIMARY GOVERNMENT | \$ 67,930,922 | \$ 25,137,687 | \$ 1,933,578 | \$ 665,817 |
| COMPONENT UNIT | | | | |
| Crystal Lake Public Library | \$ 5,066,033 | \$ 250,294 | \$ 61,211 | \$ - |

| | Net (Expense) Revenue and Change in Net Position | | | Component Unit Crystal Lake Public Library |
|-------------------------------|---|-------------------------------------|-----------------------|---|
| | Primary Government | | | |
| | Governmental Activities | Business-Type Activities | Total | |
| | \$ (7,153,158) | \$ - | \$ (7,153,158) | \$ - |
| | (24,980,996) | - | (24,980,996) | - |
| | (9,581,596) | - | (9,581,596) | - |
| | (513,430) | - | (513,430) | - |
| | (202,288) | - | (202,288) | - |
| | (42,431,468) | - | (42,431,468) | - |
| | - | 2,237,628 | 2,237,628 | - |
| | - | 2,237,628 | 2,237,628 | - |
| | (42,431,468) | 2,237,628 | (40,193,840) | - |
| | - | - | - | (4,754,528) |
| General Revenues | | | | |
| Taxes | | | | |
| Property | 15,248,645 | - | 15,248,645 | 4,939,498 |
| Home Rule Sales | 7,179,057 | - | 7,179,057 | - |
| Auto Rental | 58,694 | - | 58,694 | - |
| Franchise Fees | 543,973 | - | 543,973 | - |
| Telecommunications Fee | 528,630 | - | 528,630 | - |
| Hotel Occupation | 352,400 | - | 352,400 | - |
| Other | 626,955 | 2,596,683 | 3,223,638 | - |
| Intergovernmental | | | | |
| Personal Property Replacement | 376,351 | - | 376,351 | - |
| State Sales and Use | 16,687,890 | - | 16,687,890 | - |
| State Income Tax | 6,592,621 | - | 6,592,621 | - |
| Grants | - | 1,326,955 | 1,326,955 | - |
| Investment Income | 1,924,376 | 936,253 | 2,860,629 | 256,174 |
| Miscellaneous | 2,199,979 | 224,268 | 2,424,247 | 319,571 |
| Transfers In (Out) | (98,720) | 98,720 | - | - |
| Total | 52,220,851 | 5,182,879 | 57,403,730 | 5,515,243 |
| CHANGE IN NET POSITION | 9,789,383 | 7,420,507 | 17,209,890 | 760,715 |
| NET POSITION, MAY 1 | 184,979,126 | 67,146,868 | 252,125,994 | 10,710,263 |
| NET POSITION, APRIL 30 | \$ 194,768,509 | \$ 74,567,375 | \$ 269,335,884 | \$ 11,470,978 |

See accompanying notes to financial statements.

CITY OF CRYSTAL LAKE, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

April 30, 2024

| | General | Fire Rescue Fund | Capital Equipment and Replacement | Nonmajor Governmental Funds | Total Governmental Funds |
|---|----------------------|---------------------------------|--|--|---|
| ASSETS | | | | | |
| ASSETS | | | | | |
| Cash and Investments | \$ 15,387,522 | \$ 8,706,976 | \$ 18,671,806 | \$ 15,126,884 | \$ 57,893,188 |
| Receivables (Net of Allowance Where Applicable) | | | | | |
| Property Taxes | 5,839,206 | 7,532,785 | - | 1,816,164 | 15,188,155 |
| Accounts Receivable | 410,855 | 677,122 | - | 147,699 | 1,235,676 |
| Accrued Interest on Investments | 188,505 | 39,452 | - | - | 227,957 |
| Leases | 1,537,523 | - | - | - | 1,537,523 |
| Other | 201,363 | - | - | 210,924 | 412,287 |
| Prepaid Items | 4,999,799 | 199,748 | 232,848 | - | 5,432,395 |
| Inventory | 127,844 | - | - | - | 127,844 |
| Due from Other Governments | 5,873,078 | - | 46,376 | 161,241 | 6,080,695 |
| Due from Other Funds | 24,789 | - | 481,032 | 80 | 505,901 |
| Advance from Other Funds | 186,773 | - | - | - | 186,773 |
| TOTAL ASSETS | \$ 34,777,257 | \$ 17,156,083 | \$ 19,432,062 | \$ 17,462,992 | \$ 88,828,394 |

(This statement is continued on the following page.)

CITY OF CRYSTAL LAKE, ILLINOIS

BALANCE SHEET (Continued)
GOVERNMENTAL FUNDS

April 30, 2024

| | 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 | \$ 2,343,491 | \$ 610,874 | \$ 3,336,607 | \$ 119,599 | \$ 6,410,571 |
| Recapture Fees | - | - | - | 75,566 | 75,566 |
| Accrued Salaries | 455,663 | 245,976 | - | - | 701,639 |
| Escrows and Refundable Deposits | 678,762 | - | - | - | 678,762 |
| Due to Component Unit | 127,907 | - | - | - | 127,907 |
| Due to Other Funds | 154,862 | - | 356 | 579,812 | 735,030 |
| Advance to Other Funds | - | - | - | 186,773 | 186,773 |
| Unearned Revenue | 22,670 | 84,637 | - | - | 107,307 |
| Total Liabilities | 3,783,355 | 941,487 | 3,336,963 | 961,750 | 9,023,555 |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| Deferred Revenue - Property Tax | 5,839,206 | 7,532,785 | - | 1,816,164 | 15,188,155 |
| Deferred Inflow - Leases | 1,466,929 | - | - | - | 1,466,929 |
| Total Deferred Inflows of Resources | 7,306,135 | 7,532,785 | - | 1,816,164 | 16,655,084 |
| Total Liabilities and Deferred Inflows of Resources | 11,089,490 | 8,474,272 | 3,336,963 | 2,777,914 | 25,678,639 |
| FUND BALANCES | | | | | |
| Nonspendable | | | | | |
| Prepaid Items | 4,999,799 | 199,748 | 232,848 | - | 5,432,395 |
| Inventory | 127,844 | - | - | - | 127,844 |
| Advances | 186,773 | - | - | - | 186,773 |
| Restricted | | | | | |
| Retirement Purposes | - | - | - | 1,064,479 | 1,064,479 |
| Public Safety | - | - | - | 785,580 | 785,580 |
| Parking | - | - | - | 72,771 | 72,771 |
| Highway and Street Maintenance | - | - | - | 6,536,900 | 6,536,900 |
| Park Development | - | - | - | 1,996,142 | 1,996,142 |
| Capital Projects Funds | - | - | - | 193,441 | 193,441 |
| Committed | | | | | |
| Capital Facilities | 865,295 | 1,082,161 | - | - | 1,947,456 |
| Assigned | | | | | |
| Promotion of Tourism | 373,668 | - | - | - | 373,668 |
| Historical Preservation Services | 5,294 | - | - | - | 5,294 |
| Capital Projects Funds | - | - | 15,862,251 | 4,000,000 | 19,862,251 |
| Special Revenue Funds | - | 7,399,902 | - | 222,538 | 7,622,440 |
| Subsequent Year's Budget | 1,729,593 | - | - | - | 1,729,593 |
| Unassigned | | | | | |
| General Fund | 15,399,501 | - | - | - | 15,399,501 |
| Unassigned (Deficit) | - | - | - | (186,773) | (186,773) |
| Total Fund Balances | 23,687,767 | 8,681,811 | 16,095,099 | 14,685,078 | 63,149,755 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | \$ 34,777,257 | \$ 17,156,083 | \$ 19,432,062 | \$ 17,462,992 | \$ 88,828,394 |

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, 2024

| | |
|--|------------------------------|
| FUND BALANCES OF GOVERNMENTAL FUNDS | \$ 63,149,755 |
| 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 | 191,924,966 |
| Investment in joint venture is not considered to represent a financial resource and, therefore, is not reported in the funds | 4,598,094 |
| Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds | |
| Bonds Payable | (5,327,518) |
| Lease Liability | (986,480) |
| Compensated Absences Payable | (2,907,164) |
| Interest Payable | (84,201) |
| Premiums or discounts on long-term liabilities and gains and losses on debt refundings are capitalized and amortized at the government-wide level | |
| Premiums | (436,973) |
| The net pension liability for the Illinois Municipal Retirement Fund is shown as a liability on the statement of net position | (4,837,729) |
| The other postemployment benefit liability is shown as a liability on the statement of net position | (5,899,329) |
| The net pension liability for the Police Pension Fund is shown as a liability on the statement of net position | (38,515,856) |
| The net pension liability for the Firefighters' Pension Fund is shown as a liability on the statement of net position | (17,610,722) |
| 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 | 1,090,285 |
| 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 | 3,133,202 |
| Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings for the Police Pension Fund are recognized as deferred outflows and inflows of resources on the statement of net position | 4,197,361 |
| 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 | 1,289,183 |
| The net position of the Internal Service Fund is included in the governmental activities in the statement of net position | 1,991,635 |
| NET POSITION OF GOVERNMENTAL ACTIVITIES | <u>\$ 194,768,509</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, 2024

| | General | Fire Rescue Fund | Capital Equipment and Replacement | Nonmajor Governmental Funds | Total Governmental Funds |
|--|----------------------|---------------------------------|--|--|---|
| REVENUES | | | | | |
| Charges for Services | \$ 1,079,746 | \$ 4,995,737 | \$ - | \$ 110,298 | \$ 6,185,781 |
| Licenses and Permits | 1,266,076 | - | 81,800 | 154,605 | 1,502,481 |
| Intergovernmental | 23,772,042 | 27,858 | - | 2,517,006 | 26,316,906 |
| Fines and Forfeitures | 498,692 | - | - | 96,947 | 595,639 |
| Property Taxes | 5,768,388 | 7,338,820 | - | 2,141,437 | 15,248,645 |
| Other Taxes | 8,987,418 | - | 238,314 | 63,977 | 9,289,709 |
| Investment Income | 1,623,809 | 57,985 | - | 242,582 | 1,924,376 |
| Miscellaneous | 1,593,482 | 307,955 | 99,873 | 192,781 | 2,194,091 |
| Total Revenues | 44,589,653 | 12,728,355 | 419,987 | 5,519,633 | 63,257,628 |
| EXPENDITURES | | | | | |
| Current | | | | | |
| General Government | 6,766,540 | - | - | 1,397,531 | 8,164,071 |
| Public Safety | 17,373,063 | 11,684,191 | - | 393,567 | 29,450,821 |
| Highways and Streets | 6,164,077 | - | - | 1,034,064 | 7,198,141 |
| Culture and Recreation | 901,246 | - | - | 13,460 | 914,706 |
| Debt Service | | | | | |
| Principal | 41,997 | - | 658,004 | 781,850 | 1,481,851 |
| Interest and Fiscal Charges | 10,720 | - | 60,069 | 240,434 | 311,223 |
| Capital Outlay | - | - | 13,160,786 | - | 13,160,786 |
| Total Expenditures | 31,257,643 | 11,684,191 | 13,878,859 | 3,860,906 | 60,681,599 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | 13,332,010 | 1,044,164 | (13,458,872) | 1,658,727 | 2,576,029 |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Leases Issued | - | - | 491,512 | - | 491,512 |
| Transfers In | 150,305 | - | 9,512,816 | 5,066,361 | 14,729,482 |
| Transfers (Out) | (10,935,096) | - | - | (3,893,106) | (14,828,202) |
| Proceeds from sale of capital assets | 62,188 | - | - | - | 62,188 |
| Total Other Financing Sources (Uses) | (10,722,603) | - | 10,004,328 | 1,173,255 | 454,980 |
| NET CHANGE IN FUND BALANCES | 2,609,407 | 1,044,164 | (3,454,544) | 2,831,982 | 3,031,009 |
| FUND BALANCES, MAY 1 | 21,078,360 | 7,637,647 | 19,549,643 | 11,853,096 | 60,118,746 |
| FUND BALANCES, APRIL 30 | \$ 23,687,767 | \$ 8,681,811 | \$ 16,095,099 | \$ 14,685,078 | \$ 63,149,755 |

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, 2024

| | |
|---|----------------------------------|
| NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS | \$ 3,031,009 |
| 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 | 9,738,773 |
| 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 | (206,537) |
| 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 | 1,481,851 |
| The forgiveness of principal on long-term debt is reported in the statement of activities | 23,217 |
| 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 Lease Liability | (491,512) |
| The change in accrued interest payable is reported as interest expense on the statement of activities | 15,150 |
| The change in compensated absences is an increase of expenses on the statement of activities | (17,572) |
| 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 | (234,741) |
| 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 | 378,713 |
| 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 | (654,640) |
| 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 | (365,825) |
| 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 and amortization Change in investment in joint venture Amortization of bond premiums or discounts | (4,521,210) 959,717 93,785 |
| The change in net position of Internal Service Funds is reported in governmental activities | 559,205 |
| CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES | \$ 9,789,383 |

See accompanying notes to financial statements.

CITY OF CRYSTAL LAKE, ILLINOIS

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

April 30, 2024

| | Business-Type Activities | Governmental Activities |
|---|---|------------------------------------|
| | Waterworks and Sewerage Fund | Internal Service |
| CURRENT ASSETS | | |
| Cash and Investments | \$ 29,034,825 | \$ 1,522,661 |
| Receivables | | |
| Accounts | 3,925,607 | 61,171 |
| Accrued Interest | 80,246 | - |
| Leases | 3,524,617 | - |
| Prepaid Items | 215,147 | 407,803 |
| Due from Other Funds | 253,858 | - |
| | <hr/> | <hr/> |
| Total Current Assets | 37,034,300 | 1,991,635 |
| | <hr/> | <hr/> |
| NONCURRENT ASSETS | | |
| Capital Assets | | |
| Capital Assets Not Being Depreciated | 7,208,024 | - |
| Capital Assets Being Depreciated, Net | 80,664,009 | - |
| | <hr/> | <hr/> |
| Net Capital Assets | 87,872,033 | - |
| | <hr/> | <hr/> |
| Total Noncurrent Assets | 87,872,033 | - |
| | <hr/> | <hr/> |
| Total Assets | 124,906,333 | 1,991,635 |
| | <hr/> | <hr/> |
| DEFERRED OUTFLOWS OF RESOURCES | | |
| Other Postemployment Benefits | 128,317 | - |
| Pension Items - IMRF | 1,403,489 | - |
| Well Asset Retirement Obligation | 902,500 | - |
| | <hr/> | <hr/> |
| Total Deferred Outflows of Resources | 2,434,306 | - |
| | <hr/> | <hr/> |
| Total Assets and Deferred Outflows of Resources | 127,340,639 | 1,991,635 |
| | <hr/> | <hr/> |

(This statement is continued on the following page.)

CITY OF CRYSTAL LAKE, ILLINOIS

STATEMENT OF NET POSITION (Continued)
 PROPRIETARY FUNDS

April 30, 2024

| | Business-Type Activities | Governmental Activities |
|--|---|------------------------------------|
| | Waterworks and Sewerage Fund | Internal Service |
| CURRENT LIABILITIES | | |
| Accounts Payable | \$ 2,547,586 | \$ - |
| Accrued Salaries | 88,055 | - |
| Accrued Interest Payable | 371,501 | - |
| Escrows and Customer Deposits | 192,971 | - |
| Unearned Revenue | 3,731,639 | - |
| Accrued Compensated Absences | 230,851 | - |
| Due to Other Funds | 24,729 | - |
| Total OPEB Liability | 26,839 | - |
| General Obligation Bonds Payable | 2,100,489 | - |
| Promissory Note Payable | 230,000 | - |
| IEPA Loan Payable | 698,342 | - |
| Lease Liability | 119,744 | - |
| | 10,362,746 | - |
| LONG-TERM LIABILITIES | | |
| Compensated Absences | 230,850 | - |
| Total OPEB Liability | 374,286 | - |
| IMRF Net Pension Liability | 2,159,359 | - |
| General Obligation Bonds Payable | 17,836,004 | - |
| IEPA Loan Payable | 17,322,715 | - |
| Lease Liability | 95,722 | - |
| Well Asset Retirement Obligation | 950,000 | - |
| | 38,968,936 | - |
| Total Long-Term Liabilities | 38,968,936 | - |
| Total Liabilities | 49,331,682 | - |
| DEFERRED INFLOWS OF RESOURCES | | |
| Deferred Inflows - Leases | 3,382,441 | - |
| Other Postemployment Benefits | 54,182 | - |
| Pension Items - IMRF | 4,959 | - |
| | 3,441,582 | - |
| Total Deferred Inflows of Resources | 3,441,582 | - |
| Total Liabilities and Deferred Inflows and Resources | 52,773,264 | - |
| NET POSITION | | |
| Net Investment in Capital Assets | 55,271,549 | - |
| Unrestricted | 19,295,826 | 1,991,635 |
| TOTAL NET POSITION | \$ 74,567,375 | \$ 1,991,635 |

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, 2024

| | Business-Type Activities | Governmental Activities |
|--|---|------------------------------------|
| | Waterworks and Sewerage Fund | Internal Service |
| OPERATING REVENUES | | |
| Charges for Services | \$ 14,785,335 | \$ 6,236,238 |
| Miscellaneous Income | 224,268 | 81,399 |
| Total Operating Revenues | 15,009,603 | 6,317,637 |
| OPERATING EXPENSES | | |
| Administration | 789,069 | 5,759,765 |
| Water Operations | 5,087,428 | - |
| Sewer Operations | 3,428,507 | - |
| Depreciation and Amortization | 4,357,778 | - |
| Well ARO Amortization | 9,500 | - |
| Total Operating Expenses | 13,672,282 | 5,759,765 |
| OPERATING INCOME | 1,337,321 | 557,872 |
| NON-OPERATING REVENUES (EXPENSES) | | |
| Interest Expense | (865,898) | - |
| Other Tax | 2,596,683 | - |
| Investment Income | 936,253 | 1,333 |
| Connection Fees | 1,686,553 | - |
| Grants | 1,326,955 | - |
| Rental Income | 303,920 | - |
| Total Non-Operative Revenues (Expenses) | 5,984,466 | 1,333 |
| NET INCOME BEFORE TRANSFERS AND | 7,321,787 | 559,205 |
| TRANSFERS IN | 98,720 | - |
| CHANGE IN NET POSITION | 7,420,507 | 559,205 |
| NET POSITION, MAY 1 | 67,146,868 | 1,432,430 |
| NET POSITION, APRIL 30 | \$ 74,567,375 | \$ 1,991,635 |

See accompanying notes to financial statements.

CITY OF CRYSTAL LAKE, ILLINOIS

STATEMENT OF CASH FLOWS
PROPRIETARY FUND

For the Year Ended April 30, 2024

| | Business-Type Activities | Governmental Activities |
|---|---|------------------------------------|
| | Waterworks and Sewerage Fund | Internal Service |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Receipts from Customers and Users | \$ 14,678,430 | \$ 1,115,271 |
| Receipts from Internal Service Transactions | - | 5,124,229 |
| Receipts from Miscellaneous Revenues | 224,268 | 81,399 |
| Payments to Suppliers | (5,102,363) | (5,816,675) |
| Payments to Employees | (4,399,106) | - |
| | <hr/> | <hr/> |
| Net Cash from Operating Activities | 5,401,229 | 504,224 |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | |
| Amounts Received from (Paid to) Other Funds | (522,933) | - |
| Transfer in | 98,720 | - |
| Other Tax | 2,596,683 | - |
| Connection Charges | 1,686,553 | - |
| Rental Income | 202,172 | - |
| | <hr/> | <hr/> |
| Net Cash from Noncapital Financing Activities | 4,061,195 | - |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | |
| Capital Assets Purchased | (5,033,254) | - |
| Principal Payments on Long-Term Debt | (2,941,686) | - |
| Principal Payments on Leases | (120,048) | - |
| Proceeds from Long-Term Debt | 275,265 | - |
| Interest Payments on Long-Term Debt | (912,464) | - |
| | <hr/> | <hr/> |
| Net Cash from Capital and Related Financing Activities | (8,732,187) | - |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of Investment Securities | (2,184,283) | - |
| Proceeds from Sale and Maturities of Investment Securities | 4,263,039 | - |
| Interest Received | 846,882 | 1,333 |
| | <hr/> | <hr/> |
| Net Cash from Investing Activities | 2,925,638 | 1,333 |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 3,655,875 | 505,557 |
| CASH AND CASH EQUIVALENTS, MAY 1 | 11,613,870 | 1,017,104 |
| | <hr/> | <hr/> |
| CASH AND CASH EQUIVALENTS, APRIL 30 | \$ 15,269,745 | \$ 1,522,661 |
| | <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, 2024

| | Business-Type Activities | Governmental Activities |
|--|---|------------------------------------|
| | Waterworks and Sewerage Fund | Internal Service |
| CASH AND INVESTMENTS | | |
| Cash and Cash Equivalents | \$ 15,269,745 | \$ 1,522,661 |
| Investments | 13,765,080 | - |
| TOTAL CASH AND INVESTMENTS | \$ 29,034,825 | \$ 1,522,661 |
| NONCASH TRANSACTIONS | | |
| Capital Assets Purchased in Accounts Payable | \$ 1,909,753 | \$ - |
| IEPA Loan Receivable | (479,217) | - |
| Assets Acquired through Lease | 13,515 | - |
| Unrealized Gain/(Loss) on Investments | 93,661 | - |
| TOTAL NONCASH TRANSACTIONS | \$ 1,537,712 | \$ - |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Operating Income | \$ 1,337,321 | \$ 557,872 |
| Adjustments to Reconcile Operating Income to Net Cash From Operating Activities | | |
| Depreciation and Amortization | 4,357,778 | - |
| Well ARO Amortization | 9,500 | - |
| Changes in Assets and Liabilities | | |
| Receivables | (105,249) | 3,262 |
| Prepays | (110,017) | (56,910) |
| Deferred Outflows of Resources - | | |
| Pension Items - IMRF | 585,757 | - |
| OPEB | (22,478) | - |
| Accounts Payable | 37,398 | - |
| Accrued Salaries | 13,477 | - |
| Accrued Compensated Absences | 24,412 | - |
| Net Pension Liability - IMRF | (715,345) | - |
| Total OPEB Liability | 26,143 | - |
| Deferred Inflows of Resources | | |
| Pension Items - IMRF | (39,455) | - |
| OPEB | 3,643 | - |
| Customer Deposits | (1,656) | - |
| NET CASH FROM OPERATING ACTIVITIES | \$ 5,401,229 | \$ 504,224 |

See accompanying notes to financial statements.

CITY OF CRYSTAL LAKE, ILLINOIS

STATEMENT OF NET POSITION
FIDUCIARY FUNDS

April 30, 2024

| | Pension Trust Funds | Custodial Funds |
|--|--------------------------------|----------------------------|
| ASSETS | | |
| Cash and Short-Term Investments | \$ 704,615 | \$ 500,385 |
| Investments, at Fair Value | | |
| Investments Held in the Illinois Police Officers' Pension Investment Fund | 53,502,963 | - |
| Investments Held in the Illinois Firefighters' Pension Investment Fund | 56,044,583 | - |
| Receivables | | |
| Accounts Receivable | - | 5 |
| Prepaid Expenses | 6,862 | - |
| | <hr/> | <hr/> |
| Total Assets | 110,259,023 | 500,390 |
| | <hr/> | <hr/> |
| LIABILITIES | | |
| Accounts Payable | 4,646 | - |
| | <hr/> | <hr/> |
| Total Liabilities | 4,646 | - |
| | <hr/> | <hr/> |
| NET POSITION | | |
| Restricted for Pensions | 110,254,377 | - |
| Restricted for Debt Service | - | 500,390 |
| | <hr/> | <hr/> |
| TOTAL NET POSITION | \$ 110,254,377 | \$ 500,390 |
| | <hr/> <hr/> | <hr/> <hr/> |

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, 2024

| | Pension Trust Funds | Custodial Funds |
|--|--------------------------------|----------------------------|
| ADDITIONS | | |
| Contributions | | |
| Employer | \$ 5,768,388 | \$ - |
| Employee | 1,771,089 | - |
| Property Owner | - | 178,273 |
| Total Contributions | <u>7,539,477</u> | <u>178,273</u> |
| Investment Income | | |
| Net Appreciation in Fair Value of Investments | 8,871,511 | - |
| Interest | 1,446,592 | 20,796 |
| Total Investment Income | 10,318,103 | 20,796 |
| Less Investment Expense | <u>(115,518)</u> | - |
| Net Investment Income | <u>10,202,585</u> | <u>20,796</u> |
| Total Additions | <u>17,742,062</u> | <u>199,069</u> |
| DEDUCTIONS | | |
| Pension Benefits | 7,481,946 | - |
| Miscellaneous | 78,453 | - |
| Debt Service | | |
| Principal | - | 95,000 |
| Interest and Fiscal Charges | - | 106,973 |
| Total Deductions | <u>7,560,399</u> | <u>201,973</u> |
| NET INCREASE (DECREASE) | 10,181,663 | (2,904) |
| NET POSITION | | |
| May 1 | <u>100,072,714</u> | <u>503,294</u> |
| April 30 | <u>\$ 110,254,377</u> | <u>\$ 500,390</u> |

See accompanying notes to financial statements.

CITY OF CRYSTAL LAKE, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2024

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 the 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 accounted 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 the 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. Tangible and Intangible 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:

| | <u>Years</u> |
|---|--------------|
| Buildings and Improvements | 25-50 |
| Machinery, Equipment and Vehicles | 3-15 |
| Infrastructure - Streets and Bridges | 50-80 |
| Infrastructure - Water and Sewer System | 60 |
| Intangible Assets | 2-5 |

Intangible assets represent the City's right-to-use a leased asset. These intangible assets, as defined by GASB Statements No. 87, *Leases*, are for lease contracts of nonfinancial assets including vehicles and equipment.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Compensated Absences

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

K. Long-Term Obligations

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

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

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 Manager 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Fund Balance/Net Position (Continued)

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

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

M. Deferred Outflows/Inflows of Resources

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

N. Interfund Transactions

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

O. Estimates

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

2. DEPOSITS AND INVESTMENTS

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

The City is limited to investments allowed by Illinois Compiled Statutes (ILCS). The City's investment policy further restricts what it may invest in to the following types of investment instruments: U.S. Government obligations, U.S. Government agency obligations and U.S. Government instrumentality obligations, which have a high liquid market with readily determinable 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, 2024:

| Investment Type | Fair Value | Investment Maturities (in Years) | | | |
|--------------------------|----------------------|----------------------------------|----------------------|-------------|-----------------|
| | | Less Than 1 | 1-5 | 6-10 | Greater Than 10 |
| U.S. Treasury Securities | \$ 14,362,887 | \$ 7,183,990 | \$ 7,178,897 | \$ - | - |
| U.S. Agency Securities | 22,087,286 | 7,442,434 | 14,644,852 | - | - |
| Certificates of Deposits | 17,449,665 | 6,389,140 | 11,060,525 | - | - |
| Corporate Bonds | 341,388 | 341,388 | - | - | - |
| Municipal Bonds | 6,155,807 | 2,479,403 | 3,676,404 | - | - |
| TOTAL | \$ 60,397,033 | \$ 23,836,355 | \$ 36,560,678 | \$ - | - |

The City has the following recurring fair value measurements as of April 30, 2024: The U.S. agency obligations, U.S. Treasury obligations, corporate bonds, 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, the corporate bonds are rated AA2 or not rated, the state and municipal bonds are rated Aa2 to AAA or not rated. The U.S. Treasury securities and 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 the 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.

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

2. DEPOSITS AND INVESTMENTS (Continued)

B. City Investments (Continued)

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 10% of the portfolio.

3. RECEIVABLES - PROPERTY TAXES

Property taxes for the 2023 levy year attach as an enforceable lien on January 1, 2023, 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 2023 taxes are intended to finance the 2025 fiscal year and are not considered available or earned for current operations and, therefore, are shown as deferred revenue. The 2024 tax levy has not been recorded as a receivable at April 30, 2024, as the tax attached as a lien on property as of January 1, 2024; however, the tax will not be levied until December 2024 and, accordingly, is not measurable at April 30, 2024.

4. DUE FROM OTHER GOVERNMENTS

Due from other governments consisted of the following amounts at April 30, 2024:

GOVERNMENTAL ACTIVITIES

| | |
|------------------------|----------------|
| Sales Tax | \$ 3,640,237 |
| Home Rule Sales Tax | 1,641,609 |
| Local Use Tax | 370,167 |
| Cannabis Tax | 103,969 |
| Motor Fuel Tax | 144,830 |
| Video Gaming Tax | 46,376 |
| Telecommunications Tax | <u>133,507</u> |

| | |
|--------------------------------------|----------------------------|
| TOTAL GOVERNMENTAL ACTIVITIES | <u>\$ 6,080,695</u> |
|--------------------------------------|----------------------------|

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

5. CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2024, is as follows:

| | Balances May 1 | Increases/ Transfers | Decreases/ Transfers | Balances April 30 |
|---|-----------------------|-------------------------|-------------------------|-----------------------|
| GOVERNMENTAL ACTIVITIES | | | | |
| Capital Assets Not Being Depreciated | | | | |
| Land | \$ 103,734,813 | \$ 362,960 | \$ - | \$ 104,097,773 |
| Construction in Progress | 1,137,278 | 3,932,480 | 46,324 | 5,023,434 |
| Total Capital Assets Not Being Depreciated | 104,872,091 | 4,295,440 | 46,324 | 109,121,207 |
| Capital Assets Being Depreciated | | | | |
| Buildings and Improvements | 36,380,506 | 1,762,754 | - | 38,143,260 |
| Machinery, Equipment and Vehicles | 18,530,819 | 1,859,271 | 624,179 | 19,765,911 |
| Infrastructure | 85,399,451 | 1,376,119 | - | 86,775,570 |
| Total Capital Assets Being Depreciated | 140,310,776 | 4,998,144 | 624,179 | 144,684,741 |
| Intangible Capital Assets Being Amortized | | | | |
| Machinery and Equipment | 2,308,012 | 491,513 | 177,411 | 2,622,114 |
| Total Intangible Assets Being Amortized | 2,308,012 | 491,513 | 177,411 | 2,622,114 |
| Less Accumulated Depreciation for | | | | |
| Buildings and Improvements | 16,952,132 | 843,929 | - | 17,796,061 |
| Machinery, Equipment and Vehicles | 12,762,917 | 1,291,423 | 493,411 | 13,560,929 |
| Infrastructure | 29,979,460 | 1,601,362 | - | 31,580,822 |
| Total Accumulated Depreciation | 59,694,509 | 3,736,714 | 493,411 | 62,937,812 |
| Less Accumulated Amortization for Intangible Capital Assets | | | | |
| Machinery And Equipment | 882,430 | 784,496 | 101,642 | 1,565,284 |
| Total Accumulated Amortization for Intangible Capital Assets | 882,430 | 784,496 | 101,642 | 1,565,284 |
| Total Capital Assets and Intangible Capital Assets Being Depreciated and Amortized, Net | 82,041,849 | 968,447 | 206,537 | 82,803,759 |
| GOVERNMENTAL ACTIVITIES | | | | |
| CAPITAL ASSETS, NET | \$ 186,913,940 | \$ 5,263,887 | \$ 252,861 | \$ 191,924,966 |

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

| | |
|---|---------------------|
| GOVERNMENTAL ACTIVITIES | |
| General and Administrative | \$ 424,163 |
| Public Safety | 1,152,508 |
| Highways and Streets | 1,575,840 |
| Culture and Recreation | 584,203 |
| TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES | \$ 3,736,714 |

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

5. CAPITAL ASSETS (Continued)

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

GOVERNMENTAL ACTIVITIES

| | |
|----------------------------|----------------|
| General and Administrative | \$ 10,151 |
| Public Safety | 247,820 |
| Highways and Streets | <u>526,525</u> |

**TOTAL AMORTIZATION EXPENSE -
GOVERNMENTAL ACTIVITIES**

\$ 784,496

| | Balances May 1, | Increases/ Transfers | Decreases/ Transfers | Balances April 30 |
|---|----------------------|-------------------------|-------------------------|----------------------|
| BUSINESS-TYPE ACTIVITIES | | | | |
| Capital Assets Not Being Depreciated | | | | |
| Land | \$ 2,209,776 | \$ - | \$ - | \$ 2,209,776 |
| Construction in Progress | 8,214,156 | 5,420,362 | 8,636,270 | 4,998,248 |
| Total Capital Assets Not Being Depreciated | <u>10,423,932</u> | <u>5,420,362</u> | <u>8,636,270</u> | <u>7,208,024</u> |
| Capital Assets Being Depreciated | | | | |
| Buildings and Improvements | 37,226,061 | - | - | 37,226,061 |
| Machinery, Equipment and Vehicles | 10,783,605 | 304,622 | - | 11,088,227 |
| Infrastructure | 112,930,205 | 8,739,616 | - | 121,669,821 |
| Total Capital Assets Being Depreciated | <u>160,939,871</u> | <u>9,044,238</u> | <u>-</u> | <u>169,984,109</u> |
| Intangible Capital Assets Being Amortized | | | | |
| Machinery and Equipment | 559,280 | 13,515 | - | 572,795 |
| Total Intangible Assets Being Amortized | <u>559,280</u> | <u>13,515</u> | <u>-</u> | <u>572,795</u> |
| Less Accumulated Depreciation for | | | | |
| Buildings And Improvements | 18,266,358 | 1,390,020 | - | 19,656,378 |
| Machinery, Equipment and Vehicles | 5,786,604 | 499,856 | - | 6,286,460 |
| Infrastructure | 61,316,701 | 2,294,104 | - | 63,610,805 |
| Total Accumulated Depreciation | <u>85,369,663</u> | <u>4,183,980</u> | <u>-</u> | <u>89,553,643</u> |
| Less Accumulated Amortization for Intangible Capital Assets | | | | |
| Machinery And Equipment | 165,454 | 173,798 | - | 339,252 |
| Total Accumulated Amortization for Intangible Capital Assets | <u>165,454</u> | <u>173,798</u> | <u>-</u> | <u>339,252</u> |
| Total Capital Assets and Intangible Capital Assets Being Depreciated and Amortized, Net | | | | |
| | <u>75,964,034</u> | <u>4,699,975</u> | <u>-</u> | <u>80,664,009</u> |
| BUSINESS-TYPE ACTIVITIES | | | | |
| CAPITAL ASSETS, NET | <u>\$ 86,387,966</u> | <u>\$ 10,120,337</u> | <u>\$ 8,636,270</u> | <u>\$ 87,872,033</u> |

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

6. LONG-TERM DEBT

A. General Obligation Bonds

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

| Issue | Fund Debt Retired by | Balances May 1 | Issuances | Retirements | 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 | \$ 468,679 | \$ - | \$ 41,996 | \$ 426,683 | \$ 43,676 |
| | Waterworks and Sewerage | 2,321,321 | - | 208,004 | 2,113,317 | 216,324 |
| \$14,330,000 General Obligation Bonds of 2019, annual installments of \$270,000 to \$1,860,000 interest at 3% to 5% payable each June 15 and December 15. | General and Debt Service | 5,682,685 | - | 781,850 | 4,900,835 | 800,835 |
| | Waterworks and Sewerage | 5,847,315 | - | 1,078,150 | 4,769,165 | 114,165 |
| \$1,020,000 General Obligation Bonds, series 2022A, annual installments of \$770,000 to \$250,000, interest at 2.05% to 2.45% payable each June 15 and December 15. | Waterworks and Sewerage | 250,000 | - | 250,000 | - | - |
| \$6,740,000 General Obligation, series 2022B, annual installments of \$60,000 to \$1,260,000, interest at 3.00% to 4.00% payable each June 15 and December 15. | Waterworks and Sewerage | 6,740,000 | - | - | 6,740,000 | 1,260,000 |
| \$6,770,000 General Obligation Refunding Bonds of 2022C, annual installments of \$495,000 to \$645,000, interest at 2.650% payable each June 15 and December 15. | Waterworks and Sewerage | 6,240,000 | - | 495,000 | 5,745,000 | 510,000 |
| TOTAL GENERAL OBLIGATION BONDS | | <u>\$27,550,000</u> | <u>\$ -</u> | <u>\$ 2,855,000</u> | <u>\$24,695,000</u> | <u>\$ 2,945,000</u> |

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

6. LONG-TERM DEBT (Continued)

B. General Obligation Promissory Note

General Obligation Promissory Notes currently outstanding are as follows:

| | Fund Debt Retired by | Balance May 1 | Additions | Retirements | 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 | \$ 455,000 | \$ - | \$ 225,000 | \$ 230,000 | \$ 230,000 |
| TOTAL | | \$ 455,000 | \$ - | \$ 225,000 | \$ 230,000 | \$ 230,000 |

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 loans payable of \$10,611,557 as of April 30, 2024. The loan is to be paid on a semi-annual basis over 20 years, including interest at 1.86%.

The City, through the IEPA, received a low interest loan to fund improvements to a water treatment plant on a reimbursement basis. Under the terms of the agreement, the City can borrow up to \$7,409,500. The loan is still in disbursement and a debt service maturity schedule is not yet available at April 30, 2024. The loan has total outstanding loan payable of \$7,409,500 as of April 30, 2024. The loan is to be paid on a semi-annual basis over 20 years, including interest at 1.35%.

D. Lease Liability

The City entered into a fleet management lease agreement in June 2018. The agreement covers various individual leases for the right-to-use vehicles and equipment with varying lease terms. The leases have expirations dates ranging from May 2025 and February 2029. Payments ranging from \$1,331 to \$3,344 are due in monthly installments. Total intangible right-to-use assets for governmental activities and business type activities acquired under the fleet management agreement was \$1,269,345 as of April 30, 2024.

The City entered into a lease arrangement in February 2023, for the right-to-use equipment. Payments of \$21,437 are due in annual installments, through February 2025. Total intangible right-to-use assets for governmental activities and business type activities acquired under this agreement are \$21,028 as of April, 2024.

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

6. LONG-TERM DEBT (Continued)

D. Lease Liability (Continued)

The annual requirements to amortize to maturity leases outstanding for governmental activities and business type activities as of April 30, 2024, are as follows:

| Fiscal Year Ending April 30, | Governmental Activities | | Business-Type Activities | |
|------------------------------------|-------------------------|------------------|--------------------------|------------------|
| | Leases | | Leases | |
| | Principal | Interest | Principal | Interest |
| 2025 | \$ 522,987 | \$ 51,618 | \$ 119,744 | \$ 11,816 |
| 2026 | 296,239 | 23,788 | 55,822 | 5,674 |
| 2027 | 119,515 | 9,648 | 21,657 | 3,127 |
| 2028 | 33,553 | 2,747 | 18,243 | 597 |
| 2029 | 14,186 | 726 | - | - |
| TOTAL | \$ 986,480 | \$ 88,527 | \$ 215,466 | \$ 21,214 |

E. Debt Service Requirements to Maturity

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

| Fiscal Year | Governmental Activities | |
|----------------|--------------------------|-------------------|
| | General Obligation Bonds | |
| | Principal | Interest |
| 2025 | \$ 844,511 | \$ 211,229 |
| 2026 | 1,004,516 | 173,013 |
| 2027 | 1,050,356 | 133,723 |
| 2028 | 1,091,196 | 92,559 |
| 2029 | 1,137,036 | 49,720 |
| 2030-2034 | 199,903 | 12,862 |
| TOTAL | \$ 5,327,518 | \$ 673,106 |

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 |
| 2025 | \$ 698,342 | \$ 194,143 | \$ 2,100,489 | \$ 583,095 | \$ 230,000 | \$ 4,947 |
| 2026 | 711,392 | 181,093 | 1,550,484 | 509,145 | - | - |
| 2027 | 724,685 | 167,800 | 1,274,644 | 458,556 | - | - |
| 2028 | 738,227 | 154,258 | 978,804 | 419,004 | - | - |
| 2029 | 752,022 | 140,463 | 797,964 | 391,281 | - | - |
| 2030-2034 | 3,976,225 | 486,199 | 4,120,097 | 1,635,621 | - | - |
| 2035-2039 | 3,010,664 | 113,033 | 4,900,000 | 1,078,273 | - | - |
| 2040-2043 | - | - | 3,645,000 | 219,783 | - | - |
| TOTAL | \$ 10,611,557 | \$ 1,436,989 | \$ 19,367,482 | \$ 5,294,758 | \$ 230,000 | \$ 4,947 |

F. Changes in Long-Term Liabilities

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

| | Balances May 1 | Issuances | Retirements | Balances April 30 | Current Portion |
|----------------------------------|----------------------|---------------------|---------------------|----------------------|---------------------|
| General Obligation Bonds Payable | \$ 6,151,364 | \$ - | \$ 823,846 | \$ 5,327,518 | \$ 844,511 |
| Unamortized Bond Premium | 530,758 | - | 93,785 | 436,973 | - |
| Lease Liability | 1,176,190 | 491,512 | 681,222 | 986,480 | 522,987 |
| Compensated Absences* | 2,889,592 | 1,462,368 | 1,444,796 | 2,907,164 | 1,453,581 |
| Net Pension Liability - IMRF* | 6,440,354 | - | 1,602,625 | 4,837,729 | - |
| Net Pension Liability - Fire* | 17,425,164 | 185,558 | - | 17,610,722 | - |
| Net Pension Liability - Police* | 37,515,237 | 1,000,619 | - | 38,515,856 | - |
| Total OPEB Liability* | 5,365,578 | 533,751 | - | 5,899,329 | 394,722 |
| TOTAL | \$ 77,494,237 | \$ 3,673,808 | \$ 4,646,274 | \$ 76,521,771 | \$ 3,215,801 |

*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 (Restated) | Issuances | Retirements/ Refundings | Balances April 30 | Current Portion |
|----------------------------------|---------------------------------|---------------------|----------------------------|----------------------|---------------------|
| General Obligation Bonds Payable | \$ 21,398,636 | \$ - | \$ 2,031,154 | \$ 19,367,482 | \$ 2,100,489 |
| Promissory Note Payable | 455,000 | - | 225,000 | 230,000 | 230,000 |
| IEPA Loans Payable | 17,952,107 | 754,482 | 685,532 | 18,021,057 | 698,342 |
| Unamortized Bond Premium | 700,101 | - | 131,090 | 569,011 | - |
| Lease Liability | 321,999 | 13,515 | 120,048 | 215,466 | 119,744 |
| Well Asset Retirement Obligation | 950,000 | - | - | 950,000 | - |
| Compensated Absences | 437,289 | 243,057 | 218,645 | 461,701 | 230,851 |
| Net Pension Liability | 2,874,704 | - | 715,345 | 2,159,359 | - |
| Total OPEB Liability | 374,982 | 26,143 | - | 401,125 | 26,839 |
| TOTAL | \$ 45,464,818 | \$ 1,037,197 | \$ 4,126,814 | \$ 42,375,201 | \$ 3,406,265 |

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.

6. LONG-TERM DEBT (Continued)

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 a Custodial Fund until they are remitted to the bondholders.

The City has the following SSA bond issues outstanding at April 30, 2024:

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, 2024, was \$5,440,000.

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, 2024, was \$1,885,000.

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 96 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.

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

7. RISK MANAGEMENT (Continued)

The City participates in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC is a public entity risk pool established by certain units of local government in Illinois to administer some or all of the personnel benefit programs (primarily medical, dental and life insurance coverage) offered by these members to their officers and employees and to the officers and employees of certain governmental, quasi-governmental and nonprofit public service entities.

The IPBC receives, processes and pays such claims as may come within the benefit program of each member. Management consists of a Board of Directors comprised of one appointed representative from each member. In addition, there are two officers; a Benefit Administrator and a Treasurer. The City does not exercise any control over the activities of the IPBC beyond its representation on the Board of Directors.

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, 2024, advances to/from other funds were as follows:

| Payable Fund | Receivable Fund | Amount |
|---|-----------------|--------------------------|
| Nonmajor Governmental | General | <u>\$ 186,773</u> |
| TOTAL ADVANCES TO/FROM OTHER FUNDS | | <u>\$ 186,773</u> |

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

- \$186,773 advance from the General Fund to the Water’s Edge TIF Fund for TIF expenditures. Repayment is not expected within one year.

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

8. INDIVIDUAL FUND DISCLOSURES (Continued)

As of April 30, 2024, due to/from other funds were as follows:

| Payable Fund | Receivable Fund | Amount |
|--------------------------------------|-------------------------|--------------------------|
| General | Waterworks and Sewerage | \$ 154,782 |
| Capital Replacement | Waterworks and Sewerage | 356 |
| Nonmajor Governmental | Capital Replacement | 481,032 |
| Waterworks and Sewerage | General | 24,729 |
| Nonmajor Governmental | Waterworks and Sewerage | 98,720 |
| General | Nonmajor Governmental | 80 |
| Nonmajor Governmental | General | 60 |
| TOTAL DUE TO/FROM OTHER FUNDS | | <u>\$ 759,759</u> |

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

- \$154,782 due from General Fund to the Waterworks and Sewerage Fund for various chargebacks for taxes and capital expenditures. Repayment is expected within one year.
- \$481,032 due from Nonmajor Governmental Fund (Motor Fuel Tax Fund) to the Capital Replacement Fund for capital expenditures. Repayment is expected within one year.
- \$24,729 due from Waterworks and Sewerage Fund to the General Fund to for various chargebacks and capital expenditures. Repayment is expected within one year.
- \$98,720 due from Nonmajor Governmental Fund (Three Oaks Development Fund) to the Waterworks and Sewerage Fund for capital expenditures. 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, 2024, were as follows:

| | <u>Transfers In</u> | <u>Transfers Out</u> |
|-----------------------------|-----------------------------|-----------------------------|
| General | | |
| Capital Replacement | \$ - | \$ 6,000,000 |
| Nonmajor Governmental | 150,305 | 4,935,096 |
| Total General | <u>150,305</u> | <u>10,935,096</u> |
| Capital Replacement | | |
| General | 6,000,000 | - |
| Nonmajor Governmental | 3,512,816 | - |
| Total Capital Replacement | <u>9,512,816</u> | <u>-</u> |
| Waterworks and Sewerage | | |
| Nonmajor Governmental | 98,720 | - |
| Total Capital Replacement | <u>98,720</u> | <u>-</u> |
| Nonmajor Governmental | | |
| General | 4,935,096 | 150,305 |
| Capital Replacement | - | 3,512,816 |
| Waterworks and Sewerage | - | 98,720 |
| Nonmajor Governmental | 131,265 | 131,265 |
| Total Nonmajor Governmental | <u>5,066,361</u> | <u>3,893,106</u> |
| TOTAL | <u>\$ 14,828,202</u> | <u>\$ 14,828,202</u> |

The purpose of significant transfers is as follows:

- \$935,096 transferred from the General Fund to Nonmajor Governmental Funds (Vulcan Lakes Debt Service). 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.
- \$4,000,000 transferred from the General Fund to Nonmajor Governmental Funds (Vehicle Replacement Fund) for the purchase of vehicles and equipment. This transfer will not be repaid.
- \$9,512,816 transferred to the Capital Equipment Replacement Fund from the General and Nonmajor Governmental funds for the purchase of equipment and capital projects. This transfer will not be repaid.

8. INDIVIDUAL FUND DISCLOSURES (Continued)

The Vulcan Lakes Tax Increment Financing (TIF) District was created to spur comprehensive development around US 14 and Main Street, to include residential, retain 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, 2024.

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, 2024 was \$1,081,276 and is reported net of an allowance of the same amount.

The Waters Edge TIF Project Fund reported a deficit fund balance of \$186,773 at April 30, 2024.

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.

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.

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.

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 \$1,316,425 to SEECOM during fiscal year 2024. In addition, the City's equity interest in the joint venture's net position of \$4,598,094 is recorded within the governmental activities column of the statement of net position.

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

11. CONSTRUCTION COMMITMENTS

The City has commitments under construction contracts of approximately \$17,703,045 outstanding at April 30, 2024.

12. TAX ABATEMENTS

The City has entered into redevelopment and enhanced sales tax incentive agreements with a local business whereby the city has agreed to reimburse the business for actual project costs related to the expansion of their existing facilities within the City. Under terms of the 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. The agreement 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 payment information of the agreement is summarized as follows:

| Effective Date of Agreement | Maximum Cumulative Payment | Current Year Payments | Cumulative Payments at April 30, 2024 |
|--------------------------------|----------------------------------|--------------------------|---|
| March 1, 2019 | \$ 600,000 | \$ 46,401 | \$ 162,343 |

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.

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.

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

13. OTHER POSTEMPLOYMENT BENEFITS (Continued)

B. Benefits Provided (Continued)

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, 2024, membership consisted of:

| | |
|--|-------------------|
| Inactive Employees or Beneficiaries Currently Receiving Benefit Payments | 29 |
| Inactive Employees Entitled to but not yet Receiving Benefit Payments | - |
| Active Employees | <u>254</u> |
| TOTAL | <u><u>283</u></u> |
| Participating employers | <u>1</u> |

D. Total OPEB Liability

The City and Library's total OPEB liability of \$6,489,145 was measured as of April 30, 2024, and was determined by an actuarial valuation as of May 1, 2023.

E. Actuarial Assumptions and Other Inputs

The total OPEB liability at April 30, 2024, as determined by an actuarial valuation as of May 1, 2023 actuarial valuation, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

| | |
|-----------------------------|---------------------------------|
| Actuarial Cost Method | Entry-Age Normal |
| Actuarial Value of Assets | N/A |
| Inflation | 3.00% |
| Salary Increases | 3.50% |
| Discount Rate | 4.42% |
| Healthcare Cost Trend Rates | 4.00% Initial 4.50% Ultimate |

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

13. OTHER POSTEMPLOYMENT BENEFITS (Continued)

E. Actuarial Assumptions and Other Inputs (Continued)

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 PubG.H-2010(B) mortality table with future mortality improvement using Scale MP-2020.

F. City - Changes in the Total OPEB Liability

| | <u>Total OPEB Liability</u> |
|--|---------------------------------|
| BALANCES AT MAY 1, 2023 | <u>\$ 5,740,560</u> |
| Changes for the Period | |
| Service Cost | 155,201 |
| Interest | 230,093 |
| Changes in Benefit Terms* | 73,522 |
| Difference Between Expected and Actual Experience | 596,741 |
| Changes in Assumptions** | (102,106) |
| Benefit Payments | (421,561) |
| Other | <u>28,004</u> |
| Net Changes | <u>559,894</u> |
| BALANCES AT APRIL 30, 2024 | <u>\$ 6,300,454</u> |

*Benefit term changes related to PSEBA participants changing from 100% payment for the least expensive plan provided to all employees to 100% payment for any plan selected. In addition, 100% payment for dental coverage is no longer provided.

**Changes in assumption related to the discount rate were made in 2024.

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

13. OTHER POSTEMPLOYMENT BENEFITS (Continued)

G. Library - Changes in the Total OPEB Liability

| | <u>Total OPEB Liability</u> |
|--|---------------------------------|
| BALANCES AT MAY 1, 2023 | \$ 200,765 |
| Changes for the Period | |
| Service Cost | 4,648 |
| Interest | 6,891 |
| Changes in Benefit Terms* | 2,202 |
| Difference Between Expected and Actual Experience | 17,872 |
| Changes in Assumptions** | (3,058) |
| Benefit Payments | (12,625) |
| Other | <u>(28,004)</u> |
| Net Changes | <u>(12,074)</u> |
| BALANCES AT APRIL 30, 2024 | <u>\$ 188,691</u> |

*Benefit term changes related to 100% payment for dental coverage no longer being provided.

**Changes in assumption related to the discount rate were made in 2024.

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

13. OTHER POSTEMPLOYMENT BENEFITS (Continued)

H. 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 4.42% 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 (3.42%) or 1 percentage point higher (5.42%) than the current rate:

| | 1% Decrease (3.42%) | Current Discount Rate (4.42%) | 1% Increase (5.42%) |
|---|------------------------|-------------------------------------|------------------------|
| City - Total OPEB Liability | \$ 6,794,451 | \$ 6,300,454 | \$ 5,856,887 |
| Library - Total OPEB Liability | 203,486 | 188,691 | 175,407 |
| TOTAL - TOTAL OPEB LIABILITY | \$ 6,997,937 | \$ 6,489,145 | \$ 6,032,294 |

The table below presents the total OPEB liability of the City calculated using the healthcare rate of 4.00% to 4.50% 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 (3.00% to 3.50%) or 1 percentage point higher (5.00% to 5.50%) than the current rate:

| | 1% Decrease (3.00% to 3.50%) | Current Discount Rate (4.00% to 4.50%) | 1% Increase (5.00% to 5.50%) |
|---|------------------------------------|---|------------------------------------|
| City - Total OPEB Liability | \$ 5,786,850 | \$ 6,300,454 | \$ 6,889,287 |
| Library - Total OPEB Liability | 173,309 | 188,691 | 206,326 |
| TOTAL - TOTAL OPEB LIABILITY | \$ 5,960,159 | \$ 6,489,145 | \$ 7,095,613 |

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

13. OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

For the year ended April 30, 2024, the City recognized OPEB expense of \$639,735.

At April 30, 2024, 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 | \$ 1,150,949 | \$ 34,060 |
| Changes in Assumptions | 864,513 | 816,982 |
| TOTAL | \$ 2,015,462 | \$ 851,042 |

For the year ended April 30, 2024, the Library recognized OPEB expense of \$19,159.

At April 30, 2024, the Library 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 | \$ 34,470 | \$ 1,020 |
| Changes in Assumptions | 25,891 | 24,468 |
| TOTAL | \$ 60,361 | \$ 25,488 |

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

13. OTHER POSTEMPLOYMENT BENEFITS (Continued)

I. 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:

| Fiscal Year Ending April 30, | City | Library | Total |
|------------------------------------|---------------------|------------------|---------------------|
| 2025 | \$ 180,920 | \$ 5,418 | \$ 186,338 |
| 2026 | 180,920 | 5,418 | 186,338 |
| 2027 | 180,920 | 5,418 | 186,338 |
| 2028 | 180,920 | 5,418 | 186,338 |
| 2029 | 180,920 | 5,418 | 186,338 |
| Thereafter | 259,820 | 7,783 | 267,606 |
| TOTAL | \$ 1,164,420 | \$ 34,873 | \$ 1,199,293 |

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 City pension plans as of and for the year ended April 30, 2024:

| | IMRF | Police Pension | Fire Pension | Total |
|--------------------------------|--------------|-------------------|-----------------|---------------|
| Net Pension Liability | \$ 6,997,088 | \$ 38,515,856 | \$ 17,610,722 | \$ 63,123,666 |
| Deferred Outflows of Resources | 4,547,802 | 5,935,557 | 4,626,427 | 15,109,786 |
| Deferred Inflows of Resources | 16,070 | 1,738,196 | 3,337,244 | 5,091,510 |
| Pension Expense | 364,485 | 4,136,894 | 2,651,959 | 7,153,338 |

14. DEFINED BENEFIT PENSION PLANS (Continued)

Illinois Municipal Retirement Fund

A. *Plan Membership*

At December 31, 2023, IMRF membership consisted of:

| | |
|--|---------|
| Inactive Employees or Their Beneficiaries | |
| Currently Receiving Benefits | 227 |
| Inactive Employees Entitled to but not yet Receiving Benefits | 126 |
| Active Employees | 165 |
| TOTAL | 518 |

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, 2024 was 9.57% 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, 2023, 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, 2023 |
| 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 non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. 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-2021. 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-2021.

E. *Discount Rate*

The discount rate used to measure the total pension liability was 7.25% at December 31, 2023. 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. *City - Changes in the Net Pension Liability (Asset)*

| | (A) Total Pension Liability | (B) Plan Fiduciary Net Position | (A) - (B) Net Pension Liability (Asset) |
|--|--------------------------------------|--|--|
| BALANCES AT JANUARY 1, 2023 | \$ 71,317,112 | \$ 62,002,055 | \$ 9,315,057 |
| Changes for the Period | | | |
| Service Cost | 884,174 | - | 884,174 |
| Interest | 5,061,392 | - | 5,061,392 |
| Difference Between Expected and Actual Experience | 453,294 | - | 453,294 |
| Changes in Assumptions | 9,625 | - | 9,625 |
| Employer Contributions | - | 898,401 | (898,401) |
| Employee Contributions | - | 425,122 | (425,122) |
| Net Investment Income | - | 6,741,728 | (6,741,728) |
| Benefit Payments and Refunds | (3,893,778) | (3,893,778) | - |
| Administrative Expense | - | - | - |
| Other (Net Transfer) | - | 661,203 | (661,203) |
| Net Changes | 2,514,707 | 4,832,676 | (2,317,969) |
| BALANCES AT DECEMBER 31, 2023 | \$ 73,831,819 | \$ 66,834,731 | \$ 6,997,088 |

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

Illinois Municipal Retirement Fund (Continued)

G. *Library - Changes in the Net Pension Liability (Asset)*

| | (A) Total Pension Liability | (B) Plan Fiduciary Net Position | (A) - (B) Net Pension Liability (Asset) |
|--|--------------------------------------|--|--|
| BALANCES AT JANUARY 1, 2023 | \$ 18,477,177 | \$ 16,063,788 | \$ 2,413,389 |
| Changes for the Period | | | |
| Service Cost | 229,076 | - | 229,076 |
| Interest | 1,311,330 | - | 1,311,330 |
| Difference Between Expected and Actual Experience | 117,441 | - | 117,441 |
| Changes in Assumptions | 2,494 | - | 2,494 |
| Employer Contributions | - | 232,762 | (232,762) |
| Employee Contributions | - | 110,143 | (110,143) |
| Net Investment Income | - | 1,746,679 | (1,746,679) |
| Benefit Payments and Refunds | (1,008,819) | (1,008,819) | - |
| Administrative Expense | - | - | - |
| Other (Net Transfer) | - | 171,307 | (171,307) |
| Net Changes | 651,522 | 1,252,072 | (600,550) |
| BALANCES AT DECEMBER 31, 2023 | \$ 19,128,699 | \$ 17,315,860 | \$ 1,812,839 |

There were changes in assumptions related to mortality rates compared to the previous valuation.

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

Illinois Municipal Retirement Fund (Continued)

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

For the year ended April 30, 2024, the City recognized pension expense of \$364,485 and the Library recognized pension expense of \$94,432.

At April 30, 2024, 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 | \$ 821,793 | \$ 16,070 |
| Changes in Assumption | 6,613 | - |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | 3,427,659 | - |
| Employer Contributions After the Measurement Date | 291,737 | - |
| TOTAL | <u>\$ 4,547,802</u> | <u>\$ 16,070</u> |

\$291,737 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the reporting year ending April 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows on the following page:

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

Illinois Municipal Retirement Fund (Continued)

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

At April 30, 2024, the Library 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 | \$ 212,914 | \$ 4,163 |
| Changes in Assumption | 1,713 | - |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | 888,054 | - |
| Employer Contributions After the Measurement Date | 75,584 | - |
| TOTAL | \$ 1,178,265 | \$ 4,163 |

\$75,584 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the reporting year ending April 30, 2025. 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 |
|------------------------------------|---------------------|---------------------|---------------------|
| 2025 | \$ 917,559 | \$ 237,725 | \$ 1,155,284 |
| 2026 | 1,411,310 | 365,649 | 1,776,959 |
| 2027 | 2,374,283 | 615,141 | 2,989,424 |
| 2028 | (463,157) | (119,997) | (583,154) |
| 2029 | - | - | - |
| Thereafter | - | - | - |
| TOTAL | \$ 4,239,995 | \$ 1,098,518 | \$ 5,338,513 |

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

Illinois Municipal Retirement Fund (Continued)

I. *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) | \$ 15,919,486 | \$ 6,997,088 | \$ (214,885) |
| Library - Net Pension Liability (Asset) | 4,124,496 | 1,812,839 | (55,674) |
| TOTAL - NET PENSION LIABILITY (ASSET) | \$ 20,043,982 | \$ 8,809,927 | \$ (270,559) |

Police Pension Plan

A. *Plan Administration*

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

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

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

Police Pension Plan (Continued)

B. *Plan Membership*

At April 30, 2024, the measurement date, membership consisted of:

| | |
|--|---------|
| Inactive Plan Members Currently Receiving Benefits | 57 |
| Inactive Plan Members Entitled to but not yet Receiving Benefits | 13 |
| Active Plan Members | 67 |
| TOTAL | 137 |

C. *Benefits Provided*

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

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

Police Pension Plan (Continued)

C. *Benefits Provided (Continued)*

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

D. *Contributions*

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. Effective January 1, 2011, ILCS requires the City to contribute a minimum amount annually 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, 2024, the City's contribution was 51.05% of covered payroll.

E. *Illinois Police Officers' Pension Investment Fund*

The Illinois Police Officers' Pension Investment Fund (IPOPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate police pension funds. IPOPIF was created by Public Act 101-0610 and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds as defined in 40 ILCS 5/22B-105. Participation in IPOPIF by Illinois suburban and downstate police pension funds is mandatory.

F. *Investment Policy*

IPOPIF's investment policy was originally adopted by the Board of Trustees on December 17, 2021. IPOPIF has the authority to invest trust fund assets in any type of security subject to the requirements and restrictions set forth in the Illinois Pension Code and is not restricted by the Pension Code sections that pertain exclusively to the Article 3 participating police pension funds. IPOPIF shall be subject to the provisions of the Illinois Pension Code including, but not limited to, utilization of emerging investment managers and utilization of businesses owned by minorities, women and persons with disabilities.

14. DEFINED BENEFIT PENSION PLANS (Continued)

Police Pension Plan (Continued)

G. *Deposits with Financial Institutions*

The plan retains all of its available cash with two financial institutions. Available cash is determined to be that amount which is required for the current expenditures of the plan. The excess of available cash is required to be transferred to IPOPIF for purposes of the long-term investment for the plan.

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, 2024, all deposits are covered by federal depository insurance.

H. *Investments*

Investments of the plan are combined in a commingled external investment pool and held by IPOPIF. A schedule of investment expenses is included in IPOPIF's annual report. For additional information on IPOPIF's investments, please refer to their annual report as of June 30, 2023. A copy of that report can be obtained from IPOPIF at 456 Fulton Street, Suite 402, Peoria, Illinois 61602 or at www.ipopif.org.

I. *Fair Value Measurement*

The plan categorizes 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 plan held no investments subject to fair value measurement at April 30, 2024.

J. *Net Asset Value*

The Net Asset Value (NAV) of the plan's pooled investment in IPOPIF was \$53,502,963 at April 30, 2024. The pooled investments consist of the investments as noted in the target allocation table below. Investments in IPOPIF are valued at IPOPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at April 30, 2024. The plan may redeem shares with a seven-calendar day notice. IPOPIF may, at its sole discretion and based on circumstances, process redemption requests with fewer than a seven-calendar day notice. Regular redemptions of the same amount on a particular day of the month may be arranged with IPOPIF.

14. DEFINED BENEFIT PENSION PLANS (Continued)

Police Pension Plan (Continued)

K. *Investment Rate of Return*

For the year ended April 30, 2024, the annual money-weighted rate of return on pension plan investments as calculated by the Fund's Treasurer, net of pension plan investment expense, was 9.70%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for changing amounts actually invested.

L. *Actuarial Assumptions*

The total pension liability above was determined by an actuarial valuation performed as of April 30, 2024, using the following actuarial methods and assumptions.

| | |
|----------------------------|------------------|
| Actuarial Valuation Date | April 30, 2024 |
| 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 | 2.25% |
| Asset Valuation Method | Fair Value |

Mortality rates were based on the PubS-2010 mortality table. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis.

M. *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)

N. *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, 2024.

The table below presents the pension liability of the City, for year ended April 30, 2024, 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 | \$ 51,682,469 | \$ 38,515,856 | \$ 27,770,764 |

O. *Changes in the Net Pension Liability*

| | (A) Total Pension Liability | (B) Plan Fiduciary Net Position | (A) - (B) Net Pension Liability |
|--|--------------------------------------|--|--|
| BALANCES AT MAY 1, 2023 | \$ 86,802,602 | \$ 49,287,365 | \$ 37,515,237 |
| Changes for the Period | | | |
| Service Cost | 1,502,290 | - | 1,502,290 |
| Interest | 6,122,048 | - | 6,122,048 |
| Difference Between Expected and Actual Experience | 2,726,586 | - | 2,726,586 |
| Changes in Assumptions | - | - | - |
| Changes in Benefit Terms | - | - | - |
| Employer Contributions | - | 3,482,254 | (3,482,254) |
| Employee Contributions | - | 686,958 | (686,958) |
| Other Contributions | - | 438,073 | (438,073) |
| Net Investment Income | - | 4,757,914 | (4,757,914) |
| Benefit Payments and Refunds | (4,721,701) | (4,721,701) | - |
| Administrative Expense | - | (14,894) | 14,894 |
| Net Changes | 5,629,223 | 4,628,604 | 1,000,619 |
| BALANCES AT APRIL 30, 2024 | \$ 92,431,825 | \$ 53,915,969 | \$ 38,515,856 |

The Police Pension Plan was 58.33% funded as of April 30, 2024.

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

Police Pension Plan (Continued)

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

For the year ended April 30, 2024, the City recognized police pension expense of \$4,136,894. At April 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to the police pension from the following sources:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|--|---|--|
| Difference Between Expected and Actual Experience | \$ 3,406,741 | \$ 1,243,512 |
| Changes in Assumption | 823,670 | 494,684 |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | <u>1,705,146</u> | <u>-</u> |
| TOTAL | <u><u>\$ 5,935,557</u></u> | <u><u>\$ 1,738,196</u></u> |

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:

| <u>Fiscal Year Ending April 30,</u> | |
|---|----------------------------|
| 2025 | \$ 324,734 |
| 2026 | 2,006,163 |
| 2027 | 818,533 |
| 2028 | 210,932 |
| 2029 | 491,711 |
| Thereafter | <u>345,288</u> |
| TOTAL | <u><u>\$ 4,197,361</u></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, 2024, the measurement date, membership consisted of:

| | |
|--|--------|
| Inactive Plan Members Currently Receiving Benefits | 34 |
| Inactive Plan Members Entitled to but not yet Receiving Benefits | 4 |
| Active Plan Members | 55 |
| TOTAL | 93 |

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 33.51% of covered payroll for the year ended April 30, 2024.

14. DEFINED BENEFIT PENSION PLANS (Continued)

Firefighters' Pension Plan (Continued)

E. *Illinois Firefighters' Pension Investment Fund*

The Illinois Firefighters' Pension Investment Fund (IFPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate firefighter pension funds. IFPIF was created by Public Act 101-0610, and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds. Participation in IFPIF by Illinois suburban and downstate firefighter pension funds is mandatory.

F. *Deposits with Financial Institutions*

The plan retains all of its available cash with two financial institutions. Available cash is determined to be that amount which is required for the current expenditures of the plan. The excess of available cash is required to be transferred to IFPIF for purposes of the long-term investment for the plan.

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, 2024, are covered by federal depository insurance.

G. *Investments*

Investments of the plan are combined in a commingled external investment pool and held by IFPIF. A schedule of investment expenses is included in IFPIF's annual report. For additional information on IFPIF's investments, please refer to their annual report as of June 30, 2023. A copy of that report can be obtained from IFPIF at 1919 South Highland Avenue, Building A, Suite 237, Lombard, Illinois 60148 or at www.ifpif.org.

H. *Fair Value Measurement*

The plan categorizes 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 plan held no investments subject to fair value measurement at April 30, 2024.

14. DEFINED BENEFIT PENSION PLANS (Continued)

Firefighters' Pension Plan (Continued)

I. *Net Asset Value*

The Net Asset Value (NAV) of the plan's pooled investment in IFPIF was \$56,044,583 at April 30, 2024. The pooled investments consist of the investments as noted in the target allocation table available at www.ifpif.org. Investments in IFPIF are valued at IFPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at April 30, 2024. The plan may redeem shares by giving notice by 5:00 pm central time on the 1st of each month. Requests properly submitted on or before the 1st of each month will be processed for redemption by the 14th of the month. Expedited redemptions may be processed at the sole discretion of IFPIF.

J. *Investment Policy*

IFPIF's current investment policy was adopted by the Board of Trustees on June 17, 2022. IFPIF is authorized to invest in all investments allowed by Illinois Compiled Statutes (ILCS). The IFPIF shall not be subject to any of the limitations applicable to investments of pension fund assets currently held by the transferor pension funds under Sections 1-113.1 through 1-113.12 or Article 4 of the Illinois Pension Code.

K. *Investment Rate of Return*

For the year ended April 30, 2024, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 10.70%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

L. *Actuarial Assumptions*

The total pension liability above was determined by an actuarial valuation performed as of April 30, 2024, using the following actuarial methods and assumptions.

| | |
|----------------------------|------------------|
| Actuarial Valuation Date | April 30, 2024 |
| Actuarial Cost Method | Entry-Age Normal |
| Assumptions | |
| Inflation | 2.25% |
| Salary Increases | 3.75% to 8.78% |
| Investment Rate | 7.25% |
| Cost of Living Adjustments | 2.25% |
| Asset Valuation Method | Fair Value |

14. DEFINED BENEFIT PENSION PLANS (Continued)

Firefighters' Pension Plan (Continued)

L. *Actuarial Assumptions* (Continued)

Mortality rates were based on the PubS-2010 mortality table. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis.

M. *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.

N. *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, 2024.

The table below presents the net pension liability of the City, for year ended April 30, 2024, calculated using the discount rate of 7.25% as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

| | 1% Decrease (6.25%) | Current Discount Rate (7.25%) | 1% Increase (8.25%) |
|-----------------------|------------------------|-------------------------------------|------------------------|
| Net Pension Liability | \$ 28,980,267 | \$ 17,610,722 | \$ 8,364,519 |

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

Firefighters' Pension Plan (Continued)

O. *Changes in the Net Pension Liability*

| | (A) Total Pension Liability | (B) Plan Fiduciary Net Position | (A) - (B) Net Pension Liability |
|--|--------------------------------------|--|--|
| BALANCES AT MAY 1, 2023 | \$ 68,210,513 | \$ 50,785,349 | \$ 17,425,164 |
| Changes for the Period | | | |
| Service Cost | 1,642,278 | - | 1,642,278 |
| Interest | 4,845,209 | - | 4,845,209 |
| Difference Between Expected and Actual Experience | 2,011,375 | - | 2,011,375 |
| Changes in Assumptions | - | - | - |
| Changes in Benefit Terms | - | - | - |
| Employer Contributions | - | 2,286,134 | (2,286,134) |
| Employee Contributions | - | 646,058 | (646,058) |
| Net Investment Income | - | 5,444,671 | (5,444,671) |
| Benefit Payments and Refunds | (2,760,245) | (2,760,245) | - |
| Administrative Expense | - | (63,559) | 63,559 |
| Net Changes | 5,738,617 | 5,553,059 | 185,558 |
| BALANCES AT APRIL 30, 2024 | \$ 73,949,130 | \$ 56,338,408 | \$ 17,610,722 |

The Firefighters' Pension Plan was 76.19% funded as of April 30, 2024.

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

Firefighters' Pension Plan (Continued)

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

For the year ended April 30, 2024, the City recognized firefighters' pension expense of \$2,651,959. At April 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to the firefighters' pension from the following sources:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|--|---|--|
| Difference Between Expected and Actual Experience | \$ 2,410,197 | \$ 3,152,286 |
| Changes in Assumption | 584,866 | 184,958 |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | <u>1,631,364</u> | <u>-</u> |
| TOTAL | <u>\$ 4,626,427</u> | <u>\$ 3,337,244</u> |

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

| <u>Fiscal Year Ending April 30,</u> | |
|---|---------------------|
| 2025 | \$ (202,529) |
| 2026 | 1,482,636 |
| 2027 | 94,718 |
| 2028 | (504,115) |
| 2029 | 13,226 |
| Thereafter | <u>405,247</u> |
| TOTAL | <u>\$ 1,289,183</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 | \$ 414,991 | \$ 289,624 | \$ 704,615 |
| Investments Held in the Illinois Police Officers' Pension Investment Fund | 53,502,963 | - | 53,502,963 |
| Investments Held in the Illinois Firefighters' Pension Investment Fund | - | 56,044,583 | 56,044,583 |
| Prepaid Expenses | - | 6,862 | 6,862 |
| Total Assets | 53,917,954 | 56,341,069 | 110,259,023 |
| LIABILITIES | | | |
| Accounts Payable | 1,985 | 2,661 | 4,646 |
| Total Liabilities | 1,985 | 2,661 | 4,646 |
| NET POSITION | \$ 53,915,969 | \$ 56,338,408 | \$ 110,254,377 |

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 | \$ 3,482,254 | \$ 2,286,134 | \$ 5,768,388 |
| Employee | 1,125,031 | 646,058 | 1,771,089 |
| Total Contributions | <u>4,607,285</u> | <u>2,932,192</u> | <u>7,539,477</u> |
| Investment Income | | | |
| Net Appreciation in Fair Value of Investments | 4,414,806 | 4,456,705 | 8,871,511 |
| Interest Earned | 397,072 | 1,049,520 | 1,446,592 |
| Less Investment Expense | (53,964) | (61,554) | (115,518) |
| Net Investment Income | <u>4,757,914</u> | <u>5,444,671</u> | <u>10,202,585</u> |
| Total Additions | <u>9,365,199</u> | <u>8,376,863</u> | <u>17,742,062</u> |
| DEDUCTIONS | | | |
| Benefits and Refunds | 4,721,701 | 2,760,245 | 7,481,946 |
| Administrative | 14,894 | 63,559 | 78,453 |
| Total Deductions | <u>4,736,595</u> | <u>2,823,804</u> | <u>7,560,399</u> |
| NET INCREASE | 4,628,604 | 5,553,059 | 10,181,663 |
| NET POSITION RESTRICTED FOR PENSION BENEFITS | | | |
| May 1 | <u>49,287,365</u> | <u>50,785,349</u> | <u>100,072,714</u> |
| April 30 | <u>\$ 53,915,969</u> | <u>\$ 56,338,408</u> | <u>\$ 110,254,377</u> |

16. COMPONENT UNIT - CRYSTAL LAKE PUBLIC LIBRARY

A. Summary of Significant Accounting Policies

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

1. Fund Accounting

Governmental Funds

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

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

2. Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and accrual 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.

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

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.

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, 2024, 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 |
| U.S. Treasury Notes | \$ 1,766,716 | \$ 1,299,461 | \$ 467,255 | \$ - | \$ - |
| Certificates of Deposits | 212,000 | 212,000 | - | - | - |
| TOTAL | \$ 1,978,716 | \$ 1,511,461 | \$ 467,255 | \$ - | \$ - |

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

B. Deposits and Investments (Continued)

2. Library Investments (Continued)

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 U.S Treasury Notes and 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 certificates of deposits 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 Library will not be able to recover the value of its investments that are in the 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 and money market mutual 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.

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

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

C. Receivables

Property taxes for the 2023 levy year attach as an enforceable lien on January 1, 2023, 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 2023 taxes are intended to finance the 2025 fiscal year and are not considered available or earned for current operations and are, therefore, shown as deferred revenue. The 2024 tax levy, which attached as an enforceable lien on property as of January 1, 2024, has not been recorded as a receivable as of April 30, 2024, as the tax has not yet been levied by the Library and will not be levied until December 2024 and, therefore, the levy is not measurable at April 30, 2024.

D. Capital Assets

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

| | Balances May 1 | Additions/ Transfers | Retirements/ Transfers | Balances April 30 |
|--|---------------------|-------------------------|---------------------------|----------------------|
| Capital Assets Not Being Depreciated | | | | |
| Land | \$ 2,472,561 | \$ - | \$ - | \$ 2,472,561 |
| Total Capital Assets Not Being Depreciated | 2,472,561 | - | - | 2,472,561 |
| Capital Assets Being Depreciated | | | | |
| Building and Improvements | 9,555,207 | - | 16,939 | 9,538,268 |
| Machinery, Equipment and Vehicles | 412,992 | - | 27,218 | 385,774 |
| Total Capital Assets Being Depreciated | 9,968,199 | - | 44,157 | 9,924,042 |
| Less Accumulated Depreciation for | | | | |
| Building and Improvements | 4,367,083 | 232,783 | 14,519 | 4,585,347 |
| Machinery, Equipment and Vehicles | 268,362 | 44,128 | 22,632 | 289,858 |
| Total Accumulated Depreciation | 4,635,445 | 276,911 | 37,151 | 4,875,205 |
| Total Capital Assets Being Depreciated, Net | 5,332,754 | (276,911) | 7,006 | 5,048,837 |
| TOTAL CAPITAL ASSETS | \$ 7,805,315 | \$ (276,911) | \$ 7,006 | \$ 7,521,398 |

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

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

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 | \$ 145,109 | \$ 77,845 | \$ 72,554 | \$ 150,400 | \$ 75,200 |
| Net Pension Liability | 2,413,389 | - | 600,550 | 1,812,839 | - |
| Total OPEB Liability | 200,765 | - | 12,074 | 188,691 | 12,625 |
| TOTAL | \$ 2,759,263 | \$ 77,845 | \$ 685,178 | \$ 2,151,930 | \$ 87,825 |

17. LESSOR LEASES

The City has entered into seven separate lease agreements to lease space on cell towers for the placement of cellular communications equipment. Payments ranging from \$45,000 to \$121,319 are due to the City in annual installment. The lease agreements have expiration dates ranging from December 2029 to April 2049. The lease agreements are noncancelable and maintain interest rates ranging from 1.53% to 2.55%.

The City entered a lease agreement in January 2016 to lease space on a cell tower for the placement of cellular communications equipment. Payments ranging from \$282 to \$446 are due to the City in monthly installments, through May 2046. The lease agreement is non-cancelable and maintains an interest rate of 2.51%.

The City entered a lease agreement in January 2024 to lease space with an emergency dispatch center. Payments ranging from \$3,750 to \$6,576 are due to the City in quarterly installments, through April 2044. The lease agreement is non-cancelable and maintains an interest rate of 3.41%.

During the year, the City recognized lease revenue of \$895,435 and interest revenue of \$122,048 related to leases.

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, 2024

| | Original Budget | Final Budget | Actual | Variance Over (Under) |
|---|----------------------------|-------------------------|----------------------|--------------------------------------|
| REVENUES | | | | |
| Charges for Service | \$ 833,650 | \$ 833,650 | \$ 1,079,746 | \$ 246,096 |
| Licenses and Permits | 639,000 | 639,000 | 1,266,076 | 627,076 |
| Intergovernmental | 23,120,594 | 22,920,594 | 23,772,042 | 851,448 |
| Fines and Forfeitures | 334,000 | 334,000 | 498,692 | 164,692 |
| Property Taxes | 5,767,047 | 5,767,047 | 5,768,388 | 1,341 |
| Other Taxes | 8,461,679 | 8,661,679 | 8,987,418 | 325,739 |
| Investment Income | 300,000 | 300,000 | 1,623,809 | 1,323,809 |
| Miscellaneous | 662,254 | 687,254 | 1,593,482 | 906,228 |
| Total Revenues | 40,118,224 | 40,143,224 | 44,589,653 | 4,446,429 |
| EXPENDITURES | | | | |
| General Government | 7,520,814 | 7,545,814 | 6,766,540 | (779,274) |
| Public Safety | 17,733,100 | 17,733,100 | 17,373,063 | (360,037) |
| Highway and Streets | 6,882,788 | 6,882,788 | 6,164,077 | (718,711) |
| Cultural Recreation | 846,603 | 846,603 | 901,246 | 54,643 |
| Debt Service | | | | |
| Principal | 41,997 | 41,997 | 41,997 | - |
| Interest and Fees | 10,927 | 10,927 | 10,720 | (207) |
| Total Expenditures | 33,036,229 | 33,061,229 | 31,257,643 | (1,803,586) |
| EXCESS OF REVENUES OVER EXPENDITURES | 7,081,995 | 7,081,995 | 13,332,010 | 6,250,015 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 139,180 | 139,180 | 150,305 | 11,125 |
| Transfers (Out) | (6,755,304) | (6,755,304) | (10,935,096) | (4,179,792) |
| Proceeds from Sale of Capital Assets | - | - | 62,188 | 62,188 |
| Total Other Financing Sources (Uses) | (6,616,124) | (6,616,124) | (10,722,603) | (4,106,479) |
| NET CHANGE IN FUND BALANCE | \$ 465,871 | \$ 465,871 | 2,609,407 | \$ 2,143,536 |
| FUND BALANCE, MAY 1 | | | 21,078,360 | |
| FUND BALANCE, APRIL 30 | | | \$ 23,687,767 | |

(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, 2024

| | Original Budget | Final Budget | Actual | Variance Over (Under) |
|-----------------------------------|----------------------------|-------------------------|---------------------|--------------------------------------|
| REVENUES | | | | |
| Charges for Services | \$ 4,762,667 | \$ 4,762,667 | \$ 4,995,737 | \$ 233,070 |
| Intergovernmental | - | - | 27,858 | 27,858 |
| Property Taxes | 7,348,000 | 7,348,000 | 7,338,820 | (9,180) |
| Investment Income | 40,000 | 40,000 | 57,985 | 17,985 |
| Other | 60,500 | 60,500 | 307,955 | 247,455 |
| Total Revenues | 12,211,167 | 12,211,167 | 12,728,355 | 517,188 |
| EXPENDITURES | | | | |
| Public Safety | | | | |
| Personnel Services | 10,002,855 | 10,002,855 | 10,026,090 | 23,235 |
| Contractual Services | 1,514,660 | 1,514,660 | 1,287,696 | (226,964) |
| Materials and Supplies | 383,905 | 383,905 | 370,161 | (13,744) |
| Miscellaneous | - | - | 244 | 244 |
| Total Expenditures | 11,901,420 | 11,901,420 | 11,684,191 | (217,229) |
| NET CHANGE IN FUND BALANCE | \$ 309,747 | \$ 309,747 | 1,044,164 | \$ 734,417 |
| FUND BALANCE, MAY 1 | | | 7,637,647 | |
| FUND BALANCE, APRIL 30 | | | \$ 8,681,811 | |

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2024

1. 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 and Vehicle Replacement Fund), Enterprise Fund, Internal Service Fund and Pension Trust Funds.

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.

CITY OF CRYSTAL LAKE, ILLINOIS

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

Last Nine Fiscal Years

| FISCAL YEAR ENDED APRIL 30, | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Actuarially Determined Contribution | \$ 1,452,892 | \$ 1,410,404 | \$ 1,430,059 | \$ 1,385,397 | \$ 1,365,266 | \$ 1,559,628 | \$ 1,543,084 | \$ 1,346,193 | \$ 1,144,495 |
| 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 | 1,543,084 | 1,346,193 | 1,144,495 |
| CONTRIBUTION DEFICIENCY (EXCESS) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Covered Payroll | \$ 11,133,366 | \$ 10,753,366 | \$ 11,069,426 | \$ 11,160,501 | \$ 11,377,411 | \$ 11,337,608 | \$ 11,696,490 | \$ 12,029,760 | \$ 11,956,072 |
| Contributions as a Percentage of Covered Payroll | 13.05% | 13.12% | 12.92% | 12.41% | 12.00% | 13.76% | 13.19% | 11.19% | 9.57% |

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 20 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 2.75% to 13.75% compounded annually and postretirement benefit increases of 2.75% 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 Ten Fiscal Years

| FISCAL YEAR ENDED APRIL 30, | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|--|-------------------|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|--------------|--------------|---------------------|
| Actuarially Determined Contribution | \$ 1,973,564 | \$ 1,869,923 | \$ 1,992,354 | \$ 2,091,066 | \$ 2,418,845 | \$ 2,391,323 | \$ 2,690,477 | \$ 2,930,906 | \$ 3,481,415 | \$ 3,368,127 |
| Contributions in Relation to the Actuarially Determined Contribution | 1,778,970 | 2,059,342 | 1,989,776 | 2,089,940 | 2,415,148 | 2,386,343 | 2,685,733 | 2,930,906 | 3,481,415 | 3,482,254 |
| CONTRIBUTION DEFICIENCY (EXCESS) | \$ 194,594 | \$ (189,419) | \$ 2,578 | \$ 1,126 | \$ 3,697 | \$ 4,980 | \$ 4,744 | \$ - | \$ - | \$ (114,127) |
| Covered Payroll | \$ 5,773,467 | \$ 5,437,640 | \$ 5,691,409 | \$ 5,953,131 | \$ 6,099,597 | \$ 6,149,431 | \$ 6,433,892 | \$ 6,335,246 | \$ 6,683,400 | \$ 6,820,983 |
| Contributions as a Percentage of Covered Payroll | 30.81% | 37.87% | 34.96% | 35.11% | 39.60% | 38.81% | 41.74% | 46.26% | 52.09% | 51.05% |

Notes to the Required Supplementary Information

Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 18 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.

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

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

Last Ten Fiscal Years

| FISCAL YEAR ENDED APRIL 30, | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|--|-------------------|---------------------|---------------------|---------------|-----------------|-----------------|-----------------|----------------|--------------------|---------------------|
| Actuarially Determined Contribution | \$ 1,720,093 | \$ 1,767,767 | \$ 1,518,852 | \$ 1,609,399 | \$ 1,884,348 | \$ 1,847,033 | \$ 1,882,261 | \$ 2,023,967 | \$ 2,203,496 | \$ 2,030,416 |
| Contributions in Relation to the Actuarially Determined Contribution | 1,555,655 | 1,928,928 | 1,690,980 | 1,608,539 | 1,881,728 | 1,843,179 | 1,878,976 | 2,023,991 | 2,285,797 | 2,286,134 |
| CONTRIBUTION DEFICIENCY (EXCESS) | \$ 164,438 | \$ (161,161) | \$ (172,128) | \$ 860 | \$ 2,620 | \$ 3,854 | \$ 3,285 | \$ (24) | \$ (82,301) | \$ (255,718) |
| Covered Payroll | \$ 5,531,971 | \$ 5,744,609 | \$ 5,908,574 | \$ 6,229,293 | \$ 6,482,045 | \$ 7,075,908 | \$ 7,047,861 | \$ 6,827,656 | \$ 6,560,707 | \$ 6,822,798 |
| Contributions as a Percentage of Covered Payroll | 28.12% | 33.58% | 28.62% | 25.82% | 29.03% | 26.05% | 26.66% | 29.64% | 34.84% | 33.51% |

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 18 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.

(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 Nine Calendar Years

| MEASUREMENT DATE DECEMBER 31, | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|----------------------|----------------------|
| TOTAL PENSION LIABILITY | | | | | | | | | |
| Service Cost | \$ 1,211,429 | \$ 1,199,753 | \$ 1,173,075 | \$ 1,117,896 | \$ 1,160,290 | \$ 1,204,021 | \$ 1,147,812 | \$ 1,124,209 | \$ 1,113,250 |
| Interest | 4,343,976 | 4,539,611 | 4,819,887 | 4,947,320 | 5,275,067 | 5,544,651 | 5,856,444 | 6,068,226 | 6,372,722 |
| 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 | (174,967) | 1,618,129 | 570,735 |
| Changes of Assumptions | 79,521 | (248,700) | (1,994,006) | 2,166,714 | - | (699,531) | - | - | 12,119 |
| 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) | (3,485,043) | (4,307,672) | (4,902,597) |
| Net Change in Total Pension Liability | 2,730,684 | 3,653,145 | 1,874,529 | 6,942,265 | 3,835,943 | 4,490,162 | 3,344,246 | 4,502,892 | 3,166,229 |
| Total Pension Liability - Beginning | 58,420,423 | 61,151,107 | 64,804,252 | 66,678,781 | 73,621,046 | 77,456,989 | 81,947,151 | 85,291,397 | 89,794,289 |
| TOTAL PENSION LIABILITY - ENDING | \$ 61,151,107 | \$ 64,804,252 | \$ 66,678,781 | \$ 73,621,046 | \$ 77,456,989 | \$ 81,947,151 | \$ 85,291,397 | \$ 89,794,289 | \$ 92,960,518 |
| PLAN FIDUCIARY NET POSITION | | | | | | | | | |
| Contributions - Employer | \$ 1,390,362 | \$ 1,424,559 | \$ 1,388,105 | \$ 1,469,484 | \$ 1,260,041 | \$ 1,615,854 | \$ 1,592,450 | \$ 1,424,027 | \$ 1,131,163 |
| Contributions - Member | 485,951 | 490,006 | 507,135 | 503,413 | 553,793 | 528,825 | 556,887 | 573,623 | 535,265 |
| Net Investment Income | 256,105 | 3,526,328 | 9,228,845 | (3,068,591) | 11,122,244 | 9,737,032 | 13,281,939 | (11,142,027) | 8,488,407 |
| 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) | (3,485,043) | (4,307,672) | (4,902,597) |
| Other | (702,990) | 335,991 | (550,873) | 1,044,285 | (412,236) | 866,615 | (181,709) | 224,858 | 832,510 |
| Net Change in Plan Fiduciary Net Position | (473,751) | 3,817,385 | 8,321,947 | (2,598,340) | 9,640,544 | 9,586,209 | 11,764,524 | (13,227,191) | 6,084,748 |
| Plan Fiduciary Net Position - Beginning | 51,234,516 | 50,760,765 | 54,578,150 | 62,900,097 | 60,301,757 | 69,942,301 | 79,528,510 | 91,293,034 | 78,065,843 |
| PLAN FIDUCIARY NET POSITION - ENDING | \$ 50,760,765 | \$ 54,578,150 | \$ 62,900,097 | \$ 60,301,757 | \$ 69,942,301 | \$ 79,528,510 | \$ 91,293,034 | \$ 78,065,843 | \$ 84,150,591 |
| EMPLOYER'S NET PENSION LIABILITY (ASSET) | \$ 10,390,342 | \$ 10,226,102 | \$ 3,778,684 | \$ 13,319,289 | \$ 7,514,688 | \$ 2,418,641 | \$ (6,001,637) | \$ 11,728,446 | \$ 8,809,927 |

| MEASUREMENT DATE DECEMBER 31, | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset) | 83.01% | 84.22% | 94.33% | 81.91% | 90.30% | 97.05% | 107.04% | 86.94% | 90.52% |
| Covered Payroll | \$ 10,752,994 | \$ 10,717,757 | \$ 10,847,310 | \$ 11,174,779 | \$ 11,382,497 | \$ 11,751,668 | \$ 11,564,632 | \$ 11,936,530 | \$ 11,882,891 |
| Employer's Net Pension Liability (Asset) as a Percentage of Covered Payroll | 96.63% | 95.41% | 34.84% | 119.19% | 66.02% | 20.58% | (51.90%) | 98.26% | 74.14% |

In 2016, changes in assumptions related to the discount rate.

In 2017, changes in assumptions related to salary rates, inflation rates, and mortality rates.

In 2018, changes in assumptions related to the discount rate.

In 2020, changes in assumptions related to salary rates, price inflation, retirement age and mortality rates.

In 2023, changes in assumptions related to mortality rates.

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 Ten Fiscal Years

| MEASUREMENT DATE APRIL 30, | 2015 | 2016 | 2017 | 2018 | 2019* | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| TOTAL PENSION LIABILITY | | | | | | | | | | |
| Service Cost | \$ 1,420,407 | \$ 1,406,344 | \$ 1,384,616 | \$ 1,480,535 | \$ 1,514,366 | \$ 1,428,215 | \$ 1,536,190 | \$ 1,537,742 | \$ 1,427,059 | \$ 1,502,290 |
| Interest | 3,863,133 | 4,154,656 | 4,647,595 | 4,740,074 | 4,795,473 | 5,108,983 | 5,486,253 | 5,480,564 | 5,844,925 | 6,122,048 |
| Changes of Benefit Terms | - | - | - | - | - | 264,843 | - | - | (42,061) | - |
| Differences Between Expected and Actual Experience | 925,823 | (652,931) | (90,119) | (3,331,174) | 1,017,819 | 394,864 | (91,869) | (1,345,391) | 931,558 | 2,726,586 |
| Changes of Assumptions | - | 4,302,384 | (2,002,799) | 2,903,482 | (1,868,828) | 1,047,031 | - | - | - | - |
| Benefit Payments, Including Refunds of Member Contributions | (2,118,147) | (2,258,561) | (2,564,023) | (2,763,423) | (3,154,254) | (3,254,765) | (3,228,925) | (3,850,144) | (3,968,584) | (4,721,701) |
| Net Change in Total Pension Liability | 4,091,216 | 6,951,892 | 1,375,270 | 3,029,494 | 2,304,576 | 4,989,171 | 3,701,649 | 1,822,771 | 4,192,897 | 5,629,223 |
| Total Pension Liability - Beginning | 54,343,666 | 58,434,882 | 65,386,774 | 66,762,044 | 69,791,538 | 72,096,114 | 77,085,285 | 80,786,934 | 82,609,705 | 86,802,602 |
| TOTAL PENSION LIABILITY - ENDING | \$ 58,434,882 | \$ 65,386,774 | \$ 66,762,044 | \$ 69,791,538 | \$ 72,096,114 | \$ 77,085,285 | \$ 80,786,934 | \$ 82,609,705 | \$ 86,802,602 | \$ 92,431,825 |
| PLAN FIDUCIARY NET POSITION | | | | | | | | | | |
| Contributions - Employer | \$ 1,778,970 | \$ 2,059,342 | \$ 1,989,776 | \$ 2,089,940 | \$ 2,415,148 | \$ 2,386,343 | \$ 2,685,733 | \$ 2,930,906 | \$ 3,481,415 | \$ 3,482,254 |
| Contributions - Member | 568,526 | 579,535 | 551,461 | 570,493 | 633,079 | 608,715 | 798,533 | 1,030,717 | 1,088,129 | 1,125,031 |
| Net Investment Income | 1,700,649 | (528,210) | 3,391,766 | 2,829,729 | 1,623,122 | (1,363,475) | 11,056,030 | (2,788,427) | 661,661 | 4,757,914 |
| Benefit Payments, Including Refunds of Member Contributions | (2,118,147) | (2,258,561) | (2,564,023) | (2,763,423) | (3,154,254) | (3,254,765) | (3,228,925) | (3,850,144) | (3,968,584) | (4,721,701) |
| Other | (30,088) | (53,004) | (37,390) | (16,115) | (16,137) | (20,134) | (21,369) | (21,360) | (22,925) | (14,894) |
| Net Change in Plan Fiduciary Net Position | 1,899,910 | (200,898) | 3,331,590 | 2,710,624 | 1,500,958 | (1,643,316) | 11,290,002 | (2,698,308) | 1,239,696 | 4,628,604 |
| Plan Fiduciary Net Position - Beginning | 31,857,107 | 33,757,017 | 33,556,119 | 36,887,709 | 39,598,333 | 41,099,291 | 39,455,975 | 50,745,977 | 48,047,669 | 49,287,365 |
| PLAN FIDUCIARY NET POSITION - ENDING | \$ 33,757,017 | \$ 33,556,119 | \$ 36,887,709 | \$ 39,598,333 | \$ 41,099,291 | \$ 39,455,975 | \$ 50,745,977 | \$ 48,047,669 | \$ 49,287,365 | \$ 53,915,969 |
| EMPLOYER'S NET PENSION LIABILITY | \$ 24,677,865 | \$ 31,830,655 | \$ 29,874,335 | \$ 30,193,205 | \$ 30,996,823 | \$ 37,629,310 | \$ 30,040,957 | \$ 34,562,036 | \$ 37,515,237 | \$ 38,515,856 |

| MEASUREMENT DATE APRIL 30, | 2015 | 2016 | 2017 | 2018 | 2019* | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 57.77% | 51.32% | 55.25% | 56.74% | 57.01% | 51.18% | 62.81% | 58.16% | 56.78% | 58.33% |
| Covered Payroll | \$ 5,773,467 | \$ 5,437,640 | \$ 5,691,409 | \$ 5,953,131 | \$ 6,099,597 | \$ 6,149,431 | \$ 6,433,892 | \$ 6,335,246 | \$ 6,683,400 | \$ 6,820,983 |
| Employer's Net Pension Liability as a Percentage of Covered Payroll | 427.44% | 585.38% | 524.90% | 507.18% | 508.18% | 611.92% | 466.92% | 545.55% | 561.32% | 564.67% |

Tier II Police retirees are provided postemployment benefit increases based on the lesser of 3.00% of the original retirement benefits or one-half of the Consumer Price Index (Urban) for the prior September. The average increase in the CPI-U for September 1992 through September 2022 was 2.52% (on a compounded basis). Changes in Benefit Terms in 2023 related to Tier II benefit increases.

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.

(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 Ten Fiscal Years

| MEASUREMENT DATE APRIL 30, | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| TOTAL PENSION LIABILITY | | | | | | | | | | |
| Service Cost | \$ 1,458,713 | \$ 1,480,463 | \$ 1,597,021 | \$ 1,663,767 | \$ 1,518,410 | \$ 1,593,494 | \$ 1,806,035 | \$ 1,768,476 | \$ 1,742,756 | \$ 1,642,278 |
| Interest | 2,591,488 | 2,898,718 | 3,314,039 | 3,466,784 | 3,583,943 | 3,890,887 | 4,065,873 | 4,152,925 | 4,519,254 | 4,845,209 |
| Changes of Benefit Terms | - | - | - | - | - | 496,787 | - | - | (83,818) | - |
| Differences Between Expected and Actual Experience | 1,419,845 | (85,631) | 20,498 | (1,976,589) | 221,515 | (507,207) | (2,198,565) | (1,513,765) | 766,930 | 2,011,375 |
| Changes of Assumptions | - | 2,768,663 | (1,386,277) | (48,865) | 419,832 | 598,398 | - | - | - | - |
| Benefit Payments, Including Refunds of Member Contributions | (1,178,766) | (1,286,016) | (1,381,293) | (1,495,603) | (1,482,619) | (1,537,360) | (1,575,630) | (1,974,968) | (2,236,078) | (2,760,245) |
| Net Change in Total Pension Liability | 4,291,280 | 5,776,197 | 2,163,988 | 1,609,494 | 4,261,081 | 4,534,999 | 2,097,713 | 2,432,668 | 4,709,044 | 5,738,617 |
| Total Pension Liability - Beginning | 36,334,049 | 40,625,329 | 46,401,526 | 48,565,514 | 50,175,008 | 54,436,089 | 58,971,088 | 61,068,801 | 63,501,469 | 68,210,513 |
| TOTAL PENSION LIABILITY - ENDING | \$ 40,625,329 | \$ 46,401,526 | \$ 48,565,514 | \$ 50,175,008 | \$ 54,436,089 | \$ 58,971,088 | \$ 61,068,801 | \$ 63,501,469 | \$ 68,210,513 | \$ 73,949,130 |
| PLAN FIDUCIARY NET POSITION | | | | | | | | | | |
| Contributions - Employer | \$ 1,555,655 | \$ 1,928,928 | \$ 1,690,980 | \$ 1,608,539 | \$ 1,881,728 | \$ 1,843,179 | \$ 1,878,976 | \$ 2,023,991 | \$ 2,285,797 | \$ 2,286,134 |
| Contributions - Member | 539,487 | 570,933 | 544,683 | 584,464 | 603,777 | 660,175 | 666,374 | 645,544 | 620,325 | 646,058 |
| Net Investment Income | 1,873,564 | 292,962 | 2,510,351 | 2,061,996 | 2,384,267 | 662,186 | 11,129,344 | (3,204,390) | 507,519 | 5,444,671 |
| Benefit Payments, Including Refunds of Member Contributions | (1,178,766) | (1,286,016) | (1,381,293) | (1,495,603) | (1,482,619) | (1,537,360) | (1,575,630) | (1,974,968) | (2,236,078) | (2,760,245) |
| Other | (66,256) | (51,823) | (58,025) | (16,840) | (22,532) | (18,449) | (17,831) | (69,328) | (55,129) | (63,559) |
| Net Change in Plan Fiduciary Net Position | 2,723,684 | 1,454,984 | 3,306,696 | 2,742,556 | 3,364,621 | 1,609,731 | 12,081,233 | (2,579,151) | 1,122,434 | 5,553,059 |
| Plan Fiduciary Net Position - Beginning | 24,958,561 | 27,682,245 | 29,137,229 | 32,443,925 | 35,186,481 | 38,551,102 | 40,160,833 | 52,242,066 | 49,662,915 | 50,785,349 |
| PLAN FIDUCIARY NET POSITION - ENDING | \$ 27,682,245 | \$ 29,137,229 | \$ 32,443,925 | \$ 35,186,481 | \$ 38,551,102 | \$ 40,160,833 | \$ 52,242,066 | \$ 49,662,915 | \$ 50,785,349 | \$ 56,338,408 |
| EMPLOYER'S NET PENSION LIABILITY | \$ 12,943,084 | \$ 17,264,297 | \$ 16,121,589 | \$ 14,988,527 | \$ 15,884,987 | \$ 18,810,255 | \$ 8,826,735 | \$ 13,838,554 | \$ 17,425,164 | \$ 17,610,722 |

| MEASUREMENT DATE APRIL 30, | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 68.14% | 62.79% | 66.80% | 70.13% | 70.82% | 68.10% | 85.55% | 78.21% | 74.45% | 76.19% |
| Covered Payroll | \$ 5,531,971 | \$ 5,744,609 | \$ 5,908,574 | \$ 6,229,293 | \$ 6,482,045 | \$ 7,075,908 | \$ 7,047,861 | \$ 6,827,656 | \$ 6,560,707 | \$ 6,822,798 |
| Employer's Net Pension Liability as a Percentage of Covered Payroll | 233.97% | 300.53% | 272.85% | 240.61% | 245.06% | 265.84% | 125.24% | 202.68% | 265.60% | 258.12% |

Tier II Firefighter retirees are provided postemployment benefit increases based on the lesser of 3.00% of the original retirement benefits or one-half of the Consumer Price Index (Urban) for the prior September. The average increase in the CPI-U for September 1992 through September 2022 was 2.52% (on a compounded basis). Changes in Benefit Terms in 2023 related to Tier II benefit increases.

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.

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

**SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND**

Last Ten Fiscal Years

| FISCAL YEAR ENDED DECEMBER 31, | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Annual money-weighted rate of return, net of investment expense | 5.30% | (1.60%) | 9.98% | 7.62% | 4.20% | (2.96%) | 29.29% | (5.53%) | 1.00% | 9.70% |

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

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

Last Ten Fiscal Years

| FISCAL YEAR ENDED DECEMBER 31, | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Annual money-weighted rate of return, net of investment expense | 7.26% | 0.74% | 7.77% | 6.26% | 7.25% | 1.67% | 27.24% | (6.23%) | 0.70% | 10.70% |

(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 Seven Fiscal Years

| MEASUREMENT DATE APRIL 30, | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| TOTAL OPEB LIABILITY | | | | | | | |
| Service Cost | \$ 120,186 | \$ 124,957 | \$ 109,111 | \$ 150,761 | \$ 219,673 | \$ 163,893 | \$ 159,849 |
| Interest | 160,856 | 163,403 | 159,615 | 133,554 | 122,330 | 230,052 | 236,984 |
| Differences Between Expected and Actual Experience | - | - | (66,180) | - | 955,826 | - | 614,613 |
| Changes of Benefit Terms | - | - | - | - | 54,086 | - | 75,724 |
| Changes of Assumptions | - | 79,519 | 951,236 | 151,438 | (653,700) | (74,780) | (105,164) |
| Benefit Payments | (224,631) | (209,087) | (201,398) | (229,398) | (298,059) | (316,015) | (434,186) |
| Net Change in Total OPEB Liability | 56,411 | 158,792 | 952,384 | 206,355 | 400,156 | 3,150 | 547,820 |
| Total OPEB Liability - Beginning | 4,164,077 | 4,220,488 | 4,379,280 | 5,331,664 | 5,538,019 | 5,938,175 | 5,941,325 |
| TOTAL OPEB LIABILITY - ENDING | \$ 4,220,488 | \$ 4,379,280 | \$ 5,331,664 | \$ 5,538,019 | \$ 5,938,175 | \$ 5,941,325 | \$ 6,489,145 |
| Covered-Employee Payroll | \$ 21,087,988 | \$ 23,410,540 | \$ 23,397,653 | \$ 24,788,593 | \$ 23,594,626 | \$ 24,419,749 | \$ 24,698,571 |
| Employer's Total OPEB Liability as a Percentage of Covered-Employee Payroll | 20.01% | 18.71% | 22.79% | 22.34% | 25.17% | 24.33% | 26.27% |

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 2024. Changes in benefit terms related to PSEBA benefits were made in 2024.

Changes in assumption related to the discount rate were made in 2023.

Changes in assumption related to the discount rate, starting per capita costs, health care trend rates were made in 2022. Changes in benefit terms related to updating decrements and PSEBA benefits were made in 2022.

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, 2024

| | Original Budget | Final Budget | Actual | Variance Over (Under) |
|------------------------------------|----------------------------|-------------------------|----------------------|--------------------------------------|
| REVENUES | | | | |
| Charges for Services | | | | |
| Review Fees | \$ 90,000 | \$ 90,000 | \$ 232,698 | \$ 142,698 |
| Parking | 120,000 | 120,000 | 124,201 | 4,201 |
| Police Revenue | 85,000 | 85,000 | 86,828 | 1,828 |
| Other Fees | 201,000 | 201,000 | 242,250 | 41,250 |
| Rental Income | 337,650 | 337,650 | 393,769 | 56,119 |
| Total Charges for Services | 833,650 | 833,650 | 1,079,746 | 246,096 |
| Licenses and Permits | | | | |
| Liquor Licenses | 125,000 | 125,000 | 147,399 | 22,399 |
| Miscellaneous Licenses and Permits | 14,000 | 14,000 | 17,375 | 3,375 |
| Building Permits | 500,000 | 500,000 | 1,101,302 | 601,302 |
| Total Licenses and Permits | 639,000 | 639,000 | 1,266,076 | 627,076 |
| Intergovernmental | | | | |
| Income Tax | 6,452,518 | 6,452,518 | 6,592,621 | 140,103 |
| Local Use Tax | 1,639,775 | 1,639,775 | 1,518,838 | (120,937) |
| Replacement Tax | 355,857 | 355,857 | 376,351 | 20,494 |
| State Sales Tax | 14,601,444 | 14,401,444 | 15,169,052 | 767,608 |
| Grants | 71,000 | 71,000 | 115,180 | 44,180 |
| Total Intergovernmental | 23,120,594 | 22,920,594 | 23,772,042 | 851,448 |
| Fines and Forfeitures | | | | |
| Police Fines | 279,000 | 279,000 | 444,197 | 165,197 |
| Adjudication Fines | 55,000 | 55,000 | 54,495 | (505) |
| Total Fines and Forfeitures | 334,000 | 334,000 | 498,692 | 164,692 |
| Property Taxes | 5,767,047 | 5,767,047 | 5,768,388 | 1,341 |
| Other Taxes | | | | |
| Auto Rental Tax | 51,932 | 51,932 | 58,694 | 6,762 |
| Franchise Fees - Cable | 603,438 | 603,438 | 543,973 | (59,465) |
| Home Rule Sales Tax | 6,979,256 | 6,979,256 | 7,179,057 | 199,801 |
| Hotel Tax | 345,000 | 345,000 | 352,400 | 7,400 |
| Telecommunications Tax | 482,053 | 482,053 | 528,630 | 46,577 |
| Cannabis Tax | - | 200,000 | 324,664 | 124,664 |
| Total Other Taxes | 8,461,679 | 8,661,679 | 8,987,418 | 325,739 |
| Investment Income | 300,000 | 300,000 | 1,623,809 | 1,323,809 |
| Miscellaneous | | | | |
| Host Fees | 420,000 | 420,000 | 434,477 | 14,477 |
| Other | 242,254 | 267,254 | 1,159,005 | 891,751 |
| Total Miscellaneous | 662,254 | 687,254 | 1,593,482 | 906,228 |
| TOTAL REVENUES | \$ 40,118,224 | \$ 40,143,224 | \$ 44,589,653 | \$ 4,446,429 |

(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, 2024

| | Original Budget | Final Budget | Actual | Variance Over (Under) |
|--|----------------------------|-------------------------|---------------|--------------------------------------|
| GENERAL GOVERNMENT | | | | |
| Executive Department | | | | |
| Personal Services | \$ 22,800 | \$ 22,800 | \$ 22,800 | \$ - |
| Contractual Services | 475,675 | 500,675 | 477,625 | (23,050) |
| Total Executive Department | 498,475 | 523,475 | 500,425 | (23,050) |
| Legal and Judiciary Department | | | | |
| Contractual Services | 563,695 | 563,695 | 717,292 | 153,597 |
| Total Legal and Judiciary Department | 563,695 | 563,695 | 717,292 | 153,597 |
| Administration Department | | | | |
| Personal Services | 1,838,051 | 1,838,051 | 1,699,494 | (138,557) |
| Contractual Services | 312,473 | 312,473 | 241,356 | (71,117) |
| Materials and Supplies | 82,756 | 82,756 | 77,031 | (5,725) |
| Total Administration Department | 2,233,280 | 2,233,280 | 2,017,881 | (215,399) |
| Administration Adjudication Department | | | | |
| Personal Services | 32,557 | 32,557 | 29,411 | (3,146) |
| Contractual Services | 33,000 | 33,000 | 18,254 | (14,746) |
| Materials and Supplies | 1,100 | 1,100 | - | (1,100) |
| Total Administration Adjudication Department | 66,657 | 66,657 | 47,665 | (18,992) |
| Community Development | | | | |
| Personal Services | 1,778,578 | 1,778,578 | 1,702,729 | (75,849) |
| Contractual Services | 877,679 | 877,679 | 472,748 | (404,931) |
| Materials and Supplies | 21,334 | 21,334 | 21,610 | 276 |
| Total Community Development | 2,677,591 | 2,677,591 | 2,197,087 | (480,504) |
| Information Technology | | | | |
| Personal Services | 217,905 | 217,905 | 193,358 | (24,547) |
| Contractual Services | 739,397 | 739,397 | 612,608 | (126,789) |
| Materials and Supplies | 523,814 | 523,814 | 480,224 | (43,590) |
| Total Information Technology | 1,481,116 | 1,481,116 | 1,286,190 | (194,926) |
| Total General Government | 7,520,814 | 7,545,814 | 6,766,540 | (779,274) |

(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, 2024

| | Original Budget | Final Budget | Actual | Variance Over (Under) |
|----------------------------------|----------------------------|-------------------------|-------------------|--------------------------------------|
| PUBLIC SAFETY | | | | |
| Police Department | | | | |
| Personal Services | \$ 9,923,096 | \$ 9,923,096 | \$ 9,761,375 | \$ (161,721) |
| Contractual Services | 1,617,595 | 1,617,595 | 1,430,507 | (187,088) |
| Materials and Supplies | 388,748 | 388,748 | 370,255 | (18,493) |
| Total Police Department | <u>11,929,439</u> | <u>11,929,439</u> | <u>11,562,137</u> | <u>(367,302)</u> |
| Pension Obligation | | | | |
| Police Pension Contribution | 3,481,415 | 3,481,415 | 3,482,254 | 839 |
| Fire Pension Contribution | 2,285,632 | 2,285,632 | 2,286,134 | 502 |
| Total Pension Obligation | <u>5,767,047</u> | <u>5,767,047</u> | <u>5,768,388</u> | <u>1,341</u> |
| Fire and Police Commission | | | | |
| Contractual Services | 36,614 | 36,614 | 42,538 | 5,924 |
| Total Fire and Police Commission | <u>36,614</u> | <u>36,614</u> | <u>42,538</u> | <u>5,924</u> |
| Total Public Safety | <u>17,733,100</u> | <u>17,733,100</u> | <u>17,373,063</u> | <u>(360,037)</u> |
| HIGHWAY AND STREETS | | | | |
| Engineering Department | | | | |
| Personal Services | 1,120,554 | 1,120,554 | 1,060,180 | (60,374) |
| Contractual Services | 256,280 | 256,280 | 185,798 | (70,482) |
| Materials and Supplies | 31,870 | 31,870 | 26,345 | (5,525) |
| Total Engineering Department | <u>1,408,704</u> | <u>1,408,704</u> | <u>1,272,323</u> | <u>(136,381)</u> |
| Street Department | | | | |
| Personal Services | 1,843,622 | 1,843,622 | 1,686,286 | (157,336) |
| Contractual Services | 1,632,230 | 1,632,230 | 1,564,985 | (67,245) |
| Materials and Supplies | 315,553 | 315,553 | 271,643 | (43,910) |
| Total Street Department | <u>3,791,405</u> | <u>3,791,405</u> | <u>3,522,914</u> | <u>(268,491)</u> |
| Fleet Services | | | | |
| Personal Services | 662,223 | 662,223 | 572,382 | (89,841) |
| Contractual Services | 86,284 | 86,284 | 115,291 | 29,007 |
| Materials and Supplies | 20,762 | 20,762 | 24,808 | 4,046 |
| Total Fleet Services | <u>769,269</u> | <u>769,269</u> | <u>712,481</u> | <u>(56,788)</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, 2024

| | Original Budget | Final Budget | Actual | Variance Over (Under) |
|--|-----------------------------|-----------------------------|-----------------------------|--------------------------------------|
| HIGHWAY AND STREETS (Continued) | | | | |
| Facility Services | | | | |
| Personal Services | \$ 252,715 | \$ 252,715 | \$ 254,749 | \$ 2,034 |
| Contractual Services | 655,871 | 655,871 | 399,227 | (256,644) |
| Materials and Supplies | 4,824 | 4,824 | 2,383 | (2,441) |
| Total Facility Services | <u>913,410</u> | <u>913,410</u> | <u>656,359</u> | <u>(257,051)</u> |
| Total Highways and Streets | <u>6,882,788</u> | <u>6,882,788</u> | <u>6,164,077</u> | <u>(718,711)</u> |
| CULTURE AND RECREATION | | | | |
| Park Operations | | | | |
| Personal Services | 470,953 | 470,953 | 434,706 | (36,247) |
| Contractual Services | 279,925 | 279,925 | 291,392 | 11,467 |
| Materials and Supplies | 95,725 | 95,725 | 175,148 | 79,423 |
| Total Three Oaks Recreation | <u>846,603</u> | <u>846,603</u> | <u>901,246</u> | <u>54,643</u> |
| Total Culture and Recreation | <u>846,603</u> | <u>846,603</u> | <u>901,246</u> | <u>54,643</u> |
| DEBT SERVICE | | | | |
| Principal | 41,997 | 41,997 | 41,997 | - |
| Interest and Fees | 10,927 | 10,927 | 10,720 | (207) |
| Total Debt Service | <u>52,924</u> | <u>52,924</u> | <u>52,717</u> | <u>(207)</u> |
| TOTAL EXPENDITURES | <u><u>\$ 33,036,229</u></u> | <u><u>\$ 33,061,229</u></u> | <u><u>\$ 31,257,643</u></u> | <u><u>\$ (1,803,586)</u></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, 2024

| | Original Budget | Final Budget | Actual | Variance Over (Under) |
|--|----------------------------|-------------------------|----------------------|--------------------------------------|
| REVENUES | | | | |
| Licenses and Permits | \$ 60,000 | \$ 60,000 | \$ 81,800 | \$ 21,800 |
| Other Taxes | 208,567 | 208,567 | 238,314 | 29,747 |
| Miscellaneous Income | 687,215 | 687,215 | 99,873 | (587,342) |
| Total Revenues | 955,782 | 955,782 | 419,987 | (535,795) |
| EXPENDITURES | | | | |
| Debt Service | | | | |
| Principal | 715,534 | 715,534 | 658,004 | (57,530) |
| Interest | 78,172 | 78,172 | 60,069 | (18,103) |
| Capital Outlay | | | | |
| Information Technology | 871,200 | 871,200 | 396,696 | (474,504) |
| Police | 1,365,572 | 1,365,572 | 993,009 | (372,563) |
| Streets | 7,772,925 | 7,772,925 | 3,627,672 | (4,145,253) |
| Road Reconstruction | 2,175,000 | 2,175,000 | 2,029,915 | (145,085) |
| Community Development | 539,000 | 539,000 | 116,040 | (422,960) |
| Engineering | 4,595,345 | 4,595,345 | 1,970,538 | (2,624,807) |
| Fleet and Facility Services | 3,611,644 | 3,611,644 | 2,557,533 | (1,054,111) |
| Fire Rescue | 1,559,011 | 1,559,011 | 915,980 | (643,031) |
| Parks Operations | 982,000 | 982,000 | 540,778 | (441,222) |
| Administration | 40,000 | 40,000 | 12,625 | (27,375) |
| Total Expenditures | 24,305,403 | 24,305,403 | 13,878,859 | (10,426,544) |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (23,349,621) | (23,349,621) | (13,458,872) | 9,890,749 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Leases Issued | 830,563 | 830,563 | 491,512 | (339,051) |
| Transfers In (Out) | 9,947,362 | 9,947,362 | 9,512,816 | (434,546) |
| Total Other Financing Sources (Uses) | 10,777,925 | 10,777,925 | 10,004,328 | (773,597) |
| NET CHANGE IN FUND BALANCE | \$ (12,571,696) | \$ (12,571,696) | (3,454,544) | \$ 9,117,152 |
| FUND BALANCE, MAY 1 | | | 19,549,643 | |
| FUND BALANCE, APRIL 30 | | | \$ 16,095,099 | |

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

CITY OF CRYSTAL LAKE, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2024

| | Special Revenue | Debt Service | Capital Projects | Total Nonmajor Governmental Funds |
|---|----------------------------|-------------------------|-----------------------------|--|
| ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | | | | |
| ASSETS | | | | |
| Cash and Investments | \$ 8,893,800 | \$ - | \$ 6,233,084 | \$ 15,126,884 |
| Receivables | | | | |
| Property Taxes | 1,372,821 | - | 443,343 | 1,816,164 |
| Accounts Receivable | 147,699 | - | - | 147,699 |
| Other | 76,394 | - | 134,530 | 210,924 |
| Due from Other Governments | 161,241 | - | - | 161,241 |
| Due from Other Funds | 80 | - | - | 80 |
| Total Assets | 10,652,035 | - | 6,810,957 | 17,462,992 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| None | - | - | - | - |
| Total Deferred Outflows of Resources | - | - | - | - |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | \$ 10,652,035 | \$ - | \$ 6,810,957 | \$ 17,462,992 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts Payable | \$ 115,854 | \$ - | \$ 3,745 | \$ 119,599 |
| Recapture Fees Payable | - | - | 75,566 | 75,566 |
| Due to Other Funds | 481,092 | - | 98,720 | 579,812 |
| Advances due to other funds | - | - | 186,773 | 186,773 |
| Total Liabilities | 596,946 | - | 364,804 | 961,750 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Deferred Revenue - Property Taxes | 1,372,821 | - | 443,343 | 1,816,164 |
| Total Deferred Inflows of Resources | 1,372,821 | - | 443,343 | 1,816,164 |
| Total Liabilities and Deferred Inflows of Resources | 1,969,767 | - | 808,147 | 2,777,914 |

(This statement is continued on the following page.)

CITY OF CRYSTAL LAKE, ILLINOIS

COMBINING BALANCE SHEET (Continued)
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2024

| | Special Revenue | Debt Service | Capital Projects | Total Nonmajor Governmental Funds |
|---|----------------------------|-------------------------|-----------------------------|--|
| FUND BALANCES | | | | |
| Restricted | | | | |
| IMRF/FICA | \$ 1,064,479 | \$ - | | \$ 1,064,479 |
| Public Safety | 785,580 | - | - | 785,580 |
| Park Development | - | - | 1,996,142 | 1,996,142 |
| Parking | 72,771 | - | - | 72,771 |
| Highway and Street Maintenance | 6,536,900 | - | - | 6,536,900 |
| Capital Improvement Projects | - | - | 193,441 | 193,441 |
| Unrestricted | | | | |
| Assigned | | | | |
| Special Revenue Funds | 222,538 | - | - | 222,538 |
| Capital | - | - | 4,000,000 | 4,000,000 |
| Unassigned (Deficit) | - | - | (186,773) | (186,773) |
| Total Fund Balances | <u>8,682,268</u> | <u>-</u> | <u>6,002,810</u> | <u>14,685,078</u> |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | <u>\$ 10,652,035</u> | <u>\$ -</u> | <u>\$ 6,810,957</u> | <u>\$ 17,462,992</u> |

(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, 2024

| | Special Revenue | Debt Service | Capital Projects | Total Nonmajor Governmental Funds |
|--|----------------------------|-------------------------|-----------------------------|--|
| REVENUES | | | | |
| Charges for Services | \$ 110,298 | \$ - | \$ - | \$ 110,298 |
| Licenses and Permits | 154,605 | - | - | 154,605 |
| Intergovernmental | 1,908,923 | - | 608,083 | 2,517,006 |
| Fines and Forfeitures | 96,947 | - | - | 96,947 |
| Property Taxes | 1,821,234 | - | 320,203 | 2,141,437 |
| Other Taxes | 63,977 | - | - | 63,977 |
| Investment Income | 240,880 | 87 | 1,615 | 242,582 |
| Miscellaneous | 113,015 | - | 79,766 | 192,781 |
| Total Revenues | 4,509,879 | 87 | 1,009,667 | 5,519,633 |
| EXPENDITURES | | | | |
| Current Operating | | | | |
| General Government | 1,055,919 | 285,966 | 55,646 | 1,397,531 |
| Public Safety | 393,567 | - | - | 393,567 |
| Highways and Streets | 1,034,064 | - | - | 1,034,064 |
| Culture and Recreation | 13,460 | - | - | 13,460 |
| Debt Service | | | | |
| Principal | - | 781,850 | - | 781,850 |
| Interest and Fiscal Charges | - | 240,434 | - | 240,434 |
| Total Expenditures | 2,497,010 | 1,308,250 | 55,646 | 3,860,906 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | 2,012,869 | (1,308,163) | 954,021 | 1,658,727 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | - | 1,022,787 | 4,043,574 | 5,066,361 |
| Transfers (Out) | (3,512,816) | (43,679) | (336,611) | (3,893,106) |
| Total Other Financing Sources (Uses) | (3,512,816) | 979,108 | 3,706,963 | 1,173,255 |
| NET CHANGE IN FUND BALANCES | (1,499,947) | (329,055) | 4,660,984 | 2,831,982 |
| FUND BALANCES, MAY 1 | 10,182,215 | 329,055 | 1,341,826 | 11,853,096 |
| FUND BALANCES, APRIL 30 | \$ 8,682,268 | \$ - | \$ 6,002,810 | \$ 14,685,078 |

(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.

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, 2024

| | Motor Fuel Tax | IMRF/ FICA | Road/ Vehicle License | School Crossing Guard |
|---|---------------------------|-----------------------|--------------------------------------|--------------------------------------|
| ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | | | | |
| ASSETS | | | | |
| Cash and Investments | \$ 6,815,753 | \$ 1,064,403 | \$ 104,169 | \$ 120,993 |
| Receivables | | | | |
| Property Taxes, Net | - | 1,297,603 | - | 75,218 |
| Accounts Receivable | 91,070 | - | - | - |
| Other | 25,623 | 76 | 8 | 26,973 |
| Due from Other Governments | 144,830 | - | - | - |
| Due from Other Funds | - | - | - | - |
| Total Assets | 7,077,276 | 2,362,082 | 104,177 | 223,184 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| None | - | - | - | - |
| Total Deferred Outflows of Resources | - | - | - | - |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | \$ 7,077,276 | \$ 2,362,082 | \$ 104,177 | \$ 223,184 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts Payable | \$ 62,690 | \$ - | \$ 2,178 | \$ 27,427 |
| Due to Other Funds | 481,032 | - | - | - |
| Total Liabilities | 543,722 | - | 2,178 | 27,427 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Deferred Revenue - Property Tax | - | 1,297,603 | - | 75,218 |
| Total Deferred Inflows of Resources | - | 1,297,603 | - | 75,218 |
| Total Liabilities and Deferred Inflows of Resources | 543,722 | 1,297,603 | 2,178 | 102,645 |
| FUND BALANCES | | | | |
| Restricted | | | | |
| IMRF/FICA | - | 1,064,479 | - | - |
| Public Safety | - | - | - | - |
| Parking | - | - | - | - |
| Highway and Street Maintenance | 6,533,554 | - | - | - |
| Assigned | - | - | 101,999 | 120,539 |
| Total Fund Balances | 6,533,554 | 1,064,479 | 101,999 | 120,539 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | \$ 7,077,276 | \$ 2,362,082 | \$ 104,177 | \$ 223,184 |

| Restricted Police | Commuter Parking | SSA 47 | Total |
|------------------------------|-----------------------------|-----------------|----------------------|
| \$ 778,789 | \$ 5,598 | \$ 4,095 | \$ 8,893,800 |
| - | - | - | 1,372,821 |
| - | 56,629 | - | 147,699 |
| 8,563 | 15,151 | - | 76,394 |
| 16,411 | - | - | 161,241 |
| - | 80 | - | 80 |
| <u>803,763</u> | <u>77,458</u> | <u>4,095</u> | <u>10,652,035</u> |
| - | - | - | - |
| - | - | - | - |
| <u>\$ 803,763</u> | <u>\$ 77,458</u> | <u>\$ 4,095</u> | <u>\$ 10,652,035</u> |
| \$ 18,183 | \$ 4,627 | \$ 749 | \$ 115,854 |
| - | 60 | - | 481,092 |
| <u>18,183</u> | <u>4,687</u> | <u>749</u> | <u>596,946</u> |
| - | - | - | 1,372,821 |
| - | - | - | 1,372,821 |
| <u>18,183</u> | <u>4,687</u> | <u>749</u> | <u>1,969,767</u> |
| - | - | - | 1,064,479 |
| 785,580 | - | - | 785,580 |
| - | 72,771 | - | 72,771 |
| - | - | 3,346 | 6,536,900 |
| - | - | - | 222,538 |
| <u>785,580</u> | <u>72,771</u> | <u>3,346</u> | <u>8,682,268</u> |
| <u>\$ 803,763</u> | <u>\$ 77,458</u> | <u>\$ 4,095</u> | <u>\$ 10,652,035</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, 2024

| | Motor Fuel Tax | IMRF/ FICA | Road/ Vehicle License | School Crossing Guard |
|--|---------------------------|-----------------------|--------------------------------------|--------------------------------------|
| REVENUES | | | | |
| Charges for Service | \$ - | \$ - | \$ - | \$ - |
| Licenses and Permits | - | - | 154,605 | - |
| Intergovernmental | 1,797,521 | - | - | - |
| Fines and Forfeitures | - | - | - | - |
| Property Taxes | - | 1,263,758 | 484,460 | 71,816 |
| Other Taxes | - | - | - | - |
| Investment Income | 238,775 | 1,679 | 220 | 158 |
| Miscellaneous | 17,515 | - | 5,927 | 63,417 |
| Total Revenues | 2,053,811 | 1,265,437 | 645,212 | 135,391 |
| EXPENDITURES | | | | |
| General Government | - | 888,348 | - | - |
| Public Safety | - | 148,058 | - | 126,834 |
| Highways and Streets | 697,127 | 296,116 | 40,821 | - |
| Culture and Recreation | - | 13,460 | - | - |
| Total Expenditures | 697,127 | 1,345,982 | 40,821 | 126,834 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | 1,356,684 | (80,545) | 604,391 | 8,557 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers (Out) | (2,940,466) | - | (572,350) | - |
| Total Other Financing Sources (Uses) | (2,940,466) | - | (572,350) | - |
| NET CHANGE IN FUND BALANCES | (1,583,782) | (80,545) | 32,041 | 8,557 |
| FUND BALANCES, MAY 1 | 8,117,336 | 1,145,024 | 69,958 | 111,982 |
| FUND BALANCES, APRIL 30 | \$ 6,533,554 | \$ 1,064,479 | \$ 101,999 | \$ 120,539 |

| Restricted Police | Commuter Parking | SSA 47 | Total |
|------------------------------|-----------------------------|-----------------|---------------------|
| \$ - | \$ 110,298 | \$ - | \$ 110,298 |
| - | - | - | 154,605 |
| 111,402 | - | - | 1,908,923 |
| - | 96,947 | - | 96,947 |
| - | - | 1,200 | 1,821,234 |
| 63,977 | - | - | 63,977 |
| - | 43 | 5 | 240,880 |
| 26,156 | - | - | 113,015 |
| 201,535 | 207,288 | 1,205 | 4,509,879 |
| - | 166,446 | 1,125 | 1,055,919 |
| 118,675 | - | - | 393,567 |
| - | - | - | 1,034,064 |
| - | - | - | 13,460 |
| 118,675 | 166,446 | 1,125 | 2,497,010 |
| 82,860 | 40,842 | 80 | 2,012,869 |
| - | - | - | (3,512,816) |
| - | - | - | (3,512,816) |
| 82,860 | 40,842 | 80 | (1,499,947) |
| 702,720 | 31,929 | 3,266 | 10,182,215 |
| \$ 785,580 | \$ 72,771 | \$ 3,346 | \$ 8,682,268 |

(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, 2024

| | Original Budget | Final Budget | Actual | Variance Over (Under) |
|---|----------------------------|-------------------------|---------------------|--------------------------------------|
| REVENUES | | | | |
| Intergovernmental | \$ 1,860,249 | \$ 1,860,249 | \$ 1,797,521 | \$ (62,728) |
| Investment Income | 20,000 | 20,000 | 238,775 | 218,775 |
| Miscellaneous | 49,035 | 49,035 | 17,515 | (31,520) |
| Total Revenues | 1,929,284 | 1,929,284 | 2,053,811 | 124,527 |
| EXPENDITURES | | | | |
| Highway and Streets | | | | |
| Contractual Services | 227,500 | 227,500 | 150,215 | (77,285) |
| Materials and Supplies | 733,000 | 733,000 | 546,912 | (186,088) |
| Total Expenditures | 960,500 | 960,500 | 697,127 | (263,373) |
| EXCESS OF REVENUES OVER EXPENDITURES | 968,784 | 968,784 | 1,356,684 | 387,900 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers (Out) | (6,335,832) | (6,335,832) | (2,940,466) | 3,395,366 |
| Total Other Financing Sources (Uses) | (6,335,832) | (6,335,832) | (2,940,466) | 3,395,366 |
| NET CHANGE IN FUND BALANCE | \$ (5,367,048) | \$ (5,367,048) | (1,583,782) | \$ 3,783,266 |
| FUND BALANCE, MAY 1 | | | 8,117,336 | |
| FUND BALANCE, APRIL 30 | | | \$ 6,533,554 | |

(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, 2024

| | Original Budget | Final Budget | Actual | Variance Over (Under) |
|-----------------------------------|----------------------------|-------------------------|---------------------|--------------------------------------|
| REVENUES | | | | |
| Property Taxes | \$ 1,272,510 | \$ 1,272,510 | \$ 1,263,758 | \$ (8,752) |
| Investment Income | 2,000 | 2,000 | 1,679 | (321) |
| Total Revenues | 1,274,510 | 1,274,510 | 1,265,437 | (9,073) |
| EXPENDITURES | | | | |
| Personnel Services | | | | |
| General Government | 1,007,471 | 1,007,471 | 888,348 | (119,123) |
| Public Safety | 167,912 | 167,912 | 148,058 | (19,854) |
| Highways and Streets | 335,824 | 335,824 | 296,116 | (39,708) |
| Culture and Recreation | 15,265 | 15,265 | 13,460 | (1,805) |
| Total Expenditures | 1,526,472 | 1,526,472 | 1,345,982 | (180,490) |
| NET CHANGE IN FUND BALANCE | \$ (251,962) | \$ (251,962) | (80,545) | \$ 171,417 |
| FUND BALANCE, MAY 1 | | | <u>1,145,024</u> | |
| FUND BALANCE, APRIL 30 | | | <u>\$ 1,064,479</u> | |

(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, 2024

| | Original Budget | Final Budget | Actual | Variance Over (Under) |
|---|----------------------------|-------------------------|-------------------|--------------------------------------|
| REVENUES | | | | |
| Licenses and Permits | \$ 170,000 | \$ 170,000 | \$ 154,605 | \$ (15,395) |
| Property Taxes | 453,000 | 453,000 | 484,460 | 31,460 |
| Investment Income | 100 | 100 | 220 | 120 |
| Miscellaneous | - | - | 5,927 | 5,927 |
| Total Revenues | 623,100 | 623,100 | 645,212 | 22,112 |
| EXPENDITURES | | | | |
| Highways and Streets | 50,750 | 50,750 | 40,821 | (9,929) |
| Total Expenditures | 50,750 | 50,750 | 40,821 | (9,929) |
| EXCESS OF REVENUES OVER EXPENDITURES | 572,350 | 572,350 | 604,391 | 32,041 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers (Out) | (572,350) | (572,350) | (572,350) | - |
| Total Other Financing Sources (Uses) | (572,350) | (572,350) | (572,350) | - |
| NET CHANGE IN FUND BALANCE | \$ - | \$ - | 32,041 | \$ 32,041 |
| FUND BALANCE, MAY 1 | | | <u>69,958</u> | |
| FUND BALANCE, APRIL 30 | | | <u>\$ 101,999</u> | |

(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, 2024

| | Original Budget | Final Budget | Actual | Variance Over (Under) |
|-------------------------------|----------------------------|-------------------------|--------------------------|--------------------------------------|
| REVENUES | | | | |
| Property Taxes | \$ 71,900 | \$ 71,900 | \$ 71,816 | \$ (84) |
| Investment Income | 100 | 100 | 158 | 58 |
| Miscellaneous | 71,900 | 71,900 | 63,417 | (8,483) |
| | <hr/> | | | |
| Total Revenues | 143,900 | 143,900 | 135,391 | (8,509) |
| <hr/> | | | | |
| EXPENDITURES | | | | |
| Public Safety | | | | |
| Contractual Services | 143,799 | 143,799 | 126,834 | (16,965) |
| | <hr/> | | | |
| Total Expenditures | 143,799 | 143,799 | 126,834 | (16,965) |
| <hr/> | | | | |
| NET CHANGE IN FUND BALANCE | <u>\$ 101</u> | <u>\$ 101</u> | 8,557 | <u>\$ 8,456</u> |
| | | | | |
| FUND BALANCE, MAY 1 | | | <u>111,982</u> | |
| | | | | |
| FUND BALANCE, APRIL 30 | | | <u><u>\$ 120,539</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, 2024

| | Original Budget | Final Budget | Actual | Variance Over (Under) |
|-----------------------------------|----------------------------|-------------------------|--------------------------|--------------------------------------|
| REVENUES | | | | |
| Intergovernmental | \$ 45,500 | \$ 45,500 | \$ 111,402 | \$ 65,902 |
| Other Taxes | 60,000 | 60,000 | 63,977 | 3,977 |
| Miscellaneous Income | 500 | 500 | 26,156 | 25,656 |
| Total Revenues | 106,000 | 106,000 | 201,535 | 95,535 |
| EXPENDITURES | | | | |
| Public Safety | | | | |
| Miscellaneous | 164,997 | 164,997 | 118,675 | (46,322) |
| Total Expenditures | 164,997 | 164,997 | 118,675 | (46,322) |
| NET CHANGE IN FUND BALANCE | \$ (58,997) | \$ (58,997) | 82,860 | \$ 141,857 |
| FUND BALANCE, MAY 1 | | | <u>702,720</u> | |
| FUND BALANCE, APRIL 30 | | | <u><u>\$ 785,580</u></u> | |

(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, 2024

| | Original Budget | Final Budget | Actual | Variance Over (Under) |
|--|----------------------------|-------------------------|------------------|--------------------------------------|
| REVENUES | | | | |
| Charges for Services | \$ 75,000 | \$ 75,000 | \$ 110,298 | \$ 35,298 |
| Fines and Forfeitures | 50,000 | 50,000 | 96,947 | 46,947 |
| Investment Income | - | - | 43 | 43 |
| Total Revenues | 125,000 | 125,000 | 207,288 | 82,288 |
| EXPENDITURES | | | | |
| General Government | | | | |
| Personnel Services | 131,252 | 131,252 | 131,252 | - |
| Contractual Services | 142,078 | 142,078 | 32,148 | (109,930) |
| Materials and Supplies | 4,619 | 4,619 | 3,046 | (1,573) |
| Total Expenditures | 277,949 | 277,949 | 166,446 | (111,503) |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (152,949) | (152,949) | 40,842 | 193,791 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 152,949 | 152,949 | - | (152,949) |
| Total Other Financing Sources (Uses) | 152,949 | 152,949 | - | (152,949) |
| NET CHANGE IN FUND BALANCE | \$ - | \$ - | 40,842 | \$ 40,842 |
| FUND BALANCE, MAY 1 | | | 31,929 | |
| FUND BALANCE, APRIL 30 | | | \$ 72,771 | |

(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, 2024

| | Special Assessment No. 149 | Crystal Heights Debt Service | Three Oaks Debt Service | Total |
|---|---|---|--|--------------|
| ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | | | | |
| ASSETS | | | | |
| None | \$ - | \$ - | \$ - | \$ - |
| Total Assets | - | - | - | - |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| None | - | - | - | - |
| Total Deferred Outflows of Resources | - | - | - | - |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | \$ - | \$ - | \$ - | \$ - |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| None | \$ - | \$ - | \$ - | \$ - |
| Total Liabilities | - | - | - | - |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| None | - | - | - | - |
| Total Deferred Inflows of Resources | - | - | - | - |
| Total Liabilities and Deferred Inflows of Resources | - | - | - | - |
| FUND BALANCES | | | | |
| None | - | - | - | - |
| Total Fund Balances | - | - | - | - |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | \$ - | \$ - | \$ - | \$ - |

(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, 2024

| | Special Assessment No. 149 | Crystal Heights Debt Service | Three Oaks Debt Service | Total |
|--|---|---|--|--------------|
| REVENUES | | | | |
| Investment Income | \$ - | \$ 87 | \$ - | \$ 87 |
| Total Revenues | - | 87 | - | 87 |
| EXPENDITURES | | | | |
| General Government | | | | |
| Contractual | - | - | 503 | 503 |
| Other | - | 285,463 | - | 285,463 |
| Debt Service | | | | |
| Principal Retirement | - | - | 781,850 | 781,850 |
| Interest and Fiscal Charges | - | - | 240,434 | 240,434 |
| Total Expenditures | - | 285,463 | 1,022,787 | 1,308,250 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | - | (285,376) | (1,022,787) | (1,308,163) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | - | - | 1,022,787 | 1,022,787 |
| Transfers (Out) | (43,573) | (106) | - | (43,679) |
| Total Other Financing Sources (Uses) | (43,573) | (106) | 1,022,787 | 979,108 |
| NET CHANGE IN FUND BALANCES | (43,573) | (285,482) | - | (329,055) |
| FUND BALANCES, MAY 1 | 43,573 | 285,482 | - | 329,055 |
| FUND BALANCES, 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 DEBT SERVICE FUND**

For the Year Ended April 30, 2024

| | Original Budget | Final Budget | Actual | Variance Over (Under) |
|--|----------------------------|-------------------------|---------------|--------------------------------------|
| REVENUES | | | | |
| None | \$ - | \$ - | \$ - | \$ - |
| Total Revenues | - | - | - | - |
| EXPENDITURES | | | | |
| General Government | | | | |
| Contractual | 1,000 | 1,000 | 503 | (497) |
| Debt Service | | | | |
| Principal Retirement | 781,850 | 781,850 | 781,850 | - |
| Interest and Fiscal Charges | 240,435 | 240,435 | 240,434 | (1) |
| Total Expenditures | 1,023,285 | 1,023,285 | 1,022,787 | (498) |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (1,023,285) | (1,023,285) | (1,022,787) | 498 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In (Out) | 1,023,285 | 1,023,285 | 1,022,787 | (498) |
| Total Other Financing Sources (Uses) | 1,023,285 | 1,023,285 | 1,022,787 | (498) |
| 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.

Waters Edge TIF Project Fund - To account for the initial planning and engineering design services of the Waters Edge TIF.

Vehicle Replacement Fund - To account for operations related to City vehicle replacement.

CITY OF CRYSTAL LAKE, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS

April 30, 2024

| | Main Street TIF Construction | Virginia Street Corridor TIF | Vulcan Lakes TIF District |
|---|---|---|--|
| ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | | | |
| ASSETS | | | |
| Cash and Investments | \$ 85,566 | \$ - | \$ - |
| Receivables | | | |
| Property Taxes, Net | 64,856 | 202,074 | 125,736 |
| Other | 6 | - | - |
| | <hr/> | <hr/> | <hr/> |
| Total Assets | 150,428 | 202,074 | 125,736 |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| None | <hr/> | <hr/> | <hr/> |
| Total Deferred Outflows of Resources | <hr/> | <hr/> | <hr/> |
| | <hr/> | <hr/> | <hr/> |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | \$ 150,428 | \$ 202,074 | \$ 125,736 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | |
| LIABILITIES | | | |
| Accounts Payable | \$ - | \$ - | \$ - |
| Recapture Fees Payable | - | - | - |
| Due to Other Funds | - | - | - |
| Advances Due to Other Funds | - | - | - |
| | <hr/> | <hr/> | <hr/> |
| Total Liabilities | <hr/> | <hr/> | <hr/> |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Deferred Revenue - Property Tax | <hr/> | <hr/> | <hr/> |
| | 64,856 | 202,074 | 125,736 |
| | <hr/> | <hr/> | <hr/> |
| Total Deferred Inflows of Resources | 64,856 | 202,074 | 125,736 |
| | <hr/> | <hr/> | <hr/> |
| Total Liabilities and Deferred Inflows of Resources | 64,856 | 202,074 | 125,736 |
| | <hr/> | <hr/> | <hr/> |
| FUND BALANCES | | | |
| Restricted | | | |
| Park Development | - | - | - |
| Capital Improvements | 85,572 | - | - |
| Assigned | | | |
| Capital | - | - | - |
| Unassigned (Deficit) | - | - | - |
| | <hr/> | <hr/> | <hr/> |
| Total Fund Balances (Deficit) | 85,572 | - | - |
| | <hr/> | <hr/> | <hr/> |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | \$ 150,428 | \$ 202,074 | \$ 125,736 |

| Three Oaks Development | NCLPB Project Fund | Waters Edge TIF Project | Vehicle Replacement | Total |
|-----------------------------------|-------------------------------|------------------------------------|--------------------------------|--------------|
| \$ 2,094,755 | \$ 49,018 | \$ 3,745 | \$ 4,000,000 | \$ 6,233,084 |
| - | - | 50,677 | - | 443,343 |
| 107 | 134,417 | - | - | 134,530 |
| 2,094,862 | 183,435 | 54,422 | 4,000,000 | 6,810,957 |
| - | - | - | - | - |
| - | - | - | - | - |
| \$ 2,094,862 | \$ 183,435 | \$ 54,422 | \$ 4,000,000 | \$ 6,810,957 |
| \$ - | \$ - | \$ 3,745 | \$ - | 3,745 |
| - | 75,566 | - | - | 75,566 |
| 98,720 | - | - | - | 98,720 |
| - | - | 186,773 | - | 186,773 |
| 98,720 | 75,566 | 190,518 | - | 364,804 |
| - | - | 50,677 | - | 443,343 |
| - | - | 50,677 | - | 443,343 |
| 98,720 | 75,566 | 241,195 | - | 808,147 |
| 1,996,142 | - | - | - | 1,996,142 |
| - | 107,869 | - | - | 193,441 |
| - | - | - | 4,000,000 | 4,000,000 |
| - | - | (186,773) | - | (186,773) |
| 1,996,142 | 107,869 | (186,773) | 4,000,000 | 6,002,810 |
| \$ 2,094,862 | \$ 183,435 | \$ 54,422 | \$ 4,000,000 | \$ 6,810,957 |

(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, 2024

| | Main Street TIF Project | Virginia Street Corridor TIF Project | Vulcan Lakes TIF Project |
|--|--|---|---|
| REVENUES | | | |
| Property Tax | \$ 48,640 | \$ 150,984 | \$ 88,484 |
| Investment Income | 89 | 36 | 27 |
| Intergovernmental | - | - | - |
| Miscellaneous Income | - | - | - |
| Total Revenues | <u>48,729</u> | <u>151,020</u> | <u>88,511</u> |
| EXPENDITURES | | | |
| General Government | | | |
| Contractual | 820 | 820 | 820 |
| Other | - | - | - |
| Total Expenditures | <u>820</u> | <u>820</u> | <u>820</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <u>47,909</u> | <u>150,200</u> | <u>87,691</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers In | - | - | - |
| Transfers (Out) | - | (150,200) | (87,691) |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>(150,200)</u> | <u>(87,691)</u> |
| NET CHANGE IN FUND BALANCES | 47,909 | - | - |
| FUND BALANCES (DEFICIT), MAY 1 | <u>37,663</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES (DEFICIT), APRIL 30 | <u><u>\$ 85,572</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> |

| Three Oaks Development | NCLPB Project Fund | Waters Edge TIF Project | Vehicle Replacement | Total |
|-----------------------------------|-------------------------------|------------------------------------|--------------------------------|--------------|
| \$ - | \$ - | \$ 32,095 | \$ - | \$ 320,203 |
| 1,456 | - | 7 | - | 1,615 |
| 608,083 | - | - | - | 608,083 |
| - | 79,766 | - | - | 79,766 |
| 609,539 | 79,766 | 32,102 | - | 1,009,667 |
| - | - | 37,684 | - | 40,144 |
| - | 15,502 | - | - | 15,502 |
| - | 15,502 | 37,684 | - | 55,646 |
| 609,539 | 64,264 | (5,582) | - | 954,021 |
| - | 43,574 | - | 4,000,000 | 4,043,574 |
| (98,720) | - | - | - | (336,611) |
| (98,720) | 43,574 | - | 4,000,000 | 3,706,963 |
| 510,819 | 107,838 | (5,582) | 4,000,000 | 4,660,984 |
| 1,485,323 | 31 | (181,191) | - | 1,341,826 |
| \$ 1,996,142 | \$ 107,869 | \$ (186,773) | \$ 4,000,000 | \$ 6,002,810 |

(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, 2024

| | Original Budget | Final Budget | Actual | Variance Over (Under) |
|---|----------------------------|-------------------------|------------------|--------------------------------------|
| REVENUES | | | | |
| Property Taxes | \$ 40,000 | \$ 40,000 | \$ 48,640 | \$ 8,640 |
| Investment Income | - | - | 89 | 89 |
| Total Revenues | 40,000 | 40,000 | 48,729 | 8,729 |
| EXPENDITURES | | | | |
| Contracted Services | 820 | 820 | 820 | - |
| Total Expenditures | 820 | 820 | 820 | - |
| EXCESS OF REVENUES OVER EXPENDITURES | 39,180 | 39,180 | 47,909 | 8,729 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers (Out) | (39,180) | (39,180) | - | 39,180 |
| Total Other Financing Sources (Uses) | (39,180) | (39,180) | - | 39,180 |
| NET CHANGE IN FUND BALANCE | \$ - | \$ - | 47,909 | \$ 47,909 |
| FUND BALANCE, MAY 1 | | | 37,663 | |
| FUND BALANCE, APRIL 30 | | | \$ 85,572 | |

(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, 2024

| | Original Budget | Final Budget | Actual | Variance Over (Under) |
|---|----------------------------|-------------------------|------------------|--------------------------------------|
| REVENUES | | | | |
| Property Taxes | \$ 140,000 | \$ 140,000 | \$ 150,984 | \$ 10,984 |
| Investment Income | - | - | 36 | 36 |
| Total Revenues | 140,000 | 140,000 | 151,020 | 11,020 |
| EXPENDITURES | | | | |
| General Governmental Contractual | 820 | 820 | 820 | - |
| Total Expenditures | 820 | 820 | 820 | - |
| EXCESS OF REVENUES OVER EXPENDITURES | 139,180 | 139,180 | 150,200 | 11,020 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers (Out) | (139,180) | (139,180) | (150,200) | (11,020) |
| Total Other Financing Sources (Uses) | (139,180) | (139,180) | (150,200) | (11,020) |
| 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, 2024

| | Original Budget | Final Budget | Actual | Variance Over (Under) |
|---|----------------------------|-------------------------|-----------------|--------------------------------------|
| REVENUES | | | | |
| Property Taxes | \$ 71,750 | \$ 71,750 | \$ 88,484 | \$ 16,734 |
| Investment Income | - | - | 27 | 27 |
| Total Revenues | 71,750 | 71,750 | 88,511 | 16,761 |
| EXPENDITURES | | | | |
| General Governmental Contractual | 820 | 820 | 820 | - |
| Total Expenditures | 820 | 820 | 820 | - |
| EXCESS OF REVENUES OVER EXPENDITURES | 70,930 | 70,930 | 87,691 | 16,761 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers (Out) | (70,930) | (70,930) | (87,691) | (16,761) |
| Total Other Financing Sources (Uses) | (70,930) | (70,930) | (87,691) | (16,761) |
| 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, 2024

| | Original Budget | Final Budget | Actual | Variance Over (Under) |
|---|----------------------------|-------------------------|------------------|--------------------------------------|
| REVENUES | | | | |
| Investment Income | \$ 500 | \$ 500 | \$ 1,456 | \$ 956 |
| Intergovernmental | - | - | 608,083 | 608,083 |
| Total Revenues | 500 | 500 | 609,539 | 609,039 |
| EXPENDITURES | | | | |
| None | - | - | - | - |
| Total Expenditures | - | - | - | - |
| EXCESS OF REVENUES OVER EXPENDITURES | 500 | 500 | 609,539 | 609,039 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers (Out) | (1,400,000) | (1,400,000) | (98,720) | 1,301,280 |
| Total Other Financing Sources (Uses) | (1,400,000) | (1,400,000) | (98,720) | 1,301,280 |
| NET CHANGE IN FUND BALANCE | \$ (1,399,500) | \$ (1,399,500) | 510,819 | \$ 1,910,319 |
| FUND BALANCE, MAY 1 | | | <u>1,485,323</u> | |
| FUND BALANCE, APRIL 30 | | | | <u><u>\$ 1,996,142</u></u> |

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
WATERS EDGE TIF PROJECT FUND**

For the Year Ended April 30, 2024

| | Original Budget | Final Budget | Actual | Variance Over (Under) |
|---|----------------------------|-------------------------|---------------------|--------------------------------------|
| REVENUES | | | | |
| Property Taxes | \$ - | \$ - | \$ 32,095 | 32,095 |
| Investment income | - | - | 7 | 7 |
| Total Revenues | - | - | 32,102 | 32,102 |
| EXPENDITURES | | | | |
| General Governmental Contractual | 45,000 | 45,000 | 37,684 | (7,316) |
| Total Expenditures | 45,000 | 45,000 | 37,684 | (7,316) |
| NET CHANGE IN FUND BALANCE | \$ (45,000) | \$ (45,000) | (5,582) | \$ 39,418 |
| FUND BALANCE (DEFICIT), MAY 1 | | | <u>(181,191)</u> | |
| FUND BALANCE (DEFICIT), APRIL 30 | | | <u>\$ (186,773)</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, 2024

| | Original Budget | Final Budget | Actual | Variance Over (Under) |
|--|----------------------------|-------------------------|-------------------|--------------------------------------|
| OPERATING REVENUES | | | | |
| Charges for Sales and Services | | | | |
| Water Sales | \$ 6,989,237 | \$ 6,989,237 | \$ 7,308,999 | \$ 319,762 |
| Sewer Sales | 6,897,293 | 6,897,293 | 6,991,688 | 94,395 |
| Penalties | 310,000 | 310,000 | 290,660 | (19,340) |
| Water Meter Fees | 45,000 | 45,000 | 119,168 | 74,168 |
| Meter Rental Fees | 7,000 | 7,000 | 20,147 | 13,147 |
| Water Turn On Fee | 10,000 | 10,000 | 14,448 | 4,448 |
| Red Tag Fee | 30,000 | 30,000 | 40,225 | 10,225 |
| Miscellaneous Income | 115,000 | 115,000 | 224,268 | 109,268 |
| Total Operating Revenues | <u>14,403,530</u> | <u>14,403,530</u> | <u>15,009,603</u> | <u>606,073</u> |
| OPERATING EXPENSES | | | | |
| Administration | 5,583,079 | 5,583,079 | 1,467,593 | (4,115,486) |
| Water Operations | 20,369,723 | 20,369,723 | 8,988,191 | (11,381,532) |
| Sewer Operations | 8,395,681 | 8,395,681 | 4,821,192 | (3,574,489) |
| Total Operating Expenses | <u>34,348,483</u> | <u>34,348,483</u> | <u>15,276,976</u> | <u>(19,071,507)</u> |
| OPERATING INCOME (LOSS) | <u>(19,944,953)</u> | <u>(19,944,953)</u> | <u>(267,373)</u> | <u>19,677,580</u> |
| NON-OPERATING REVENUES (EXPENSES) | | | | |
| IEPA Loan Proceeds | 9,061,472 | 9,061,472 | 754,482 | (8,306,990) |
| Principal payments | (4,414,660) | (4,414,660) | (3,061,734) | 1,352,926 |
| Interest Expense | (16,133) | (16,133) | (865,898) | (849,765) |
| Other Tax | 2,702,890 | 2,702,890 | 2,596,683 | (106,207) |
| Investment Income | 128,000 | 128,000 | 936,253 | 808,253 |
| Grants | 2,279,815 | 2,279,815 | 1,326,955 | (952,860) |
| Rental Income | 336,353 | 336,353 | 303,920 | (32,433) |
| Connection Fees | 625,000 | 625,000 | 1,686,553 | 1,061,553 |
| Total Non-Operating Revenues (Expenses) | <u>10,702,737</u> | <u>10,702,737</u> | <u>3,677,214</u> | <u>(7,025,523)</u> |
| NET INCOME (LOSS) BEFORE TRANSFERS | <u>(9,242,216)</u> | <u>(9,242,216)</u> | <u>3,409,841</u> | <u>12,652,057</u> |
| TRANSFERS IN (OUT) | <u>4,050,000</u> | <u>4,050,000</u> | <u>98,720</u> | <u>(3,951,280)</u> |
| NET INCOME (LOSS) - BUDGET BASIS | <u>\$ (5,192,216)</u> | <u>\$ (5,192,216)</u> | <u>3,508,561</u> | <u>\$ 8,700,777</u> |

(This schedule is continued on the following page.)

CITY OF CRYSTAL LAKE, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES AND CHANGES
 IN NET POSITION - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
 WATERWORKS AND SEWERAGE FUND

For the Year Ended April 30, 2024

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Over (Under)</u> |
|---|----------------------------|-------------------------|-----------------------------|--------------------------------------|
| ADJUSTMENTS TO GAAP BASIS | | | | |
| Capital Assets Capitalized - Water | | | \$ 3,900,763 | |
| Capital Assets Capitalized - Sewer | | | 1,392,685 | |
| Capital Assets Capitalized - Administrative | | | 548,397 | |
| Depreciation | | | (4,183,980) | |
| Amortization | | | (173,798) | |
| IEPA Loan Proceeds | | | (754,482) | |
| Principal Payments | | | 3,061,734 | |
| Well ARO Amortization | | | (9,500) | |
| Loss on Sale of Capital Assets | | | (7,196) | |
| Pension Expense | | | 169,043 | |
| OPEB Expense | | | (7,308) | |
| Change in Compensated Absences | | | <u>(24,412)</u> | |
| Total Adjustments to GAAP Basis | | | <u>3,911,946</u> | |
| CHANGE IN NET POSITION | | | 7,420,507 | |
| NET POSITION, MAY 1 | | | <u>67,146,868</u> | |
| NET POSITION, APRIL 30 | | | <u><u>\$ 74,567,375</u></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, 2024

| | Original Budget | Final Budget | Actual | Variance Over (Under) |
|-------------------------------------|----------------------------|-------------------------|----------------------------|--------------------------------------|
| OPERATING REVENUES | | | | |
| Charges for Services | | | | |
| Employer Contributions | \$ 5,176,583 | \$ 5,176,583 | \$ 5,124,229 | \$ (52,354) |
| Employee Contributions | 1,102,248 | 1,102,248 | 1,112,009 | 9,761 |
| Miscellaneous Income | 24,500 | 24,500 | 81,399 | 56,899 |
| Total Operating Revenues | 6,303,331 | 6,303,331 | 6,317,637 | 14,306 |
| OPERATING EXPENSES | | | | |
| Administration | 6,293,851 | 6,293,851 | 5,759,765 | (534,086) |
| Total Operating Expenses | 6,293,851 | 6,293,851 | 5,759,765 | (534,086) |
| OPERATING INCOME | 9,480 | 9,480 | 557,872 | 548,392 |
| NON-OPERATING REVENUES | | | | |
| Investment Income | 500 | 500 | 1,333 | 833 |
| Total Non-Operating Revenues | 500 | 500 | 1,333 | 833 |
| CHANGE IN NET POSITION | \$ 9,980 | \$ 9,980 | 559,205 | \$ 549,225 |
| NET POSITION, MAY 1 | | | <u>1,432,430</u> | |
| NET POSITION, APRIL 30 | | | <u><u>\$ 1,991,635</u></u> | |

(See independent auditor's report.)

FIDUCIARY FUNDS

CITY OF CRYSTAL LAKE, ILLINOIS

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

April 30, 2024

| | Police Pension | Firefighters' Pension | Total |
|--|------------------------------|----------------------------------|-------------------------------|
| ASSETS | | | |
| Cash and Short-Term Investments | \$ 414,991 | \$ 289,624 | \$ 704,615 |
| Investments, at Fair Value | | | |
| Investments Held in the Illinois Police Officers' Pension Investment Fund | 53,502,963 | - | 53,502,963 |
| Investments Held in the Illinois Firefighters' Pension Investment Fund | - | 56,044,583 | 56,044,583 |
| Prepaid Expenses | - | 6,862 | 6,862 |
| Total Assets | 53,917,954 | 56,341,069 | 110,259,023 |
| LIABILITIES | | | |
| Accounts Payable | 1,985 | 2,661 | 4,646 |
| Total Liabilities | 1,985 | 2,661 | 4,646 |
| NET POSITION RESTRICTED FOR PENSION BENEFITS | \$ 53,915,969 | \$ 56,338,408 | \$ 110,254,377 |

(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, 2024

| | Police Pension | Firefighters' Pension | Total |
|---|---------------------------|----------------------------------|----------------|
| ADDITIONS | | | |
| Contributions | | | |
| Employer | \$ 3,482,254 | \$ 2,286,134 | \$ 5,768,388 |
| Employee | 1,125,031 | 646,058 | 1,771,089 |
| Total Contributions | 4,607,285 | 2,932,192 | 7,539,477 |
| Investment Income | | | |
| Net Appreciation in Fair Value of Investments | 4,414,806 | 4,456,705 | 8,871,511 |
| Interest | 397,072 | 1,049,520 | 1,446,592 |
| Total Investment Income | 4,811,878 | 5,506,225 | 10,318,103 |
| Less Investment Expense | (53,964) | (61,554) | (115,518) |
| Net Investment Income | 4,757,914 | 5,444,671 | 10,202,585 |
| Total Additions | 9,365,199 | 8,376,863 | 17,742,062 |
| DEDUCTIONS | | | |
| Pension Benefits and Refunds | 4,721,701 | 2,760,245 | 7,481,946 |
| Administrative Expenses | 14,894 | 63,559 | 78,453 |
| Total Deductions | 4,736,595 | 2,823,804 | 7,560,399 |
| NET INCREASE | 4,628,604 | 5,553,059 | 10,181,663 |
| NET POSITION RESTRICTED FOR PENSION BENEFITS | | | |
| May 1 | 49,287,365 | 50,785,349 | 100,072,714 |
| April 30 | \$ 53,915,969 | \$ 56,338,408 | \$ 110,254,377 |

(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, 2024

| | Original Budget | Final Budget | Actual | Variance Over (Under) |
|---|----------------------------|-------------------------|----------------------|--------------------------------------|
| ADDITIONS | | | | |
| Contributions | | | | |
| Employer | \$ 3,481,415 | \$ 3,481,415 | \$ 3,482,254 | \$ 839 |
| Employee | 730,007 | 730,007 | 1,125,031 | 395,024 |
| Total Contributions | <u>4,211,422</u> | <u>4,211,422</u> | <u>4,607,285</u> | <u>395,863</u> |
| Investment Income | | | | |
| Net Appreciation in Fair Value of Investments | - | - | 4,414,806 | 4,414,806 |
| Interest | 1,100,000 | 1,100,000 | 397,072 | (702,928) |
| Total Investment Income | <u>1,100,000</u> | <u>1,100,000</u> | <u>4,811,878</u> | <u>3,711,878</u> |
| Less Investment Expense | <u>(110,000)</u> | <u>(110,000)</u> | <u>(53,964)</u> | <u>56,036</u> |
| Net Investment Income | <u>990,000</u> | <u>990,000</u> | <u>4,757,914</u> | <u>3,767,914</u> |
| Total Additions | <u>5,201,422</u> | <u>5,201,422</u> | <u>9,365,199</u> | <u>4,163,777</u> |
| DEDUCTIONS | | | | |
| Pension Benefits and Refunds | 4,098,584 | 4,098,584 | 4,721,701 | 623,117 |
| Administrative Expenses | 28,200 | 28,200 | 14,894 | (13,306) |
| Total Deductions | <u>4,126,784</u> | <u>4,126,784</u> | <u>4,736,595</u> | <u>609,811</u> |
| NET INCREASE | <u>\$ 1,074,638</u> | <u>\$ 1,074,638</u> | 4,628,604 | <u>\$ 3,553,966</u> |
| NET POSITION RESTRICTED FOR PENSION BENEFITS | | | | |
| May 1 | | | <u>49,287,365</u> | |
| April 30 | | | <u>\$ 53,915,969</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, 2024

| | Original Budget | Final Budget | Actual | Variance Over (Under) |
|---|----------------------------|-------------------------|----------------------|--------------------------------------|
| ADDITIONS | | | | |
| Contributions | | | | |
| Employer | \$ 2,285,632 | \$ 2,285,632 | \$ 2,286,134 | \$ 502 |
| Employee | 692,228 | 692,228 | 646,058 | (46,170) |
| Total Contributions | <u>2,977,860</u> | <u>2,977,860</u> | <u>2,932,192</u> | <u>(45,668)</u> |
| Investment Income | | | | |
| Net Appreciation in Fair Value of Investments | - | - | 4,456,705 | 4,456,705 |
| Interest | 1,100,000 | 1,100,000 | 1,049,520 | (50,480) |
| Total Investment Income | <u>1,100,000</u> | <u>1,100,000</u> | <u>5,506,225</u> | <u>4,406,225</u> |
| Less Investment Expense | <u>(150,000)</u> | <u>(150,000)</u> | <u>(61,554)</u> | <u>88,446</u> |
| Net Investment Income | <u>950,000</u> | <u>950,000</u> | <u>5,444,671</u> | <u>4,494,671</u> |
| Total Additions | <u>3,927,860</u> | <u>3,927,860</u> | <u>8,376,863</u> | <u>4,449,003</u> |
| DEDUCTIONS | | | | |
| Pension Benefits and Refunds | 2,394,275 | 2,394,275 | 2,760,245 | 365,970 |
| Administrative Expenses | 28,000 | 28,000 | 63,559 | 35,559 |
| Total Deductions | <u>2,422,275</u> | <u>2,422,275</u> | <u>2,823,804</u> | <u>401,529</u> |
| NET INCREASE | <u>\$ 1,505,585</u> | <u>\$ 1,505,585</u> | 5,553,059 | <u>\$ 4,047,474</u> |
| NET POSITION RESTRICTED FOR PENSION BENEFITS | | | | |
| May 1 | | | <u>50,785,349</u> | |
| April 30 | | | <u>\$ 56,338,408</u> | |

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

**COMBINING STATEMENT OF NET POSITION
CUSTODIAL FUNDS**

April 30, 2024

| | SSA 44 Tracy Trail | SSA 45 Bryn Mawr | SSA 46 Ryland | Total |
|---|-------------------------------|-----------------------------|--------------------------|-------------------|
| ASSETS | | | | |
| Cash and Investments | \$ 15,274 | \$ 431,805 | \$ 53,306 | \$ 500,385 |
| Accounts Receivable | 1 | - | 4 | 5 |
| Total Assets | 15,275 | 431,805 | 53,310 | 500,390 |
| LIABILITIES | | | | |
| None | - | - | - | - |
| Total Liabilities | - | - | - | - |
| NET POSITION RESTRICTED FOR DEBT SERVICE | \$ 15,275 | \$ 431,805 | \$ 53,310 | \$ 500,390 |

(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, 2024

| | SSA 44 Tracy Trail | SSA 45 Bryn Mawr | SSA 46 Ryland | Total |
|---|-------------------------------|-----------------------------|--------------------------|----------------|
| ADDITIONS | | | | |
| Contributions | | | | |
| Property Owner | \$ - | \$ - | \$ 178,273 | \$ 178,273 |
| Total Contributions | - | - | 178,273 | 178,273 |
| Investment Income | | | | |
| Interest | 15 | 20,628 | 153 | 20,796 |
| Total Investment Income | 15 | 20,628 | 153 | 20,796 |
| Total Additions | 15 | 20,628 | 178,426 | 199,069 |
| DEDUCTIONS | | | | |
| Debt Service | | | | |
| Principal | - | - | 95,000 | 95,000 |
| Interest and Fiscal Charges | - | 23,201 | 83,772 | 106,973 |
| Total Deductions | - | 23,201 | 178,772 | 201,973 |
| CHANGE IN NET POSITION | 15 | (2,573) | (346) | (2,904) |
| NET POSITION RESTRICTED FOR DEBT SERVICE | | | | |
| May 1 | 15,260 | 434,378 | 53,656 | 503,294 |
| April 30 | \$ 15,275 | \$ 431,805 | \$ 53,310 | \$ 500,390 |

(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, 2024

| | General Operating Fund | Nonmajor Governmental | Adjustments | Statement of Net Position |
|---|---------------------------------------|----------------------------------|---------------------|--|
| ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | | | | |
| ASSETS | | | | |
| Cash and Investments | \$ 3,209,749 | \$ 1,825,100 | \$ - | \$ 5,034,849 |
| Receivables | | | | |
| Property Taxes, Net | 4,545,099 | 496,998 | - | 5,042,097 |
| Accounts | 44 | - | - | 44 |
| Accrued interest | 6,664 | 902 | - | 7,566 |
| Prepaid Items | 62,016 | - | - | 62,016 |
| Due from Primary Government | - | 127,907 | - | 127,907 |
| Capital Assets | | | | |
| Nondepreciable | - | - | 2,472,561 | 2,472,561 |
| Depreciable, Net of Accumulated Depreciation | - | - | 5,048,837 | 5,048,837 |
| Total Assets | 7,823,572 | 2,450,907 | 7,521,398 | 17,795,877 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Pension Items - IMRF | - | - | 1,178,265 | 1,178,265 |
| Pension Items - OPEB | - | - | 60,361 | 60,361 |
| Total Deferred Outflows of Resources | - | - | 1,238,626 | 1,238,626 |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | \$ 7,823,572 | \$ 2,450,907 | \$ 8,760,024 | \$ 19,034,503 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts Payable | \$ 117,026 | \$ 686 | \$ - | \$ 117,712 |
| Accrued Payroll | 130,865 | 21,633 | - | 152,498 |
| Accrued Taxes | - | 52,349 | - | 52,349 |
| Deposits | - | 17,288 | - | 17,288 |
| Noncurrent Liabilities | | | | |
| Due Within One Year | - | - | 87,825 | 87,825 |
| Due in More than One Year | - | - | 2,064,105 | 2,064,105 |
| Total Liabilities | 247,891 | 91,956 | 2,151,930 | 2,491,777 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Deferred Revenue - Property Tax | 4,545,099 | 496,998 | - | 5,042,097 |
| Pension Items - IMRF | - | - | 4,163 | 4,163 |
| Pension Items - OPEB | - | - | 25,488 | 25,488 |
| Total Deferred Inflows of Resources | 4,545,099 | 496,998 | 29,651 | 5,071,748 |
| Total Liabilities and Deferred Inflows of Resources | 4,792,990 | 588,954 | 2,181,581 | 7,563,525 |

(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, 2024

| | General Operating Fund | Nonmajor Governmental | Adjustments | Statement of Net Position |
|---|---------------------------------------|----------------------------------|---------------------|--|
| FUND BALANCES | | | | |
| Net Investment in Capital Assets | \$ - | \$ - | \$ 7,521,398 | \$ 7,521,398 |
| Nonspendable | | | | |
| Prepaid Items | 62,016 | - | (62,016) | - |
| Restricted | | | | |
| Retirement | - | 446,393 | - | 446,393 |
| Working Cash | - | 54,240 | - | 54,240 |
| Library | - | 927,968 | - | 927,968 |
| Unrestricted | | | | |
| Assigned | - | 433,352 | (433,352) | - |
| Unassigned (Deficit) | 2,968,566 | - | (447,587) | 2,520,979 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total Fund Balances | 3,030,582 | 1,861,953 | 6,578,443 | 11,470,978 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | \$ 7,823,572 | \$ 2,450,907 | \$ 8,760,024 | \$ 19,034,503 |

(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, 2024

| | General Operating Fund | Nonmajor Governmental | Adjustments | Statement of Activities |
|--|---------------------------------------|----------------------------------|---------------------|------------------------------------|
| REVENUES | | | | |
| Property Tax | \$ 4,443,876 | \$ 495,622 | \$ - | \$ 4,939,498 |
| Intergovernmental | 61,211 | - | - | 61,211 |
| Fines and Forfeitures | 106,865 | - | - | 106,865 |
| Investment Income | 216,643 | 39,531 | - | 256,174 |
| Rental Income | - | 143,429 | - | 143,429 |
| Donations | - | 9,870 | - | 9,870 |
| Miscellaneous | 6,448 | 128,164 | - | 134,612 |
| Total Revenues | 4,835,043 | 816,616 | - | 5,651,659 |
| EXPENDITURES | | | | |
| Current | | | | |
| Culture and Recreation | 4,312,765 | 527,455 | 225,813 | 5,066,033 |
| Capital Outlay | 94,669 | 1,191 | (95,860) | - |
| Total Expenditures | 4,407,434 | 528,646 | 129,953 | 5,066,033 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | 427,609 | 287,970 | (129,953) | 585,626 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | - | 507,615 | (507,615) | - |
| Transfers (Out) | (245,144) | (262,471) | 507,615 | - |
| Insurance Proceeds | 175,089 | - | - | 175,089 |
| Total Other Financing Sources (Uses) | (70,055) | 245,144 | - | 175,089 |
| NET CHANGE IN FUND BALANCES | 357,554 | 533,114 | (129,953) | 760,715 |
| FUND BALANCES, MAY 1 | 2,673,028 | 1,328,839 | 6,708,396 | 10,710,263 |
| FUND BALANCES, APRIL 30 | \$ 3,030,582 | \$ 1,861,953 | \$ 6,578,443 | \$ 11,470,978 |

(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, 2024

| | Original Budget | Final Budget | Actual | Variance Over (Under) |
|--|----------------------------|-------------------------|---------------------|--------------------------------------|
| REVENUES | | | | |
| Property Taxes | \$ 4,646,359 | \$ 4,591,000 | \$ 4,443,876 | \$ (147,124) |
| Intergovernmental | 143,794 | 143,794 | 61,211 | (82,583) |
| Fines and Forfeitures | 117,000 | 133,000 | 106,865 | (26,135) |
| Investment Income | 50,000 | 95,000 | 216,643 | 121,643 |
| Miscellaneous | 25,070 | 25,070 | 6,448 | (18,622) |
| | <hr/> | | | |
| Total Revenues | 4,982,223 | 4,987,864 | 4,835,043 | (152,821) |
| <hr/> | | | | |
| EXPENDITURES | | | | |
| Current | | | | |
| Culture and Recreation | | | | |
| Personnel Services | 3,495,629 | 3,495,629 | 3,137,475 | (358,154) |
| Contracted Services | 1,232,200 | 1,294,141 | 663,824 | (630,317) |
| Materials and Supplies | 682,202 | 650,600 | 511,466 | (139,134) |
| Capital Outlay | 117,192 | 107,494 | 94,669 | (12,825) |
| | <hr/> | | | |
| Total Expenditures | 5,527,223 | 5,547,864 | 4,407,434 | (1,140,430) |
| <hr/> | | | | |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (545,000) | (560,000) | 427,609 | 987,609 |
| <hr/> | | | | |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers (Out) | - | (163,752) | (245,144) | (81,392) |
| Insurance Proceeds | - | - | 175,089 | 175,089 |
| | <hr/> | | | |
| Total Other Financing Sources (Uses) | - | (163,752) | (70,055) | 93,697 |
| <hr/> | | | | |
| NET CHANGE IN FUND BALANCE | <u>\$ (545,000)</u> | <u>\$ (723,752)</u> | 357,554 | <u>\$ 1,081,306</u> |
| <hr/> | | | | |
| FUND BALANCE, MAY 1 | | | <u>2,673,028</u> | |
| <hr/> | | | | |
| FUND BALANCE, APRIL 30 | | | <u>\$ 3,030,582</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, 2024

| | Special Revenue Funds | | |
|---|------------------------------|-------------------|-------------------|
| | Gift and Memorial | Ames | IMRF |
| ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | | | |
| ASSETS | | | |
| Cash and Investments | \$ 16,538 | \$ 394,045 | \$ 338,801 |
| Receivables | | | |
| Property Taxes, Net | - | - | 274,244 |
| Accrued Interest | - | 902 | - |
| Due from Primary Government | - | - | - |
| | <hr/> | <hr/> | <hr/> |
| Total Assets | 16,538 | 394,947 | 613,045 |
| | <hr/> | <hr/> | <hr/> |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| None | - | - | - |
| | <hr/> | <hr/> | <hr/> |
| Total Deferred Outflows of Resources | - | - | - |
| | <hr/> | <hr/> | <hr/> |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | \$ 16,538 | \$ 394,947 | \$ 613,045 |
| | <hr/> | <hr/> | <hr/> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | |
| LIABILITIES | | | |
| Accounts Payable | \$ 686 | \$ - | \$ - |
| Accrued Payroll | - | - | 11,917 |
| Accrued Taxes | - | - | - |
| Deposits | - | - | - |
| | <hr/> | <hr/> | <hr/> |
| Total Liabilities | 686 | - | 11,917 |
| | <hr/> | <hr/> | <hr/> |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Deferred Revenue - Property Tax | - | - | 274,244 |
| | <hr/> | <hr/> | <hr/> |
| Total Deferred Inflows of Resources | - | - | 274,244 |
| | <hr/> | <hr/> | <hr/> |
| Total Liabilities and Deferred Inflows of Resources | 686 | - | 286,161 |
| | <hr/> | <hr/> | <hr/> |
| FUND BALANCES | | | |
| Restricted | | | |
| Retirement | - | - | 326,884 |
| Working Cash | - | - | - |
| Library | 15,852 | 394,947 | - |
| Assigned | - | - | - |
| | <hr/> | <hr/> | <hr/> |
| Total Fund Balances | 15,852 | 394,947 | 326,884 |
| | <hr/> | <hr/> | <hr/> |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | \$ 16,538 | \$ 394,947 | \$ 613,045 |
| | <hr/> | <hr/> | <hr/> |

| Special Revenue Funds | | Capital Project Fund | Permanent Fund | Total |
|-----------------------|-----------------|--|----------------|--------------|
| FICA | Special Reserve | Public Library Construction and Repair | Working Cash | |
| \$ 129,225 | \$ 517,169 | \$ 375,082 | \$ 54,240 | \$ 1,825,100 |
| 222,754 | - | - | - | 496,998 |
| - | - | - | - | 902 |
| - | - | 127,907 | - | 127,907 |
| 351,979 | 517,169 | 502,989 | 54,240 | 2,450,907 |
| - | - | - | - | - |
| - | - | - | - | - |
| \$ 351,979 | \$ 517,169 | \$ 502,989 | \$ 54,240 | \$ 2,450,907 |
| \$ - | \$ - | \$ - | \$ - | \$ 686 |
| 9,716 | - | - | - | 21,633 |
| - | - | 52,349 | - | 52,349 |
| - | - | 17,288 | - | 17,288 |
| 9,716 | - | 69,637 | - | 91,956 |
| 222,754 | - | - | - | 496,998 |
| 222,754 | - | - | - | 496,998 |
| 232,470 | - | 69,637 | - | 588,954 |
| 119,509 | - | - | - | 446,393 |
| - | - | - | 54,240 | 54,240 |
| - | 517,169 | - | - | 927,968 |
| - | - | 433,352 | - | 433,352 |
| 119,509 | 517,169 | 433,352 | 54,240 | 1,861,953 |
| \$ 351,979 | \$ 517,169 | \$ 502,989 | \$ 54,240 | \$ 2,450,907 |

(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, 2024

| | Special Revenue Funds | | |
|--|------------------------------|-------------------|-------------------|
| | Gift and Memorial | Ames | IMRF |
| REVENUES | | | |
| Property Tax | \$ - | \$ - | \$ 333,304 |
| Investment Income | 256 | 4,830 | 8,948 |
| Rental Income | - | - | - |
| Donations | 9,870 | - | - |
| Miscellaneous | - | - | - |
| Total Revenues | 10,126 | 4,830 | 342,252 |
| EXPENDITURES | | | |
| Current | | | |
| Culture and Recreation | | | |
| Personnel | - | - | 243,857 |
| Contractual | 693 | - | - |
| Materials and Supplies | 5,432 | - | - |
| Capital Outlay | 1,191 | - | - |
| Total Expenditures | 7,316 | - | 243,857 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | 2,810 | 4,830 | 98,395 |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers In | - | - | 60,581 |
| Transfers (Out) | - | - | - |
| Total Other Financing Sources (Uses) | - | - | 60,581 |
| NET CHANGE IN FUND BALANCES | 2,810 | 4,830 | 158,976 |
| FUND BALANCES, MAY 1 | 13,042 | 390,117 | 167,908 |
| FUND BALANCES, APRIL 30 | \$ 15,852 | \$ 394,947 | \$ 326,884 |

| Special Revenue Funds | | Capital Project Fund | Permanent Fund | |
|-----------------------|-----------------|--|----------------|--------------|
| FICA | Special Reserve | Public Library Construction and Repair | Working Cash | Total |
| \$ 162,318 | \$ - | \$ - | \$ - | \$ 495,622 |
| 6,317 | 3,990 | 12,442 | 2,748 | 39,531 |
| - | - | 143,429 | - | 143,429 |
| - | - | - | - | 9,870 |
| - | - | 128,164 | - | 128,164 |
| 168,635 | 3,990 | 284,035 | 2,748 | 816,616 |
| 200,147 | - | - | - | 444,004 |
| - | 6,133 | 71,193 | - | 78,019 |
| - | - | - | - | 5,432 |
| - | - | - | - | 1,191 |
| 200,147 | 6,133 | 71,193 | - | 528,646 |
| (31,512) | (2,143) | 212,842 | 2,748 | 287,970 |
| - | 447,034 | - | - | 507,615 |
| - | - | (262,471) | - | (262,471) |
| - | 447,034 | (262,471) | - | 245,144 |
| (31,512) | 444,891 | (49,629) | 2,748 | 533,114 |
| 151,021 | 72,278 | 482,981 | 51,492 | 1,328,839 |
| \$ 119,509 | \$ 517,169 | \$ 433,352 | \$ 54,240 | \$ 1,861,953 |

(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, 2024

| | Original Budget | Final Budget | Actual | Variance Over (Under) |
|-------------------------------|----------------------------|-------------------------|-------------------------|--------------------------------------|
| REVENUES | | | | |
| Donations | \$ 55,450 | \$ 51,050 | \$ 9,870 | \$ (41,180) |
| Investment Income | - | - | 256 | 256 |
| | <hr/> | | | |
| Total Revenues | 55,450 | 51,050 | 10,126 | (40,924) |
| <hr/> | | | | |
| EXPENDITURES | | | | |
| Current | | | | |
| Culture and Recreation | | | | |
| Contractual | 7,840 | 1,687 | 693 | (994) |
| Supplies and Materials | 21,000 | 19,938 | 5,432 | (14,506) |
| Capital Outlay | 44,700 | 42,160 | 1,191 | (40,969) |
| | <hr/> | | | |
| Total Expenditures | 73,540 | 63,785 | 7,316 | (56,469) |
| <hr/> | | | | |
| NET CHANGE IN FUND BALANCE | <u>\$ (18,090)</u> | <u>\$ (12,735)</u> | 2,810 | <u>\$ 15,545</u> |
| FUND BALANCE, MAY 1 | | | <u>13,042</u> | |
| FUND BALANCE, APRIL 30 | | | <u><u>\$ 15,852</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, 2024

| | Original Budget | Final Budget | Actual | Variance Over (Under) |
|---|----------------------------|-------------------------|-------------------|--------------------------------------|
| REVENUES | | | | |
| Property Taxes | \$ 333,641 | \$ 333,652 | \$ 333,304 | \$ (348) |
| Investment Income | - | - | 8,948 | 8,948 |
| Total Revenues | 333,641 | 333,652 | 342,252 | 8,600 |
| EXPENDITURES | | | | |
| Culture and Recreation | | | | |
| Personnel Services | 333,641 | 333,652 | 243,857 | (89,795) |
| Total Expenditures | 333,641 | 333,652 | 243,857 | (89,795) |
| EXCESS OF REVENUES OVER EXPENDITURES | - | - | 98,395 | 98,395 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | - | - | 60,581 | 60,581 |
| Total Other Financing Sources (Uses) | - | - | 60,581 | 60,581 |
| NET CHANGE IN FUND BALANCE | \$ - | \$ - | 158,976 | \$ 158,976 |
| FUND BALANCE, MAY 1 | | | 167,908 | |
| FUND BALANCE, APRIL 30 | | | \$ 326,884 | |

(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, 2024

| | Original Budget | Final Budget | Actual | Variance Over (Under) |
|-------------------------------|----------------------------|-------------------------|---------------|--------------------------------------|
| REVENUES | | | | |
| Property Taxes | \$ 211,000 | \$ 225,000 | \$ 162,318 | \$ (62,682) |
| Investment Income | - | - | 6,317 | 6,317 |
| | <hr/> | | | |
| Total Revenues | 211,000 | 225,000 | 168,635 | (56,365) |
| <hr/> | | | | |
| EXPENDITURES | | | | |
| Culture and Recreation | | | | |
| Personnel Services | 211,000 | 225,000 | 200,147 | (24,853) |
| | <hr/> | | | |
| Total Expenditures | 211,000 | 225,000 | 200,147 | (24,853) |
| <hr/> | | | | |
| NET CHANGE IN FUND BALANCE | \$ - | \$ - | (31,512) | \$ (31,512) |
| <hr/> | | | | |
| FUND BALANCE, MAY 1 | | | 151,021 | |
| | | | <hr/> | |
| FUND BALANCE, APRIL 30 | | | \$ 119,509 | |
| | | | <hr/> | |

(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

For the Year Ended April 30, 2024

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Over (Under)</u> |
|--|----------------------------|-------------------------|-------------------|--------------------------------------|
| REVENUES | | | | |
| Investment Income | \$ - | \$ - | \$ 3,990 | \$ 3,990 |
| Total Revenues | <u>-</u> | <u>-</u> | <u>3,990</u> | <u>3,990</u> |
| EXPENDITURES | | | | |
| Current | | | | |
| Culture and Recreation | | | | |
| Contracted Services | 241,000 | 386,812 | 6,133 | (380,679) |
| Total Expenditures | <u>241,000</u> | <u>386,812</u> | <u>6,133</u> | <u>(380,679)</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <u>(241,000)</u> | <u>(386,812)</u> | <u>(2,143)</u> | <u>384,669</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | - | - | 447,034 | 447,034 |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>-</u> | <u>447,034</u> | <u>447,034</u> |
| NET CHANGE IN FUND BALANCE | <u>\$ (241,000)</u> | <u>\$ (386,812)</u> | 444,891 | <u>\$ 831,703</u> |
| FUND BALANCE, MAY 1 | | | <u>72,278</u> | |
| FUND BALANCE, APRIL 30 | | | <u>\$ 517,169</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
 PUBLIC LIBRARY CONSTRUCTION AND REPAIR FUND

For the Year Ended April 30, 2024

| | Original Budget | Final Budget | Actual | Variance Over (Under) |
|--|----------------------------|-------------------------|---------------|--------------------------------------|
| REVENUES | | | | |
| Investment Income | \$ - | \$ - | \$ 12,442 | \$ 12,442 |
| Rental Income | 142,320 | 144,145 | 143,429 | (716) |
| Miscellaneous | 260 | 200,000 | 128,164 | (71,836) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total Revenues | 142,580 | 344,145 | 284,035 | (60,110) |
| EXPENDITURES | | | | |
| Current | | | | |
| Culture and Recreation | | | | |
| Contractual Services | 142,580 | 344,145 | 71,193 | (272,952) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total Expenditures | 142,580 | 344,145 | 71,193 | (272,952) |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | | | | |
| | <hr/> | <hr/> | 212,842 | 212,842 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers (Out) | <hr/> | <hr/> | (262,471) | (262,471) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total Other Financing Sources (Uses) | - | - | (262,471) | (262,471) |
| NET CHANGE IN FUND BALANCE | | | | |
| | <hr/> | <hr/> | (49,629) | <hr/> |
| FUND BALANCE, MAY 1 | | | | |
| | | | <hr/> | 482,981 |
| FUND BALANCE, APRIL 30 | | | | |
| | | | <hr/> | <hr/> |
| | | | \$ | 433,352 |

(See independent auditor's report.)

STATISTICAL SECTION

This part of the City of Crystal Lake, Illinois' annual comprehensive 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. | 149-158 |
| Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax. | 159-162 |
| 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. | 163-166 |
| 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. | 167-168 |
| 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. | 169-171 |

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

CITY OF CRYSTAL LAKE, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years

| Fiscal Year | 2015 | 2016* | 2017 | 2018 |
|---------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| GOVERNMENTAL ACTIVITIES | | | | |
| Net Investment in Capital Assets | \$ 169,307,809 | \$ 173,957,143 | \$ 176,078,381 | \$ 175,911,065 |
| Restricted | 8,310,611 | 7,095,286 | 7,369,493 | 8,417,145 |
| Unrestricted (Deficit) | 16,387,714 | (15,551,944) | (20,991,234) | (27,233,715) |
| TOTAL GOVERNMENTAL ACTIVITIES | \$ 194,006,134 | \$ 165,500,485 | \$ 162,456,640 | \$ 157,094,495 |
| BUSINESS-TYPE ACTIVITIES | | | | |
| Net Investment in Capital Assets | \$ 45,482,321 | \$ 44,805,894 | \$ 44,551,283 | \$ 44,397,118 |
| Unrestricted | 6,465,993 | 5,786,960 | 6,510,946 | 7,018,743 |
| TOTAL BUSINESS-TYPE ACTIVITIES | \$ 51,948,314 | \$ 50,592,854 | \$ 51,062,229 | \$ 51,415,861 |
| PRIMARY GOVERNMENT | | | | |
| Net Investment in Capital Assets | \$ 214,790,130 | \$ 218,763,037 | \$ 220,629,664 | \$ 220,308,183 |
| Restricted | 8,310,611 | 7,095,286 | 7,369,493 | 8,417,145 |
| Unrestricted (Deficit) | 22,853,707 | (9,764,984) | (14,480,288) | (20,214,972) |
| TOTAL PRIMARY GOVERNMENT | \$ 245,954,448 | \$ 216,093,339 | \$ 213,518,869 | \$ 208,510,356 |

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

Data Source

Audited Financial Statements

| 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| \$ 173,931,309 | \$ 174,038,413 | \$ 177,510,754 | \$ 175,285,923 | \$ 176,875,488 | \$ 181,837,388 |
| 8,500,749 | 9,379,343 | 12,269,407 | 12,059,384 | 11,849,081 | 10,649,313 |
| (26,053,960) | (31,443,463) | (25,836,721) | (12,047,193) | (3,745,443) | 2,281,808 |
| <u>\$ 156,378,098</u> | <u>\$ 151,974,293</u> | <u>\$ 163,943,440</u> | <u>\$ 175,298,114</u> | <u>\$ 184,979,126</u> | <u>\$ 194,768,509</u> |
| \$ 44,395,007 | \$ 49,163,769 | \$ 52,160,171 | \$ 54,063,611 | \$ 54,686,616 | \$ 55,271,549 |
| 8,979,964 | 8,040,946 | 8,306,998 | 10,756,654 | 12,460,252 | 19,295,826 |
| <u>\$ 53,374,971</u> | <u>\$ 57,204,715</u> | <u>\$ 60,467,169</u> | <u>\$ 64,820,265</u> | <u>\$ 67,146,868</u> | <u>\$ 74,567,375</u> |
| \$ 218,326,316 | \$ 223,202,182 | \$ 229,670,925 | \$ 229,349,534 | \$ 231,562,104 | \$ 237,108,937 |
| 8,500,749 | 9,379,343 | 12,269,407 | 12,059,384 | 11,849,081 | 10,649,313 |
| (17,073,996) | (23,402,517) | (17,529,723) | (1,290,539) | 8,714,809 | 21,577,634 |
| <u>\$ 209,753,069</u> | <u>\$ 209,179,008</u> | <u>\$ 224,410,609</u> | <u>\$ 240,118,379</u> | <u>\$ 252,125,994</u> | <u>\$ 269,335,884</u> |

CITY OF CRYSTAL LAKE, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

| Fiscal Year | 2015 | 2016* | 2017 | 2018 |
|--|----------------------|----------------------|----------------------|----------------------|
| EXPENSES | | | | |
| Governmental Activities | | | | |
| General Government | \$ 9,219,290 | \$ 9,453,754 | \$ 9,186,944 | \$ 9,480,281 |
| Public Safety | 23,670,546 | 25,243,996 | 28,675,754 | 28,257,439 |
| Highways and Streets | 9,738,091 | 11,137,715 | 8,803,178 | 9,075,738 |
| Culture and Recreation | 1,045,576 | 1,158,493 | 1,202,081 | 1,240,815 |
| Interest | 531,492 | 472,785 | 434,677 | 395,280 |
| Total Governmental Activities Expenses | 44,204,995 | 47,466,743 | 48,302,634 | 48,449,553 |
| BUSINESS-TYPE ACTIVITIES | | | | |
| Waterworks and Sewerage | 12,584,450 | 11,161,179 | 10,911,625 | 11,871,081 |
| Total Business-Type Activities Expenses | 12,584,450 | 11,161,179 | 10,911,625 | 11,871,081 |
| TOTAL PRIMARY GOVERNMENT EXPENSES | \$ 56,789,445 | \$ 58,627,922 | \$ 59,214,259 | \$ 60,320,634 |
| PROGRAM REVENUES | | | | |
| Governmental Activities | | | | |
| Charges for Services | | | | |
| General Government | \$ 1,185,748 | \$ 1,015,508 | \$ 1,151,113 | \$ 1,278,712 |
| Public Safety | 3,888,838 | 3,907,398 | 4,548,947 | 4,675,869 |
| Highways and Streets | 234,750 | 240,659 | 216,074 | 227,659 |
| Culture and Recreation | 406,991 | 494,003 | 626,341 | 652,572 |
| Operating Grants and Contributions | | | | |
| Public Works | 1,446,094 | 3,371,612 | 1,064,996 | 1,072,190 |
| Highways and Streets | 658,469 | 275,424 | 240,876 | 169,325 |
| Capital Grants and Contributions | | | | |
| Public Safety | - | - | - | - |
| Highways and Streets | 1,226,760 | 2,627,832 | 305,691 | 1,023,140 |
| Culture and Recreation | 243,238 | 2,076 | 23,132 | 4,370 |
| Total Governmental Activities Program Revenues | 9,290,888 | 11,934,512 | 8,177,170 | 9,103,837 |
| Business-Type Activities | | | | |
| Charges for Services | | | | |
| Waterworks and Sewerage | 9,411,316 | 10,048,556 | 11,182,267 | 11,967,058 |
| Operating Grants and Contributions | - | - | - | 3,500 |
| Capital Grants and Contributions | 312,550 | 849,507 | 113,616 | - |
| Total Business-Type Activities Program Revenues | 9,723,866 | 10,898,063 | 11,295,883 | 11,970,558 |
| TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES | \$ 19,014,754 | \$ 22,832,575 | \$ 19,473,053 | \$ 21,074,395 |

| | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|----|------------|---------------|---------------|---------------|---------------|---------------|
| \$ | 8,975,593 | \$ 10,132,372 | \$ 8,086,815 | \$ 7,181,840 | \$ 9,204,627 | \$ 8,868,981 |
| | 28,418,257 | 30,628,583 | 26,072,431 | 26,893,048 | 30,424,252 | 30,928,000 |
| | 10,526,101 | 10,577,802 | 9,917,045 | 9,192,114 | 11,473,336 | 11,648,259 |
| | 1,316,230 | 1,295,958 | 1,059,755 | 1,289,476 | 1,558,416 | 1,745,214 |
| | 357,479 | 295,700 | 134,854 | 296,979 | 250,474 | 202,288 |
| | 49,593,660 | 52,930,415 | 45,270,900 | 44,853,457 | 52,911,105 | 53,392,742 |
| | 12,508,300 | 13,345,604 | 13,923,480 | 13,221,966 | 15,048,735 | 14,538,180 |
| | 12,508,300 | 13,345,604 | 13,923,480 | 13,221,966 | 15,048,735 | 14,538,180 |
| \$ | 62,101,960 | \$ 66,276,019 | \$ 59,194,380 | \$ 58,075,423 | \$ 67,959,840 | \$ 67,930,922 |
| \$ | 1,769,715 | \$ 1,221,025 | \$ 1,300,137 | \$ 1,186,320 | \$ 1,268,491 | \$ 1,715,823 |
| | 4,759,684 | 4,815,622 | 4,819,013 | 5,731,210 | 5,968,139 | 5,753,213 |
| | 207,974 | 440,929 | 217,594 | 234,576 | 251,923 | 269,142 |
| | 637,618 | 399,884 | 278,033 | 530,037 | 545,769 | 623,701 |
| | 1,076,674 | 2,008,677 | 2,929,526 | 2,574,252 | 2,170,297 | 1,797,521 |
| | 318,273 | 28,361 | 2,351,705 | 172,244 | 67,724 | 136,057 |
| | - | - | - | - | 595,105 | 57,734 |
| | 488,055 | 120,168 | 1,880 | - | 1,687,500 | - |
| | 4,638 | 758,751 | 2,053,878 | 199,629 | 318,683 | 608,083 |
| | 9,262,631 | 9,793,417 | 13,951,766 | 10,628,268 | 12,873,631 | 10,961,274 |
| | 13,953,200 | 14,279,570 | 15,285,114 | 15,323,203 | 15,397,219 | 16,775,808 |
| | - | - | - | - | - | - |
| | - | 69,920 | 609,019 | 1,165,579 | 109,003 | - |
| | 13,953,200 | 14,349,490 | 15,894,133 | 16,488,782 | 15,506,222 | 16,775,808 |
| \$ | 23,215,831 | \$ 24,142,907 | \$ 29,845,899 | \$ 27,117,050 | \$ 28,379,853 | \$ 27,737,082 |

CITY OF CRYSTAL LAKE, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

| Fiscal Year | 2015 | 2016* | 2017 | 2018 |
|---|------------------------|------------------------|------------------------|------------------------|
| NET (EXPENSE) REVENUE | | | | |
| Governmental Activities | \$ (34,914,107) | \$ (35,532,231) | \$ (40,125,464) | \$ (39,345,716) |
| Business-Type Activities | (2,860,584) | (263,116) | 384,258 | 99,477 |
| TOTAL PRIMARY GOVERNMENT NET (EXPENSE) REVENUE | \$ (37,774,691) | \$ (35,795,347) | \$ (39,741,206) | \$ (39,246,239) |
| GENERAL REVENUES AND OTHER CHANGES IN NET POSITION | | | | |
| Governmental Activities | | | | |
| Taxes | | | | |
| Property | \$ 11,054,823 | \$ 13,424,456 | \$ 12,368,764 | \$ 12,499,058 |
| Home Rule | 5,084,373 | 5,040,729 | 5,078,986 | 5,159,592 |
| Auto Rental | 47,986 | 42,515 | 43,751 | 40,230 |
| Franchise Fees - Cable | 692,094 | 790,182 | 615,070 | 728,314 |
| Telecommunications | 1,381,207 | 1,276,159 | 1,155,832 | 1,076,925 |
| Hotel/Other | 298,471 | 301,467 | 357,772 | 408,156 |
| Intergovernmental | | | | |
| Replacement | 156,255 | 133,431 | 160,573 | 147,318 |
| State Sales and Use Income | 11,903,296 | 12,103,709 | 12,310,138 | 12,595,524 |
| Investment Income | 4,104,684 | 4,167,471 | 3,841,569 | 3,707,369 |
| Miscellaneous | 179,247 | 470,909 | 484,987 | 334,737 |
| Release of Commitment of SSA Debt | 938,298 | 1,170,199 | 664,177 | 920,423 |
| Transfers | - | - | - | - |
| Total Governmental Activities | 35,840,734 | 38,921,227 | 37,081,619 | 37,617,646 |
| Business-Type Activities | | | | |
| Investment Income | 39,673 | 79,071 | (12,899) | (3,132) |
| Miscellaneous | 116,233 | 209,444 | 98,016 | 257,285 |
| Other Tax | - | - | - | - |
| Grants | - | - | - | - |
| Connection Charges | - | - | - | - |
| Rental Income | - | - | - | - |
| Transfers | - | - | - | - |
| Total Business-Type Activities | 155,906 | 288,515 | 85,117 | 254,153 |
| TOTAL PRIMARY GOVERNMENT CHANGE IN NET POSITION | \$ 35,996,640 | \$ 39,209,742 | \$ 37,166,736 | \$ 37,871,799 |
| CHANGE IN NET POSITION | | | | |
| Governmental Activities | \$ 926,627 | \$ 3,388,996 | \$ (3,043,845) | \$ (1,728,070) |
| Business-Type Activities | (2,704,678) | 25,399 | 469,375 | 353,630 |
| TOTAL PRIMARY GOVERNMENT CHANGE IN NET POSITION | \$ (1,778,051) | \$ 3,414,395 | \$ (2,574,470) | \$ (1,374,440) |

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

Data Source

Audited Financial Statements

| 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| \$ (40,331,029) | \$ (43,136,998) | \$ (31,319,134) | \$ (34,225,189) | \$ (40,037,474) | \$ (42,431,468) |
| 1,444,900 | 1,003,886 | 1,970,653 | 3,266,816 | 457,487 | 2,237,628 |
| \$ (38,886,129) | \$ (42,133,112) | \$ (29,348,481) | \$ (30,958,373) | \$ (39,579,987) | \$ (40,193,840) |
| \$ 12,985,292 | \$ 13,034,033 | \$ 13,698,616 | \$ 13,693,963 | \$ 14,543,492 | \$ 15,248,645 |
| 5,403,739 | 5,296,696 | 5,523,531 | 6,652,098 | 6,826,463 | 7,179,057 |
| 43,839 | 42,370 | 39,076 | 59,236 | 60,825 | 58,694 |
| 670,865 | 700,274 | 620,139 | 643,023 | 604,830 | 543,973 |
| 988,663 | 829,847 | 664,080 | 589,605 | 557,117 | 528,630 |
| 393,659 | 1,478,225 | 2,062,893 | 2,374,264 | 2,344,342 | 979,355 |
| 140,488 | 153,893 | 166,446 | 383,730 | 526,372 | 376,351 |
| 13,321,347 | 13,315,600 | 14,035,251 | 15,405,431 | 15,819,262 | 16,687,890 |
| 4,215,078 | 4,008,499 | 4,670,667 | 5,835,642 | 6,506,600 | 6,592,621 |
| 1,036,053 | 1,317,219 | 375,853 | (1,716,158) | 329,908 | 1,924,376 |
| 498,526 | 2,295,775 | 1,999,312 | 1,946,219 | 1,716,455 | 2,199,979 |
| - | - | - | - | - | - |
| (82,917) | - | - | (287,190) | - | (98,720) |
| 39,614,632 | 42,472,431 | 43,855,864 | 45,579,863 | 49,835,666 | 52,220,851 |
| 283,436 | 578,038 | 154,482 | (366,107) | 246,960 | 936,253 |
| 147,859 | 297,458 | 137,319 | 165,199 | 638,101 | 224,268 |
| - | 1,000,000 | 1,000,000 | 999,998 | 1,000,000 | 2,596,683 |
| - | - | - | - | - | 1,326,955 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 82,917 | - | - | 287,190 | - | 98,720 |
| 514,212 | 1,875,496 | 1,291,801 | 1,086,280 | 1,885,061 | 5,182,879 |
| \$ 40,128,844 | \$ 44,347,927 | \$ 45,147,665 | \$ 46,666,143 | \$ 51,720,727 | \$ 57,403,730 |
| \$ (716,397) | \$ (664,567) | \$ 12,536,730 | \$ 11,354,674 | \$ 9,798,192 | \$ 9,789,383 |
| 1,959,112 | 2,879,382 | 3,262,454 | 4,353,096 | 2,342,548 | 7,420,507 |
| \$ 1,242,715 | \$ 2,214,815 | \$ 15,799,184 | \$ 15,707,770 | \$ 12,140,740 | \$ 17,209,890 |

CITY OF CRYSTAL LAKE, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

| Fiscal Year | 2015 | 2016 | 2017 | 2018 |
|---|----------------------|----------------------|----------------------|----------------------|
| GENERAL FUND | | | | |
| Nonspendable | \$ 1,578,916 | \$ 1,807,119 | \$ 2,295,685 | \$ 2,455,422 |
| Committed | 3,128 | 3,128 | 3,128 | 3,796 |
| Unrestricted | | | | |
| Assigned | 3,615,389 | 1,082,174 | 2,584,111 | 1,848,473 |
| Unassigned | 7,820,204 | 10,224,095 | 9,616,898 | 11,533,098 |
| TOTAL GENERAL FUND | \$ 13,017,637 | \$ 13,116,516 | \$ 14,499,822 | \$ 15,840,789 |
| ALL OTHER GOVERNMENTAL FUNDS | | | | |
| Nonspendable | \$ 7,392 | \$ 7,860 | \$ 4,923 | \$ 46,355 |
| Restricted | 8,995,527 | 7,781,945 | 7,910,749 | 8,883,168 |
| Committed | - | - | - | - |
| Unrestricted | | | | |
| Assigned | 8,588,879 | 9,645,831 | 7,044,977 | 6,069,668 |
| Unassigned (Deficit) | (1,621) | - | - | - |
| TOTAL ALL OTHER GOVERNMENTAL FUNDS | \$ 17,590,177 | \$ 17,435,636 | \$ 14,960,649 | \$ 14,999,191 |

Data Source

Audited Financial Statements

| 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$ 2,513,094 | \$ 3,146,413 | \$ 3,282,256 | \$ 4,210,068 | \$ 4,521,627 | \$ 5,314,416 |
| 37,611 | 122,612 | 338,750 | 424,350 | 583,848 | 865,295 |
| 2,620,028 | 3,632,706 | 4,687,516 | 347,797 | 368,929 | 2,108,555 |
| 14,172,882 | 15,479,489 | 13,447,755 | 14,768,666 | 15,422,765 | 15,399,501 |
| \$ 19,343,615 | \$ 22,381,220 | \$ 21,756,277 | \$ 19,750,881 | \$ 20,897,169 | \$ 23,687,767 |
| \$ 47,313 | \$ 7,868 | \$ 219,758 | \$ 304,461 | \$ 383,467 | \$ 432,596 |
| 9,060,963 | 9,379,343 | 12,269,407 | 12,059,384 | 11,849,081 | 10,649,313 |
| 253,534 | 332,702 | 543,117 | 632,363 | 798,362 | 1,082,161 |
| 5,871,826 | 6,649,886 | 9,763,042 | 21,769,082 | 26,190,667 | 27,484,691 |
| - | - | (23,919) | (95,214) | (181,191) | (186,773) |
| \$ 15,233,636 | \$ 16,369,799 | \$ 22,771,405 | \$ 34,670,076 | \$ 39,040,386 | \$ 39,461,988 |

CITY OF CYRSTAL LAKE, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

| Fiscal Year | 2015 | 2016 | 2017 | 2018 |
|--|-----------------------|--------------------|-----------------------|---------------------|
| REVENUES | | | | |
| Charges for Services | \$ 4,255,331 | \$ 4,561,965 | \$ 5,259,621 | \$ 5,264,409 |
| Licenses and Permits | 594,261 | 546,408 | 626,878 | 659,908 |
| Intergovernmental | 19,178,195 | 22,510,761 | 17,740,346 | 18,841,214 |
| Fines and Forfeitures | 1,186,481 | 715,857 | 687,186 | 520,692 |
| Property Taxes | 11,054,823 | 13,424,456 | 12,368,764 | 12,499,057 |
| Other Taxes | 7,504,131 | 7,451,052 | 7,251,411 | 7,317,786 |
| Developer Donations | - | - | - | - |
| Investment Income | 179,247 | 470,909 | 484,987 | 334,734 |
| Miscellaneous | 1,037,793 | 1,232,711 | 943,772 | 1,350,750 |
| Total Revenues | 44,990,262 | 50,914,119 | 45,362,965 | 46,788,550 |
| EXPENDITURES | | | | |
| General Government | 8,433,073 | 8,013,493 | 8,176,893 | 8,312,721 |
| Public Health and Safety | 22,521,524 | 23,852,909 | 23,956,258 | 24,143,224 |
| Public Works | 8,248,411 | 7,333,376 | 7,122,954 | 5,426,131 |
| Culture and Recreation | 563,450 | 618,351 | 736,944 | 723,546 |
| Debt Service | | | | |
| Principal | 1,338,673 | 1,383,967 | 1,426,983 | 1,447,120 |
| Interest | 545,577 | 589,605 | 475,339 | 479,218 |
| Capital Outlay | 4,943,965 | 9,178,080 | 4,559,275 | 4,877,081 |
| Total Expenditures | 46,594,673 | 50,969,781 | 46,454,646 | 45,409,041 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (1,604,411) | (55,662) | (1,091,681) | 1,379,509 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 10,011,992 | 9,006,449 | 7,315,265 | 6,702,316 |
| Transfers (Out) | (10,039,717) | (9,006,449) | (7,315,265) | (6,702,316) |
| Bonds Issued | - | - | - | - |
| Premium (Discount) on Bonds Issued | - | - | - | - |
| Payment to Refunded Bond Escrow | - | - | - | - |
| Leases Issued | - | - | - | - |
| Proceeds From Sale of Capital Assets | - | - | - | - |
| Total Other Financing Sources (Uses) | (27,725) | - | - | - |
| NET CHANGE IN FUND BALANCES | \$ (1,632,136) | \$ (55,662) | \$ (1,091,681) | \$ 1,379,509 |
| DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES | 4.39% | 4.20% | 4.42% | 4.27% |

| 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|--------------|--------------|--------------|--------------|--------------|--------------|
| \$ 5,567,308 | \$ 5,239,878 | \$ 4,761,355 | \$ 5,833,269 | \$ 5,994,755 | \$ 6,185,781 |
| 887,689 | 899,643 | 1,158,614 | 1,034,141 | 1,059,180 | 1,502,481 |
| 18,972,402 | 19,559,437 | 24,193,553 | 24,417,463 | 25,113,422 | 26,316,906 |
| 465,779 | 462,293 | 301,362 | 368,879 | 528,493 | 595,639 |
| 12,985,292 | 13,034,033 | 13,698,616 | 13,693,963 | 14,543,492 | 15,248,645 |
| 7,500,765 | 8,347,412 | 8,909,719 | 10,318,226 | 10,393,577 | 9,289,709 |
| - | 410,527 | 553,878 | 199,629 | - | - |
| 1,036,053 | 1,317,219 | 375,853 | (1,716,158) | 329,908 | 1,924,376 |
| 1,611,094 | 2,629,098 | 2,200,268 | 2,395,649 | 3,058,970 | 2,194,091 |
| 49,026,382 | 51,899,540 | 56,153,218 | 56,545,061 | 61,021,797 | 63,257,628 |
| 8,212,507 | 9,121,535 | 8,313,267 | 7,419,264 | 7,540,492 | 8,164,071 |
| 25,231,400 | 25,551,179 | 25,839,379 | 26,974,821 | 28,930,616 | 29,450,821 |
| 5,761,105 | 5,948,684 | 6,188,853 | 6,475,910 | 7,064,744 | 7,198,141 |
| 743,393 | 661,596 | 510,466 | 776,629 | 926,822 | 914,706 |
| 1,496,632 | 9,975,381 | 1,051,080 | 1,384,794 | 1,499,329 | 1,481,851 |
| 411,984 | 228,933 | 550,858 | 395,496 | 359,007 | 311,223 |
| 3,491,356 | 6,150,077 | 9,778,291 | 3,485,976 | 9,160,231 | 13,160,786 |
| 45,348,377 | 57,637,385 | 52,232,194 | 46,912,890 | 55,481,241 | 60,681,599 |
| 3,678,005 | (5,737,845) | 3,921,024 | 9,632,171 | 5,540,556 | 2,576,029 |
| 3,098,328 | 6,609,374 | 9,969,342 | 14,512,565 | 12,506,632 | 14,729,482 |
| (3,098,328) | (6,609,374) | (10,382,457) | (14,512,565) | (12,506,632) | (14,828,202) |
| - | 7,954,054 | - | - | - | - |
| - | 787,327 | - | - | - | - |
| - | - | - | - | - | - |
| 59,266 | 813,338 | 2,483,808 | 125,043 | 157,233 | 491,512 |
| - | 52,807 | 195,719 | 136,061 | - | 62,188 |
| 59,266 | 9,607,526 | 2,266,412 | 261,104 | 157,233 | 454,980 |
| \$ 3,737,271 | \$ 3,869,681 | \$ 6,187,436 | \$ 9,893,275 | \$ 5,697,789 | \$ 3,031,009 |
| 4.20% | 18.72% | 3.56% | 3.88% | 3.72% | 3.52% |

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 |
|------------------|----------------------|-----------------------------|----------------------------|----------------------------|-------------------------|----------------------|-------------------------------------|------------------------------|---------------------------------------|-------------------------------------|
| 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% |
| 2021 | 1,996,645 | 936,467,067 | 275,263,871 | 73,138,016 | 1,606,507 | 2,177,547 | 1,290,649,653 | 1.0743 | 3,871,948,959 | 33.33% |
| 2022 | 2,144,058 | 1,013,312,568 | 296,394,616 | 76,805,530 | 1,670,033 | 2,387,892 | 1,392,714,697 | 1.0382 | 4,178,144,091 | 33.33% |
| 2023 | 2,339,725 | 1,103,721,571 | 317,920,939 | 80,953,603 | 1,770,279 | 2,580,804 | 1,509,286,921 | 0.9868 | 4,527,860,763 | 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

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|-----------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Operating | | | | | | | | | | |
| Municipal Retirement | 0.0868 | 0.0914 | 0.0849 | 0.0958 | 0.1313 | 0.1372 | 0.1461 | 0.1540 | 0.1729 | 0.1761 |
| Police Pension | 0.2394 | 0.2500 | 0.2697 | 0.2353 | 0.2242 | 0.2083 | 0.2219 | 0.2022 | 0.2034 | 0.1952 |
| School Cross Guard | 0.0050 | 0.0052 | 0.0043 | 0.0044 | 0.0046 | 0.0048 | 0.0050 | 0.0053 | 0.0046 | 0.0047 |
| Fire Protection | 0.5041 | 0.5276 | 0.5383 | 0.5501 | 0.5710 | 0.5761 | 0.5992 | 0.6315 | 0.6592 | 0.6736 |
| Firemen Pension | 0.1514 | 0.1641 | 0.1771 | 0.1625 | 0.1569 | 0.1609 | 0.1729 | 0.1556 | 0.1729 | 0.1856 |
| Total City of Crystal Lake | 0.9868 | 1.0382 | 1.0743 | 1.0481 | 1.0879 | 1.0873 | 1.1452 | 1.1485 | 1.2130 | 1.2351 |
| Crystal Lake Public Library | 0.3374 | 0.3550 | 0.3674 | 0.3755 | 0.3897 | 0.3997 | 0.4210 | 0.4345 | 0.4589 | 0.4670 |
| McHenry County | 0.6649 | 0.6982 | 0.7365 | 0.7621 | 0.7868 | 0.8317 | 0.9019 | 1.0539 | 1.0781 | 1.1412 |
| District 47 | 3.6730 | 3.7431 | 3.8048 | 3.8548 | 3.8851 | 3.9469 | 4.0463 | 4.1616 | 4.3488 | 4.3867 |
| District 155 | 2.4096 | 2.4353 | 2.1383 | 2.1636 | 2.5236 | 2.5646 | 2.6953 | 2.7749 | 2.9060 | 2.9721 |
| Debt Service | | | | | | | | | | |
| McHenry County | - | - | - | - | - | - | - | - | - | - |
| District 47 | - | 0.0065 | - | - | - | - | 0.2143 | 0.2119 | 0.2103 | 0.2655 |
| District 155 | 0.0341 | 0.0421 | 0.3371 | 0.3485 | 0.0466 | 0.0485 | 0.0066 | 0.0537 | 0.1196 | 0.1227 |
| Total Tax Rate | | | | | | | | | | |
| City of Crystal Lake | 0.9868 | 1.0382 | 1.0743 | 1.0481 | 1.0879 | 1.0873 | 1.1452 | 1.1485 | 1.2130 | 1.2351 |
| Crystal Lake Public Library | 0.3374 | 0.3550 | 0.3674 | 0.3755 | 0.3897 | 0.3997 | 0.4210 | 0.4345 | 0.4589 | 0.4670 |
| McHenry County | 0.6649 | 0.6982 | 0.7365 | 0.7621 | 0.7868 | 0.8317 | 0.9019 | 1.0539 | 1.0781 | 1.1412 |
| District 47 | 3.6730 | 3.7496 | 3.8048 | 3.8548 | 3.8851 | 3.9469 | 4.2607 | 4.3735 | 4.5591 | 4.6522 |
| District 155 | 2.4437 | 2.4774 | 2.4754 | 2.5121 | 2.5702 | 2.6130 | 2.7019 | 2.8286 | 3.0255 | 3.0948 |
| Other | | | | | | | | | | |
| College District 528 MCC | 0.2821 | 0.3060 | 0.3297 | 0.3433 | 0.3564 | 0.3655 | 0.3847 | 0.4066 | 0.4348 | 0.4453 |
| McHenry County Conservation | 0.2030 | 0.2125 | 0.2219 | 0.2236 | 0.2286 | 0.2380 | 0.2449 | 0.2588 | 0.2766 | 0.2840 |
| Crystal Lake Park District | 0.4500 | 0.4629 | 0.4703 | 0.4813 | 0.4886 | 0.5003 | 0.5178 | 0.5310 | 0.5535 | 0.5582 |
| Township (Algonquin) | 0.0489 | 0.0524 | 0.0543 | 0.0558 | 0.0573 | 0.0603 | 0.0638 | 0.0712 | 0.0828 | 0.0851 |
| Road and Bridge (Algonquin) | 0.1177 | 0.1201 | 0.1231 | 0.1265 | 0.1323 | 0.1417 | 0.1527 | 0.1705 | 0.1862 | 0.1913 |

Data Source

McHenry County Clerk.

CITY OF CRYSTAL LAKE, ILLINOIS

PRINCIPAL PROPERTY TAX PAYERS

Current Year and Nine Years Ago

| Taxpayer | Type of Business | 2023 | | 2014 | | Percent of Total District Taxable Assessed Value | Percent of Total District Taxable Assessed Value |
|--------------------------------|------------------|------------------------|------|------------------------|----------------------|--|--|
| | | Taxable Assessed Value | Rank | Taxable Assessed Value | Rank | | |
| Chern Partners LLC | Residential | \$ 11,988,033 | 1 | 0.79% | \$ 7,254,804 | 2 | 0.76% |
| Continental 544 Fund LLC | Residential | 10,225,435 | 2 | 0.68% | | | |
| PMAT Crystal, LLC | Commercial | 9,999,116 | 3 | 0.66% | | | |
| KPR US LLC | Industrial | 7,246,938 | 4 | 0.48% | | | |
| Centro Bradley Crystal Lake | Commercial | 6,348,998 | 5 | 0.42% | | | |
| Cunat Exc III Darlington | Residential | 6,288,177 | 6 | 0.42% | | | |
| Chern Randall Baric Randall | Residential | 6,141,295 | 7 | 0.41% | | | |
| Stag Industrial Holdings | Industrial | 5,232,612 | 8 | 0.35% | | | |
| ARHC CLCRYIL01 LLC | Commercial | 3,813,717 | 9 | 0.25% | | | |
| Crystal Lake LP | Commercial | 3,795,228 | 10 | 0.25% | | | |
| Crystal Point LLC | Commercial | | | | 7,561,697 | 1 | 0.79% |
| Bradley Oper. Ltd. Partnership | Commercial | | | | 5,860,002 | 3 | 0.61% |
| Cobalt Industrail | Industrial | | | | 4,557,882 | 4 | 0.48% |
| Tyco Healthcare Group | Manufacturing | | | | 4,102,762 | 5 | 0.43% |
| Walmart Real Est Business | Commercial | | | | 3,996,945 | 6 | 0.42% |
| Sunrise Residential Housing | Residential | | | | 3,732,373 | 7 | 0.39% |
| Northern IL Medical Center | Healthcare | | | | 3,125,735 | 8 | 0.33% |
| Chicago Title | Commercial | | | | 2,923,878 | 9 | 0.31% |
| Home State Bank | Commercial | | | | 2,853,610 | 10 | 0.30% |
| | | <u>\$ 71,079,549</u> | | <u>5.10%</u> | <u>\$ 45,969,688</u> | | <u>4.82%</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 |
| 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 |
| 2022 | 13,053,672 | 13,028,661 | 99.81 | - | 13,028,661 | 99.81 |
| 2023 | 13,865,914 | 13,847,890 | 99.87 | - | 13,847,890 | 99.87 |
| 2024 | 14,459,457 | 14,441,441 | 99.88 | - | 14,441,441 | 99.88 |

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 | Unamortized Bond Premium | Lease Liability | General Obligation Bonds | Notes Payable | Unamortized Bond Premium | Lease Liability | | | |
| 2015 | \$ 16,299,470 | \$ 65,351 | \$ - | \$ 24,398,153 | \$ - | \$ 977,272 | \$ - | \$ 41,740,246 | 3.67% | \$ 1,024 |
| 2016 | 14,898,250 | 48,095 | - | 22,411,000 | 1,900,000 | 901,155 | - | 40,158,500 | 2.80% | 986 |
| 2017 | 13,453,551 | 30,379 | - | 20,364,550 | 10,426,422 | 822,722 | - | 45,097,624 | 3.17% | 1,107 |
| 2018 | 11,988,542 | 12,491 | - | 18,270,226 | 15,537,661 | 741,277 | - | 46,550,197 | 3.36% | 1,143 |
| 2019 | 10,473,372 | (6,047) | 54,611 | 16,108,783 | 15,235,751 | 658,204 | 59,664 | 42,584,338 | 3.07% | 1,045 |
| 2020 | 9,339,638 | 794,276 | 780,680 | 20,301,671 | 14,389,153 | 1,187,033 | 160,682 | 46,953,133 | 3.39% | 1,152 |
| 2021 | 7,716,268 | 708,630 | 2,817,479 | 17,598,732 | 13,525,659 | 1,107,355 | 501,116 | 43,975,239 | 2.67% | 1,092 |
| 2022 | 6,967,332 | 623,693 | 2,293,855 | 15,712,668 | 16,266,699 | 994,313 | 415,156 | 43,273,716 | 2.70% | 1,075 |
| 2023 | 6,151,361 | 530,758 | 1,176,190 | 21,398,639 | 18,407,107 | 700,101 | 321,998 | 48,686,154 | 2.88% | 1,197 |
| 2024 | 5,327,518 | 436,973 | 986,480 | 19,367,482 | 18,251,057 | 569,011 | 215,466 | 45,153,987 | 2.47% | 1,110 |

CITY OF CRYSTAL LAKE, ILLINOIS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

| Fiscal Year Ended April 30, | General Obligation Debt | Unamortized Bond Premium | Less Amounts Available in Debt Service Funds | Net Bonded Debt | Percentage of Estimated Actual Taxable Value of Property | Per Capita |
|------------------------------------|--------------------------------|---------------------------------|---|------------------------|---|-------------------|
| 2015 | \$ 40,697,623 | \$ 1,042,623 | \$ 656,449 | \$ 41,083,797 | 3.79% | \$ 1,008.36 |
| 2016 | 37,309,250 | 949,250 | 607,044 | 37,651,456 | 3.80% | 904.04 |
| 2017 | 32,965,000 | 853,101 | 535,819 | 33,282,282 | 3.47% | 816.88 |
| 2018 | 29,505,000 | 753,768 | 470,617 | 29,788,151 | 2.88% | 731.12 |
| 2019 | 26,582,155 | 652,157 | 380,381 | 26,853,931 | 2.34% | 659.11 |
| 2020 | 29,641,309 | 1,981,309 | 263,268 | 31,359,350 | 2.61% | 769.69 |
| 2021 | 25,315,000 | 1,815,985 | 328,566 | 26,802,419 | 2.23% | 665.58 |
| 2022 | 22,680,000 | 1,618,006 | 328,811 | 23,969,195 | 1.86% | 595.23 |
| 2023 | 27,550,000 | 1,230,859 | 329,055 | 28,451,804 | 2.04% | 706.54 |
| 2024 | 24,695,000 | 1,005,984 | - | 25,700,984 | 1.70% | 638.23 |

Notes: Population data can be found at page 167 - demographic and economic statistics.

Property value data can be found at page 159 - assessed value and actual value of taxable property.

CITY OF CRYSTAL LAKE, ILLINOIS

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES BONDED DEBT,
UNAMORTIZED BOND PREMIUM AND CAPITAL LEASES**

April 30, 2024

| Governmental Unit | Bonded Debt | Applicable to the City | |
|--------------------------------------|------------------------|-------------------------------|----------------------|
| | | Percent | Amount |
| Bonded Debt | \$ 5,327,518 | | |
| Unamortized Bond Premium | 436,973 | | |
| Lease Liability | 986,480 | | |
| | | | |
| Total City of Crystal Lake | <u>6,750,971</u> | 100% | <u>\$ 6,750,971</u> |
| | | | |
| Overlapping: | | | |
| School District Number 155 | 11,635,000 | 41.22% | 4,795,947 |
| Elgin Community College Number 509 | 127,385,000 | 0.002% | 2,548 |
| School District Number 200 | 65,533,650 | 0.93% | 606,842 |
| School District Number 300 | 198,250,000 | 0.01% | 15,860 |
| McHenry County Conservation District | 37,600,000 | 13.57% | 5,101,192 |
| Crystal Lake Park District | 1,219,990 | 75.50% | 921,031 |
| Cary Park District | 817,890 | 0.04% | 311 |
| Huntley Park District | <u>1,180,000</u> | 0.60% | <u>7,056</u> |
| | | | |
| Total others | <u>443,621,530</u> | | <u>11,450,787</u> |
| | | | |
| Total overlapping debt | <u>\$ 450,372,501</u> | | <u>\$ 18,201,758</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 foregoing percentage amounts."

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) | |
|------------------------------------|---------------------------------|------------------------|---------------------------------------|------------------------------|------------------------------|-----|
| 2015 | 40,743 | \$ 1,434,275,829 | \$ 35,203 | 14,336 | 4.9% | |
| 2016 | 40,743 | 1,268,451,819 | 31,133 | 14,020 | 5.0% | |
| 2017 | 40,743 | 1,420,912,125 | 34,875 | 13,896 | 3.2% | |
| 2018 | 40,743 | 1,386,932,463 | 34,041 | 13,695 | 3.5% | |
| 2019 | 40,743 | 1,468,214,748 | 36,036 | 13,357 | 2.8% | |
| 2020 | 40,743 | 1,710,187,425 | 41,975 | 13,138 | 16.1% | (5) |
| 2021 | 40,269 | 1,645,028,919 | 40,851 | 12,639 | 5.0% | |
| 2022 | 40,269 | 1,601,981,358 | 39,782 | 12,787 | 2.5% | |
| 2023 | 40,269 | 1,671,445,383 | 41,507 | 12,647 | 3.6% | |
| 2024 | 40,269 | 1,808,521,059 | 44,911 | 12,545 | 3.5% | |

Data Sources

- (1) U.S. Census Bureau
- (2) U.S. Census Bureau
- (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 | 3.79% |
| Crystal Lake School District 155 | 725 | 2 | 1.80% |
| McHenry County College | 500 | 3 | 1.24% |
| Knaack Manufacturing | 500 | 4 | 1.24% |
| Crystal Lake Park District | 480 | 5 | 1.19% |
| Aptar Group | 475 | 6 | 1.18% |
| Walmart | 350 | 7 | 0.87% |
| City of Crystal Lake | 241 | 8 | 0.60% |
| Clayens | 230 | 9 | 0.57% |
| Technipaq | 225 | 10 | 0.56% |
| Jewel Foodstores | 220 | 11 | 0.55% |
| Mercyhealth | 150 | 12 | 0.37% |
| | <u>5,624</u> | | <u>13.97%</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

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|--------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| GENERAL GOVERNMENT | 30.50 | 30.05 | 30.05 | 29.95 | 37.25 | 37.75 | 38.75 | 38.75 | 39.25 | 40.25 |
| PUBLIC SAFETY | | | | | | | | | | |
| Police | 78.70 | 78.70 | 77.70 | 77.70 | 77.75 | 77.75 | 77.75 | 78.75 | 78.75 | 79.75 |
| Fire | 68.00 | 67.50 | 67.50 | 67.50 | 67.50 | 67.50 | 67.50 | 67.50 | 67.50 | 67.75 |
| HIGHWAYS AND STREETS | | | | | | | | | | |
| Administration | 4.50 | 5.75 | 4.75 | 3.25 | 4.25 | 4.25 | 4.25 | 5.25 | 5.25 | 5.25 |
| Engineering | 8.00 | 7.00 | 7.00 | 7.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Fleet and Facilities | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 6.50 | 6.50 | 6.50 |
| Maintenance | 15.00 | 15.00 | 15.00 | 15.00 | 17.00 | 17.00 | 18.00 | 18.00 | 18.00 | 19.00 |
| WATERWORKS AND SEWERAGE | 29.00 | 29.00 | 29.00 | 30.00 | 28.00 | 28.00 | 28.00 | 30.00 | 31.00 | 31.00 |
| | 240.70 | 240.00 | 238.00 | 237.40 | 238.75 | 239.25 | 241.25 | 244.75 | 246.25 | 249.50 |

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

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---------|---------|---------|---------|-------|-------|--------|--------|--------|--------|
| POLICE | | | | | | | | | | |
| Physical Arrests | 899 | 891 | 642 | 611 | 769 | 854 | 838 | 905 | 935 | 1,010 |
| Parking Violations | 3,754 | 3,090 | 2,278 | 2,019 | 3,228 | 2,339 | 3,310 | 3,742 | 4,131 | 5,406 |
| Traffic Violations | 4,456 | 9,434 | 3,379 | 3,697 | 8,788 | 9,937 | 10,910 | 11,869 | 13,961 | 11,267 |
| FIRE | | | | | | | | | | |
| Number of Calls Answered | 7,487 | 7,642 | 6,704 | 6,283 | 6,799 | 6,345 | 6,228 | 5,894 | 5,833 | 5,695 |
| Inspections | 967 | 1,277 | 743 | 588 | 853 | 957 | 981 | 650 | 833 | 1,104 |
| HIGHWAYS AND STREETS | | | | | | | | | | |
| Street Resurfacing (Lane Miles) | 10.7 | 10.9 | 12.3 | 10.8 | 10.0 | 6.9 | 6.9 | 8.3 | 6.0 | 6.9 |
| WATER | | | | | | | | | | |
| New Connections | 205 | 103 | 99 | 123 | 76 | 19 | 8 | 12 | 5 | 23 |
| Water Main Breaks | 26 | 15 | 25 | 22 | 21 | 28 | 19 | 24 | 18 | 29 |
| Average Daily Consumption (Millions of Gallons) | 3.63 | 4.20 | 4.10 | 3.87 | 4.01 | 3.85 | 3.85 | 3.90 | 3.93 | 3.93 |
| WASTEWATER | | | | | | | | | | |
| Average Daily Sewage Treatment (Millions of Gallons) | 3.84 | 4.19 | 3.84 | 4.77 | 5.00 | 4.80 | 4.80 | 4.80 | 5.10 | 5.10 |
| LIBRARY | | | | | | | | | | |
| Circulation | | | | | | | | | | |
| Physical Materials | 481,611 | 489,613 | 444,589 | 115,152 | N/A | N/A | N/A | N/A | N/A | N/A |
| E-Materials | 104,088 | 90,121 | 85,340 | 94,193 | N/A | N/A | N/A | N/A | N/A | N/A |
| Reference Questions | 61,815 | 62,697 | 46,152 | 13,592 | N/A | N/A | N/A | N/A | N/A | N/A |
| Cardholders | 17,685 | 17,685 | 18,680 | 21,109 | N/A | N/A | N/A | N/A | N/A | N/A |
| Programs | | | | | | | | | | |
| Number | 1,015 | 1,012 | 921 | 1,020 | N/A | N/A | N/A | N/A | N/A | N/A |
| Attendance | 47,615 | 51,325 | 38,162 | 88,730 | N/A | N/A | N/A | N/A | N/A | N/A |

Data Source

City and Library records

N/A - data not available

CITY OF CRYSTAL LAKE, ILLINOIS

CAPITAL ASSETS STATISTICS

Last Ten Fiscal Years

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| PUBLIC SAFETY | | | | | | | | | | |
| Police | | | | | | | | | | |
| Stations | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Patrol Units | 22 | 22 | 22 | 22 | 19 | 19 | 19 | 23 | 23 | 23 |
| Fire | | | | | | | | | | |
| Stations | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| HIGHWAYS AND STREETS | | | | | | | | | | |
| Streets (Miles) | 177 | 176 | 176 | 176 | 176 | 176 | 176 | 160 | 160 | 160 |
| Streetlights | 2,417 | 2,417 | 2,417 | 2,417 | 2,417 | 2,417 | 2,417 | 2,417 | 2,410 | 2,410 |
| Traffic Signals | 35 | 33 | 33 | 33 | 33 | 33 | 33 | 33 | 33 | 33 |
| CULTURE AND RECREATION | | | | | | | | | | |
| Parks Acreage | 450 | 450 | 450 | 450 | 450 | 450 | 450 | 450 | 450 | 450 |
| WATER | | | | | | | | | | |
| Water Mains (Miles) | 240 | 240 | 240 | 240 | 236 | 230 | 230 | 230 | 230 | 230 |
| Fire Hydrants | 3,263 | 3,206 | 3,234 | 3,181 | 3,122 | 3,122 | 3,122 | 3,114 | 3,095 | 3,095 |
| Maximum Daily Capacity (Million of Gallons) | 8.54 | 8.54 | 8.54 | 8.54 | 8.54 | 8.54 | 8.54 | 8.54 | 8.54 | 8.54 |
| SEWER | | | | | | | | | | |
| Sanitary Sewers (Miles) | 165 | 165 | 165 | 165 | 161 | 166 | 166 | 166 | 166 | 166 |
| Storm Sewers (Miles) | 122 | 122 | 122 | 122 | 115 | 114 | 60 | 60 | 60 | 60 |
| Maximum Daily Treatment (Millions of Gallons) | 20.20 | 20.20 | 20.20 | 20.20 | 20.20 | 20.20 | 19.50 | 16.50 | 16.50 | 16.50 |

Data Source

City records

CONTINUING DISCLOSURE



COVERAGE DECLARATIONS

Coverage Period: November 1, 2023 to November 1, 2024

| Types of Coverages | Pool Self-Insured Retention | Limits |
|---|------------------------------------|---|
| General Liability <ul style="list-style-type: none"> ▪ Bodily Injury and Property Damage ▪ 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 (all risks are covered unless excluded) including also: <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 | \$1,000,000 | \$250,000,000 per occurrence \$5,000,000 \$25,000,000 \$10,000,000 Scheduled \$50,000,000 (per member) |
| Boiler/Machinery | \$ 150,000 | (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 | \$73,949,381 | |

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