



AGENDA PACKET

VILLAGE OF LAKE ZURICH

Village Board of Trustees Regular Meeting

Monday, July 20, 2020

VILLAGE OF LAKE ZURICH
Village Board of Trustees Regular Meeting

Monday, July 20, 2020

1. CALL TO ORDER

2. ROLL CALL

Mayor Thomas Poynton, Trustee Jim Beaudoin, Trustee Mary Beth Euker, Trustee Janice Gannon, Trustee Marc Spacone, Trustee Jonathan Sprawka, Trustee Greg Weider

3. PLEDGE OF ALLEGIANCE

4. PUBLIC COMMENT

(This is an opportunity for residents to comment briefly on matters included on the agenda and otherwise of interest to the Board of Trustees.)

5. PRESIDENT'S REPORT / COMMUNITY UPDATE

(This is an opportunity for the Mayor to report on matters of interest to the Village.)

6. CONSENT AGENDA

(These titles will be read by the Village Clerk and approved by a single Roll Call Vote. Any item may be pulled from the Consent Agenda for discussion by any member of the Board).

A. Approval Of Minutes Of The Village Board Meeting, July 6, 2020

Attachment 1: [Unapproved Minutes](#)

B. Approval Of Semi-Monthly Warrant Register Dated July 20, 2020 Totaling \$420,552.15

Attachment 1: [Warrant](#)

7. OLD BUSINESS - NONE AT THIS TIME.

(This agenda item includes matters for action by the Board of Trustees.)

8. NEW BUSINESS

(This agenda item includes matters coming to the Board of Trustees for discussion and possible action.)

A. Presentation Of Comprehensive Annual Financial Report For Fiscal Year 2019 (Trustee Sprawka)

Summary: State law requires the Village to publish a complete set of financial statements presented in conformity with generally accepted auditing standards by a firm of licensed certified public accountants. The Village has completed the annual audit with Baker Tilly, who has issued a clean opinion on Village finances for the fiscal year ended December 31, 2019. The Government Finance Officers Association has awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village for this transparent and prudent municipal finance management report.

Overall, Village finances fared well during Fiscal Year 2019. The General Fund balance increased by \$641,000 to a total fund balance of \$11.4 million, or 33% of the General Fund Target Fund Balance of 40%. Long-term bonded debt decreased \$2.2 million to a total of \$25.4 million outstanding as of December 31, 2019. The Village maintains a AAA bond rating status from Standard & Poor's, which it has held since 2013.

Efforts to improve cash flow and better manage public assets are resulting in the Village making progress towards its #1 Strategic Goal of being financially sustainable to support municipal services and planned infrastructure investment.

Recommended Action: A motion to approve and accept the Comprehensive Annual Financial Report for the fiscal year ended December 31, 2019.

Attachment 1: [2019 CAFR](#)

B. Ordinance Proposing The Establishment Of A Special Service Area #17 In The Village Of Lake Zurich And Providing For A Public Hearing And Other Procedures In Connection Therewith For Canterbury Estates At 80 Genesee Street, Block G (Assign Ord. # 2020-07-373) (Trustee Beaudoin)

Summary: Special Service Area #17 is being setup as a backup SSA for the proposed Canterbury Estates development containing 40 townhouses along the north side of Route 22, just west of Old Rand Road. This proposed SSA is for the maintenance, repair, reconstruction and replacement of the stormwater and detention management improvements and the private roadways located within the development site. This backup SSA was required as a condition within the Development Agreement between the Village of Lake Zurich and Jade Development for the redevelopment of the property.

This SSA will allow the Village to assess a tax, in the future and only if necessary, on the property owners of the townhouses within that subdivision to pay for maintenance and repairs to the storm water management facilities and the private roadways, and only in the event the subdivision's Homeowners Association (HOA) is delinquent in fulfilling these obligations. No levy of taxes is proposed at this time.

Ryan Homes, represented by Mr. Scott Shelton and Jade Development, owned by Mr. Gregory Schwermer, plan to undertake a joint venture for the development of the Subject Property, wherein the land will be developed by Jade Development and include the private roadway, access to IL Route 22, installation of utilities and construction-ready building pads; and Ryan will complete the Development through the construction of the townhouse buildings on the pads.

State Statute requires a comment period of 60 days following the adjournment of the proposed public hearing. Within that period, the proposal for the SSA may be vetoed by a petition of 51 percent of electors and owners of record of the property. If vetoed, the proposal for the SSA may not be re-proposed by the municipality for two years. If no such petition is filed, the Village Board will be required to adopt an "Establishing Ordinance" for the special service area.

Recommended Action: A motion to approve Ordinance #2020-07-373 Proposing the Establishment of a Special Service Area Number 17 in the Village of Lake Zurich and Providing for a Public Hearing and Other Procedures in Connection Therewith for Canterbury Estates at 80 Genesee Street, Block G.

Attachment 1: [SSA 17](#)

- C. Public Hearing In Regards To Lake Zurich Special Service Area #17 Located Within The Canterbury Estates Subdivision At The Southwest Corner Of Route 22 And South Old Rand Road (Mayor Poynton)

Summary: This is a public hearing in regards to Lake Zurich Special Service Area #17 for the maintenance, repair, reconstruction and replacement of the stormwater infrastructure, detention management improvements, and private roadways located within the Canterbury Estates Subdivision at the southwest corner of Route 22 and South Old Rand Road.

This public hearing is being held pursuant to Ordinance #2020-07-373 being passed by the President and Board of Trustees on July 20, 2020. Pursuant to Section 3 of the aforementioned Ordinance, notice of this public hearing in the form set forth in Section 4 of the aforementioned Ordinance, was given as follows:

a) Publication of said Notice in the Daily Herald Newspaper on July 3, 2020.

b) Mailing said Notice, to the real estate tax assessee for each parcel of property located within the proposed Special Service Area, on July 6, 2020.

Recommended Action #1: Call to Order for Public Hearing in Regards to Lake Zurich Special Service Area #17 located within the Canterbury Estates Subdivision at the Southwest Corner of Route 22 and South Old Rand Road.

Recommended Action #2: Public hearing is now open to allow Staff to provide an explanation of the project and method of financing of the project and to receive questions and public comments from the community.

Recommended Action #3: Motion to adjourn the Public Hearing.

Attachment 1: [Public Hearing](#)

9. TRUSTEE REPORTS

(This is an opportunity for Trustees to report on matters of interest to the Board of Trustees.)

10. VILLAGE MANAGER'S REPORT

(This is an opportunity for the Village Manager to report on matters of interest to the Board of Trustees.)

A. Fiscal Year 2020 Budget Update

B. Monthly Data Metric Reports

Attachment 1: [Village Manager's Office](#)

Attachment 2: [Finance Department](#)

Attachment 3: [Fire Department](#)

Attachment 4: [Police Department](#)

Attachment 5: [Public Works Department](#)

Attachment 6: [Community Development Department](#)

Attachment 7: [Parks & Rec Department](#)

11. ATTORNEY'S REPORT

(This is an opportunity for the Village Attorney to report on legal matters of interest to the Board of Trustees.)

12. DEPARTMENT HEAD REPORTS

(This is an opportunity for department heads to report on matters of interest to the Board of Trustees.)

A. Finance Department - Treasurer's Report

Attachment 1: [Treasurer's Report](#)

13. ADJOURNMENT

The Village of Lake Zurich is subject to the requirements of the Americans with Disabilities Act of 1990. Individuals with disabilities who plan to attend this meeting and who require certain accommodations so that they can observe and participate in this meeting, or who have questions regarding the accessibility of the meeting or the Village's facilities, should contact the Village's ADA Coordinator at 847.438.5141 (TDD 847.438.2349) promptly to allow the Village to make reasonable accommodations for those individuals.

UNAPPROVED MINUTES
VILLAGE OF LAKE ZURICH
Board of Trustees
70 East Main Street



AGENDA ITEM

6A

Monday, July 6, 2020 7:00 p.m.

1. **CALL TO ORDER** by Mayor Thomas M. Poynton at 7.00pm.
2. **ROLL CALL:** Mayor Thomas Poynton, Trustee Jim Beaudoin, Trustee Mary Beth Euker, Trustee Janice Gannon, Trustee Marc Spacone, Trustee Jonathan Sprawka, Trustee Greg Weider. Also in attendance: Village Manager Ray Keller, Village Atty. Scott Uhler, Dir. of Innovation Michael Duebner, Dir. Of Community Services Sarosh Saher, Asst. to the Village Manager Kyle Kordell. Attending electronically: Asst. Village Manager Roy Witherow, Finance Dir. Bane Thomey, Police Chief Steve Husak, Fire Chief John Malcolm, Public Works Dir. Mike Brown, Park and Rec. Dir. Bonnie Caputo, H.R. Dir. Doug Gibson.
3. **PUBLIC COMMENT**

Michael Flood, Flood Brothers, 2238 N. Central Park Ave, Chicago, addressed the Board on Agenda item 7C, the RFP for Garbage hauling in the village, and he felt his company was interpreted incorrectly.

Mel Meyer, 36 Park Ave, representing his mother who lives at this address, addressed the Board on the issue of flooding in heavy rain at the 28 Park Ave and hoped the drainage issue will be addressed in Agenda item 7A.

Bob Warren, 265 Sunrise, addressed the Board on Agenda item 7B, he had signed the petition supporting a deli but was unaware that they are planning a 2 storey building with a liquor license. He does not support this proposal.

Marty Filson, 33 E. Harbor Dr., addressed the Board on the Mayor's comment at the 6/15/2020 meeting; the new water meters and the percentage of water loss; side walk on Church St (east side) to facilitate students walking to the new May Whitney School and LZHS.

Mary Keller, 195 Lions Dr, addressed the Board on the social media policy for elected officials and stated that Trustee Gannon has violated the policy with no sanctions.

Ralph Weber, 255 Sunrise, addressed the Board on Agenda item 7B and he rescinded his signature on a petition in support of the proposal.

Louisa Klaviris, 245 Sunrise, addressed the Board on Agenda item 7B and she rescinded her signature on a petition in support of the proposal.
4. **PRESIDENT'S REPORT / COMMUNITY UPDATE**

The Mayor thanked Mike Muir of Muir Insurance and the Knights of Columbus for their generous offering of the use of their premises and parking lot for the Academy of Performing Arts to have a limited recital.

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The remodeled McDonald's on Rt 12 will have a ribbon cutting on Friday July 10 for their grand reopening.

5. **CONSENT AGENDA**

- A. **Approval of Minutes of the Village Board Meeting, June 15, 2020**
- B. **Approval of Semi-Monthly Warrant Register Dated July 6, 2020 Totaling \$901,988.11**
- C. **Full Release of Letter of Credit in the Amount of \$16,422.60 to Life Storage at 300 East Route 22**

Summary: Life Storage has requested full release of the remaining letter of credit that was being retained for a two-year maintenance guarantee. Staff has reviewed the site and performed a final inspection, finding that there are no outstanding issues.

- D. **Agreement with Peter Baker & Son Company for Purchase of Asphalt Materials in the Amount Not-to-Exceed \$40,000**

Summary: The 2020 budget includes \$40,000 in the Non-Home Rule Sales Tax Fund for asphalt materials used for patching repairs by Public Works. A bid opening occurred on June 19, 2020, with three bids received. Peter Baker & Son Company of Lake Bluff, IL is the lowest responsible bid.

- E. **Ordinance Approving a Special Use Permit to Allow Outdoor Seating, Indoor Live Entertainment and Small Group Instructions for Crafts and Related Activities for Stompin' Grounds Café at 64 North Old Rand Road ORD. #2020-07-369**

Summary: Stompin' Grounds Café has filed a zoning application for the property at 64 North Old Rand Road seeking a Special Use Permit for land uses accessory to a permitted eating place. The property is located within the Village's B-2 Central Business District within the Alpine Shopping Center. The Planning and Zoning Commission held a public hearing on June 17, 2020 and voted 7-0 in favor of recommending approval of this Special Use Permit.

- F. **Ordinance Amending Title 3 of Chapter 3 of the Village of Lake Zurich Municipal Code to Increase Authorized Class W Liquor Licenses for Akhando Hum Inc. DBA/ Stompin' Grounds Café at 64 North Old Rand Road and Revoking Class A and Class V Liquor Licenses for Molly's Pancakes at 572 West Route 22 Ord. #2020-07-370**

Summary: Stompin' Grounds Café at 64 North Old Rand Road is requesting a *Class W – Boutique Restaurant Wine and Sparking Alcoholic Beverage* liquor license from the Village that will allow on-premises consumption and retail sale for off-premises consumption of wine and sparkling alcoholic beverages subject to imposed restrictions. This Ordinance also revokes Class A and Class V liquor licenses that were previously issued to Molly's Pancakes, which has now closed their facility at 572 West Route 22.

- G. **Ordinance Approving a Special Use Permit to Allow the Operation of a Veterinary Clinic for Companion Animal Hospital at 917 South Rand Road Ord. #2020-07-371**

Summary: JAS Development has filed a zoning application for the property at 917 South Rand Road seeking a Special Use Permit for the operation of a veterinary clinic at 917 South Rand Road, within the B-3 Regional Shopping District. The Planning and Zoning Commission held a public hearing on June 17, 2020 and voted 7-0 in favor of recommending approval of this Special Use Permit

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Recommended Action: A motion was made by Trustee Sprawka, seconded by Trustee Euker, to approve the Consent Agenda as presented.

AYES: 6 Trustees Beaudoin, Euker, Gannon, Spacone, Sprawka, Spacone.

NAYS: 0

ABSENT: 0

MOTION CARRIED.

6. OLD BUSINESS

None at this time.

7. NEW BUSINESS

- A. Ordinance Approving a Special Use Permit for a Planned Unit Development, Amending Chapters 4 and 7 of the Village of Lake Zurich Zoning Code and Granting Special Use Permit Approval for Various Uses at the Former Bank of America Property at 23 and 35 West Main Street and 22 and 28 Park Avenue ORD. #2020-07-372

Summary: Vela Carina LLC, represented by Don and Cindy Malin, are the current owners of the subject property and have filed a zoning application for a proposed redevelopment. They are proposing to demolish the interior and reconfigure it as a multi-tenant commercial retail building. The applicants are proposing to redevelopment the property with a variety of approved special uses. The property is located within the B-2 Central Business District, the DR Downtown Redevelopment Overlay District, and the R-5 Single-Family Residential District.

The applicants are requesting Zoning Code text amendments to allow for the land use of theatrical productions (not including motion picture movies) and drive-through facilities accessory to permitted eating places. Other special uses requested for approval include commercial photography and commercial art / graphic design, micro-brewery and tasting rooms, salon / spa, outdoor seating, and live entertainment including outdoor entertainment such as outdoor lawn bowling, volleyball, bocce ball courts, shuffle board courts, and miniature golf.

The Planning and Zoning Commission held a virtual public hearing on May 20, 2020 to consider this zoning application and voted 7-0 in favor of recommending approval of the project.

Dir. Of Community Services Sarosh Saher introduced Don Malin, applicant; Dan Grecco, Engineer, and Gino Romozzi, Architect, who gave a PowerPoint presentation of the proposal followed by Trustees' comments. Their comments included lighting at the drive through exit; the drainage on the 28 Park Ave lot; foot traffic concerns at the drive through exit. Staff and the applicant's engineer answered the questions.

Recommended Action: A motion was made by Trustee Beaudoin, seconded by Trustee Spacone, to approved Ordinance #2020-07-372 Approving a Special Use Permit for a Planned Unit Development, Amending Chapters 4 and 7 of the Village of Lake Zurich Zoning Code and Granting Special Use Permit Approval for Various Uses at the Former Bank of America Property at 23 and 35 West Main Street and 22 and 28 Park Avenue.

AYES: 6 Trustees Beaudoin, Euker, Gannon, Spacone, Sprawka, Spacone.

NAYS: 0

ABSENT: 0

MOTION CARRIED.

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B. Courtesy Review for Proposed Redevelopment of 265 North Rand Road with a New Building Containing a Restaurant with Outdoor Seating on a Portion of the Lower Level and Two Resident Units on the 2nd Floor

Summary: Mr. Solowiej is proposing the redevelopment of the property at 265 North Rand Road, commonly referred to as "Joe's Barbershop." This property has remained vacant for years and has been marketed since early 2020 for various commercial uses. The property is currently zoned with the R-5 Single-Family Residential District and is surrounded by residential uses to the north, east and south. The development proposal involves a change in zoning use and an increase in the intensity of use of the property.

The developer proposes to demolish the existing building and redevelop the site with a new building containing a restaurant/deli with outdoor seating on a portion of the lower level and two 2nd floor residential units above. The new 2-story, 3,325 square foot masonry building is proposed to be located outside of any required yards on the property – 50 feet from Rand Road, and 30 feet from Sunrise Court. The patio will be located on the south side of the building and be partially covered by the 2nd story portion of the building. The project will provide for 15 off-street parking spaces on the property.

The developer has indicated that if positive feedback on the proposed development is provided by the Village Board, they will move forward with a formal application for a future public hearing at the Planning and Zoning Commission.

Dir. Of Community Services Sarosh Saher introduced Jack Zak representing the proposers who stated that the property is owned by them. The Board gave their feedback and staff answered their questions. Their feedback included moving the development closer to Rt 12 and away from the neighbours, zoning issues, height of the proposed building, hours of operation, encouraged to work with the residents.

Recommended Action: This is a non-voting item at this time. The developer and Staff seek to understand the Village Board's preferences towards the proposed development and highlight any areas of concern to the applicant.

Feedback given.

C. Presentation from Prairieland Disposal of Lake Barrington on Solid Waste Hauling Contract Proposal

Summary: The Village's existing contract with Waste Management for solid waste hauling services is expiring on August 31, 2020 after an extension on the original contract from 2008. To gauge the competitiveness of the solid waste hauling market, on February 7, 2020 the Village issued a multi-jurisdictional request for proposals for solid waste collection services in partnership with Wauconda, Island Lake, Tower Lakes, and Deer Park. Four proposals were received on May 27, 2020.

After much review and discussion, the villages of Lake Zurich and Wauconda are recommending a joint-municipal contract with Prairieland Disposal. Deer Park has decided to extend their existing contract with Groot. Island Lake and Tower Lakes have decided to pursue individual contracts directly with Prairieland Disposal. Lake Zurich and Wauconda anticipate future strategic advantages that come from a joint-contract between both towns, which together comprise over 11,000 housing units and a combined population of over 33,000 residents.

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Prairieland Disposal is a family-owned company based out of Lake Barrington that services Lake, McHenry, Cook, and Boone counties. A few of their existing municipal clients include Barrington Hills, McHenry, Crystal Lake, Richmond, Fox River Grove, and Barrington, all of which have provided highly positive references on the companies' customer service and reliability.

In regards to Lake Zurich specifically, the proposal from Prairieland was the most competitive package. It is the only proposal that had prices decreasing from existing Lake Zurich rates. All other services stay the same including an eight week leaf vacuuming program beginning in mid-October and once-per-week unlimited yard waste collection with no stickers needed from April 1 to mid-December. Prairieland is also offering a 10% senior discount for all customers 65 years of age or older. The company is also offering a service enhancement for Lake Zurich residents in the form of an electronic waste curbside collection event free of charge for residents once per year.

Prairieland is well equipped to handle a transition this autumn in regards to the curbside collection of refuse, recycling, yard waste, food organics, and electronics as well as a local drop-off center in Lake Barrington. Prairieland Vice President Steve Schweinsberg will provide an introduction and review of their proposal for Lake Zurich.

Asst. to the Village Manager Kyle Kordell explained the RFP and introduced Steve Schweinsberg from Prairieland. Mr. Schweinsberg gave an overview of the proposal and answered the Board's questions.

Recommended Action: This is a non-voting item at this time. Pending Village Board direction, a formal vote on a waste hauling contract with Prairieland can be expected at the Village Board meeting on August 3, 2020.

D. Presentation of Results and Highlights from Phase 2 Community Engagement Effort on Future Lake Zurich Investment

Summary: In recent years, the Village has made strong progress sustaining and improving our financial sustainability while continuing to better the community with enhancements to public safety, infrastructure investment, new business attraction, and community events. However, there are several long-term infrastructure projects facing the Village that necessitate a larger discussion.

At the beginning on March 2020, the Village Board approved an agreement with EO Sullivan to facilitate community engagement efforts regarding future building options and various funding mechanisms for the Paulus Park Barn and Fire investment.

During June 2020, the Village conducted multiple virtual community engagement sessions. 130 community members participated with 62 providing written responses. EO Sullivan will present the results of the Phase 2 engagement effort and provide a summary of key highlights and next steps.

Ed Sullivan, E.O. Sullivan and Collin Corbett gave a presentation on the Phase 2 results and Mr. Corbett answered the Board's questions. Phase 3 will be the condensed information.

Recommended Action: This is a non-voting item. Staff and consultants seek to engage the Board on feedback results and receive input for the remaining phases of the project.

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8. **TRUSTEE REPORTS AND COMMENTS**

There were none.

9. **VILLAGE MANAGER'S REPORT**

No report

10. **DEPARTMENT HEAD REPORTS**

There were none.

11. **ADJOURNMENT**

Motion to adjourn was made by Trustee Sprawka, seconded by Trustee Euker.

AYES: 6 Trustees Beaudoin, Euker, Gannon, Spacone, Sprawka, Spacone.

NAYS: 0

ABSENT: 0

MOTION CARRIED.

Meeting adjourned at 9.05pm

Respectfully submitted:

Kathleen Johnson, Village Clerk.

Approved by:

Mayor Thomas M. Poynton

Date.

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GL Number	GL Desc	Vendor	Invoice Description	Amount
Fund 101 GENERAL				
Dept 00000				
101-00000-15001	PREPAID EXPENDITURES	US DIGITAL DESIGNS, INC	USDD PHOENIX SERVICE AGREEMENT - 2020/21	1,802.07
101-00000-21455	BUILDING DEPOSIT PAYABLES	PYSZYNSKI, PAWEL	BD PAYMENT REF - PERMIT #18010055	100.00
		Total For Dept 00000		1,902.07
Dept 10001 GENERAL GOVERNMENT ADMINISTRATION				
101-10001-48310	CASH OVER/SHORT	AMAZON.COM, INC	PURCHASES - JUNE	0.01
		Total For Dept 10001 GENERAL GOVERNMENT ADMINISTRATION		0.01
Dept 11006 LEGISLATIVE MAYOR & BOARD				
101-11006-52111	OTHER PROFESSIONAL SVCS	BUSINESS STORAGE, INC	DOCUMENT SHREDDING EVENT	645.00
101-11006-54303	LEGAL NOTICE/PUBLISHING	PADDOCK PUBLICATIONS INC.	ANNUAL TREASURER'S REPORT	772.80
		Total For Dept 11006 LEGISLATIVE MAYOR & BOARD		1,417.80
Dept 12120 VILLAGE ADMIN HUMAN RESOURCES				
101-12120-52111	OTHER PROFESSIONAL SVCS	CAREERBUILDER EMPL. SCREENING, LLC	EMPLOYMENT SCREENING	40.75
101-12120-52203	LABOR ATTORNEY	CLARK BAIRD SMITH LLP	LABOR LEGAL COSTS	3,400.00
		Total For Dept 12120 VILLAGE ADMIN HUMAN RESOURCES		3,440.75
Dept 12180 VILLAGE ADMIN ECONOMIC DEVELOPMENT				
101-12180-54308	TAX REBATES	BRADFORD LAKE ZURICH 5 LLC	TAX REBATE - MARCH 2020	16,023.89
101-12180-54308	TAX REBATES	VILLAGE OF HAWTHORN WOODS	TAX REBATE - MARCH 2020	5,223.99
101-12180-54308	TAX REBATES	VILLAGE OF KILDEER	TAX REBATE - MARCH 2020	10,447.98
		Total For Dept 12180 VILLAGE ADMIN ECONOMIC DEVELOPMENT		31,695.86
Dept 13001 FINANCE ADMINISTRATION				
101-13001-52112	PROFESSIONAL ACCOUNTING	BAKER TILLY VIRCHOW KRAUSE, LLP	FISCAL AUDIT 2019	460.00
101-13001-52704	MAINT-EQUIPMENT	PITNEY BOWES - LEASE	QTRLY METER LEASE	173.04
101-13001-53208	OFFICE SUPPLIES	AMAZON.COM, INC	PURCHASES - JUNE	40.49
101-13001-53208	OFFICE SUPPLIES	AMAZON.COM, INC	PURCHASE CREDITS - JUNE	(40.49)
101-13001-53208	OFFICE SUPPLIES	RUNCO OFFICE SUPPLY & EQUIPMENT CO.	BANKER BOXES	69.99
101-13001-53208	OFFICE SUPPLIES	RUNCO OFFICE SUPPLY & EQUIPMENT CO.	CLIPS, JR PADS, STENOS, SHARPIES, RUBBER BA	69.93
		Total For Dept 13001 FINANCE ADMINISTRATION		772.96

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GL Number	GL Desc	Vendor	Invoice Description	Amount
Dept 17001 TECHNOLOGY ADMINISTRATION				
101-17001-52111	OTHER PROFESSIONAL SVCS	ADOBE *CREATIVE CLOUD 800-443-8	ADOBE CREATIVE CLOUD - JUN	206.08
101-17001-52111	OTHER PROFESSIONAL SVCS	ADOBE *CREATIVE CLOUD 800-443-8	ADOBE CREATIVE CLOUD - MAY	206.08
101-17001-52111	OTHER PROFESSIONAL SVCS	ADOBE *CREATIVE CLOUD 800-443-8	ADOBE CREATIVE CLOUD - JUL	206.08
101-17001-52111	OTHER PROFESSIONAL SVCS	MICROSYSTEMS INC.	MS CLOUD SERVICES - MAY	94.51
101-17001-52704	MAINT-EQUIPMENT	PARK PLACE TECHNOLOGIES LLC	2020 MAINT SVC - AUG	173.58
101-17001-53203	TELEPHONE & DATA SVCS	WINDSTREAM	ANALOG LINES - JUL	112.14
101-17001-53407	EQUIP MAINT PART&SUPPLIE	AMAZON.COM, INC	PURCHASES - JUNE	117.42
101-17001-53407	EQUIP MAINT PART&SUPPLIE	AMAZON.COM, INC	PURCHASE CREDITS - JUNE	(117.42)
101-17001-53407	EQUIP MAINT PART&SUPPLIE	AMAZON.COM, INC	PURCHASE CREDITS - MAY	(83.38)
Total For Dept 17001 TECHNOLOGY ADMINISTRATION				915.09
Dept 24001 POLICE ADMINISTRATION				
101-24001-52111	OTHER PROFESSIONAL SVCS	GATSO USA, INC	RED LIGHT CAMERA FEE - JUNE	8,070.00
101-24001-52701	MAINT-BLDGS & GROUNDS	USW HOLDING COMPANY LLC	WATER FILTRATION - AUG	61.00
101-24001-53204	CELL PHONES & PAGERS	AT & T	CELL PHONES - PD	295.14
101-24001-53204	CELL PHONES & PAGERS	VERIZON WIRELESS LLC	CELL PHONE - JUN 2020	1.70
101-24001-53204	CELL PHONES & PAGERS	VERIZON WIRELESS LLC	CELL PHONE - MAY 2020	1.70
101-24001-53207	PRINTING-STATIONERY/FORM	K & M PRINTING	TRAFFIC CRASH FORMS	135.00
101-24001-53401	CUSTODIAL SUPPLIES	VALDES, LLC	HAND SOAP	132.40
101-24001-53401	CUSTODIAL SUPPLIES	VALDES, LLC	TOWELS CUPS, BATHROOM TISSUE	344.00
Total For Dept 24001 POLICE ADMINISTRATION				9,040.94
Dept 24210 POLICE OPERATIONS				
101-24210-52111	OTHER PROFESSIONAL SVCS	MOTOROLA INC.	STARCOM RADIO FEES - JUL	1,530.00
101-24210-52204	OTHER LEGAL	ETERNO, DAVID G	ADJUDICATION HEARING FEE - JUNE	187.50
101-24210-52703	MAINT-VEHICLES	RACEWAY CAR WASH INC	SQUAD CAR WASHES	603.50
101-24210-53209	UNIFORMS	GALL'S, LLC	MARINE UNIT - BOOTS	141.56
101-24210-53209	UNIFORMS	GALL'S, LLC	PAVLOCK - SHIRTS	113.24
101-24210-53209	UNIFORMS	GALL'S, LLC	YOUNG - BOOTS, BELT	159.31
101-24210-53209	UNIFORMS	JG UNIFORMS INC.	THIERGOOD - VEST COVER	250.50
101-24210-53209	UNIFORMS	KNIGHT, SHAUN	HOLSTER	121.85
101-24210-53210	SMALL TOOLS & EQUIP	AXON ENTERPRISES, INC	TASER REPLACEMENT CONTRACT	3,944.00
101-24210-53211	OTHER SUPPLIES	7-ELEVEN	PRISONER MEALS - MAY/JUN 2020	143.56
101-24210-53211	OTHER SUPPLIES	AMAZON.COM, INC	PURCHASE CREDITS - MAY	(17.99)
Total For Dept 24210 POLICE OPERATIONS				7,177.03

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GL Number	GL Desc	Vendor	Invoice Description	Amount
Dept 24230 POLICE CRIME PREVENTION				
101-24230-52111	OTHER PROFESSIONAL SVCS	TLO LLC	INVESTIGATIVE SEARCH ENGINE - JUNE	50.00
101-24230-52111	OTHER PROFESSIONAL SVCS	TRANS UNION LLC	CREDIT CHECKS	70.00
Total For Dept 24230 POLICE CRIME PREVENTION				120.00
Dept 25001 FIRE ADMINISTRATION				
101-25001-52203	LABOR ATTORNEY	CLARK BAIRD SMITH LLP	LABOR LEGAL COSTS	2,245.00
101-25001-53209	UNIFORMS	ON TIME EMBROIDERY, INC	HAT, BELT, POLO - TANNER	17.00
101-25001-53209	UNIFORMS	ON TIME EMBROIDERY, INC	COAT ALTERATIONS, SHORTS, JOB SHIRT - MIC	74.00
101-25001-53209	UNIFORMS	ON TIME EMBROIDERY, INC	POLO - MALCOLM	54.00
101-25001-53211	OTHER SUPPLIES	AMAZON.COM, INC	PURCHASES - JUNE	239.95
101-25001-53211	OTHER SUPPLIES	AMAZON.COM, INC	PURCHASE CREDITS - JUNE	(239.95)
101-25001-53211	OTHER SUPPLIES	RUNCO OFFICE SUPPLY & EQUIPMENT CO.	DISINFECT WIPES CLEANER	30.99
101-25001-53211	OTHER SUPPLIES	RUNCO OFFICE SUPPLY & EQUIPMENT CO.	MISC ITEMS - SUPPLIES	94.93
101-25001-53211	OTHER SUPPLIES	RUNCO OFFICE SUPPLY & EQUIPMENT CO.	STA #1 - TOWELS, DETERGENT, SNACKS	218.80
101-25001-53405	BLDG & GROUND MAINT SUPP	CASPER TRUE VALUE HARDWARE INC	SPRINKLER PARTS	17.99
Total For Dept 25001 FIRE ADMINISTRATION				2,752.71
Dept 25310 FIRE EMERGENCY MANAGEMENT				
101-25310-53211	OTHER SUPPLIES	CUREUV.COM	GERMAWAY DISINFECTION SYSTEM - IRMA REI	2,199.96
101-25310-53211	OTHER SUPPLIES	MEDLINE INDUSTRIES, INC	COVER GOWNS	468.00
Total For Dept 25310 FIRE EMERGENCY MANAGEMENT				2,667.96
Dept 25320 FIRE FIRE SUPPRESSION				
101-25320-51652	TRAINING AND MEETINGS	CHARMM'D FOUNDATION	COACHING PACKAGE - CHRISTOPHERSON	300.00
101-25320-52111	OTHER PROFESSIONAL SVCS	MOTOROLA INC.	STARCOM FEES - JUL	1,512.00
101-25320-52111	OTHER PROFESSIONAL SVCS	US DIGITAL DESIGNS, INC	USDD PHOENIX SERVICE AGREEMENT - 2020/21	1,287.19
101-25320-53211	OTHER SUPPLIES	LEACH ENTERPRISES INC.	OIL DRY	420.00
Total For Dept 25320 FIRE FIRE SUPPRESSION				3,519.19
Dept 25330 FIRE EMS				
101-25330-51652	TRAINING AND MEETINGS	ADVOCATE OCCUPATIONAL HEALTH	BIRTH CANAL CONSUMABLE TRAINING	538.00
101-25330-52111	OTHER PROFESSIONAL SVCS	ANDRES MEDICAL BILLING	AMBULANCE FEES - JUN 2020	2,304.45
101-25330-52118	SOFTWARE MAINTENANCE	LANGUAGELINE SOLUTIONS	LANGUAGE LINE VIDEO INTERPRETATION	45.90
101-25330-53204	CELL PHONES & PAGERS	VERIZON WIRELESS LLC	CELL PHONE - JUN 2020	51.03
101-25330-53204	CELL PHONES & PAGERS	VERIZON WIRELESS LLC	CELL PHONE - MAY 2020	157.31

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GL Number	GL Desc	Vendor	Invoice Description	Amount
101-25330-53211	OTHER SUPPLIES	AMERICAN GASES CORP	OXYGEN RENTAL	159.40
		Total For Dept 25330 FIRE EMS		3,256.09
Dept 25350 FIRE FIRE PREVENTION BUREAU				
101-25350-53407	EQUIP MAINT PART&SUPPLIE	CASPER TRUE VALUE HARDWARE INC	KNOX BOX SUPPLY STORAGE CONTAINERS	25.40
		Total For Dept 25350 FIRE FIRE PREVENTION BUREAU		25.40
Dept 28001 COMMUNITY DEVELOPMENT ADMINISTRATION				
101-28001-52604	SWEEPING & MOWING	MILIEU DESIGN LLC	BZ WEEDS	742.50
101-28001-53208	OFFICE SUPPLIES	RUNCO OFFICE SUPPLY & EQUIPMENT CO.	COPY PAPER	172.16
101-28001-53210	SMALL TOOLS & EQUIP	CASPER TRUE VALUE HARDWARE INC	MISC. HARDWARE	25.98
101-28001-54303	LEGAL NOTICE/PUBLISHING	PADDOCK PUBLICATIONS INC.	LEGAL ADS - JULY PZC	232.30
		Total For Dept 28001 COMMUNITY DEVELOPMENT ADMINISTRATION		1,172.94
Dept 36001 PUBLIC WORKS ADMINISTRATION				
101-36001-52111	OTHER PROFESSIONAL SVCS	CINTAS CORPORATION #2	UNIFORMS/MATS 07/02	63.80
101-36001-52111	OTHER PROFESSIONAL SVCS	CINTAS CORPORATION #2	UNIFORMS/MATS 7/9	35.90
101-36001-52113	ENGR/ARCHITECTURAL	MANHARD CONSULTING LTD	ENGINEERING SERVICES	2,067.75
101-36001-52113	ENGR/ARCHITECTURAL	MANHARD CONSULTING LTD	ENGINEERING SERVICES	1,810.50
101-36001-52603	LAKE/WATER QUALITY MGMT	IL EPA	NPDES PERMIT 20/21	1,000.00
101-36001-52603	LAKE/WATER QUALITY MGMT	MC GINTY BROS., INC.	WETLAND MAINT LIONS CT	100.00
101-36001-52603	LAKE/WATER QUALITY MGMT	MC GINTY BROS., INC.	WETLAND MAINT CEDAR CREEK	500.00
101-36001-52603	LAKE/WATER QUALITY MGMT	MC GINTY BROS., INC.	WETLAND MAINT LZ PUBLIC WORKS	100.00
101-36001-52605	MOSQUITO ABATEMENT	CLARKE ENVIRON MOSQUITO MGMT	MOSQUITO CONTROL 2020 #3	10,409.25
101-36001-52701	MAINT-BLDGS & GROUNDS	CINTAS CORPORATION #2	UNIFORMS/MATS 07/02	53.27
101-36001-52701	MAINT-BLDGS & GROUNDS	CINTAS CORPORATION #2	UNIFORMS/MATS 7/9	53.27
101-36001-52701	MAINT-BLDGS & GROUNDS	MARTIN ENTERPRISES HEATING/AIR COND	PD RTU 5 REPAIR	275.00
101-36001-52701	MAINT-BLDGS & GROUNDS	MARTIN ENTERPRISES HEATING/AIR COND	505 REPAIR - CONDENSOR COIL CLEANING	150.00
101-36001-52701	MAINT-BLDGS & GROUNDS	MC GINTY BROS., INC.	HAZARD TREE REMOVAL	2,050.00
101-36001-52701	MAINT-BLDGS & GROUNDS	MC GINTY BROS., INC.	HAZARD TREE STUMP GRINDING	550.00
101-36001-52701	MAINT-BLDGS & GROUNDS	SMITHEREEN PEST MANAGEMENT SERVICES	505 PEST CONTROL - JUL	49.00
101-36001-52701	MAINT-BLDGS & GROUNDS	SMITHEREEN PEST MANAGEMENT SERVICES	POLICE PEST CONTROL - JUL	93.00
101-36001-52702	MAINT-LAWN & LANDSCAPING	SEBERT LANDSCAPING	LANDSCAPE MAINT - JUN	8,034.52
101-36001-53201	ELECTRICITY	COMMONWEALTH EDISON	133 W MAIN	20.72
101-36001-53201	ELECTRICITY	COMMONWEALTH EDISON	LOT 42	31.27
101-36001-53204	CELL PHONES & PAGERS	VERIZON WIRELESS LLC	CELL PHONE - JUN 2020	1.70
101-36001-53204	CELL PHONES & PAGERS	VERIZON WIRELESS LLC	CELL PHONE - MAY 2020	1.70

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101-36001-53208	OFFICE SUPPLIES	RUNCO OFFICE SUPPLY & EQUIPMENT CO.	COPY PAPER	68.87
101-36001-53208	OFFICE SUPPLIES	RUNCO OFFICE SUPPLY & EQUIPMENT CO.	TABS & LABELS	34.62
101-36001-53401	CUSTODIAL SUPPLIES	VALDES, LLC	BAGS, TISSUE PAPER, TOWELS, NAPKINS	143.55
101-36001-53403	LANDSCAPING SUPPLIES	POTSIE'S INC.	TOPSOIL	225.00
101-36001-53403	LANDSCAPING SUPPLIES	POTSIE'S INC.	TOPSOIL	300.00
101-36001-53405	BLDG & GROUNDS SUPPLIES	CASPER TRUE VALUE HARDWARE INC	PAINT	36.99
Total For Dept 36001 PUBLIC WORKS ADMINISTRATION				28,259.68
Dept 36420 PUBLIC WORKS PARK MAINTENANCE				
101-36420-52702	MAINT-LAWN & LANDSCAPING	SEBERT LANDSCAPING	LANDSCAPE MAINT - JUN	27,707.53
101-36420-53201	ELECTRICITY	COMMONWEALTH EDISON	7 E MAIN	25.84
101-36420-53401	CUSTODIAL SUPPLIES	VALDES, LLC	BAGS, TISSUE PAPER, TOWELS, NAPKINS	143.55
101-36420-53403	LANDSCAPING SUPPLIES	HOMER INDUSTRIES INC.	MULCH	1,170.00
101-36420-53405	BLDG & GROUND MAINT SUPP	CASPER TRUE VALUE HARDWARE INC	KEYS - TRAILERS	39.24
101-36420-53405	BLDG & GROUND MAINT SUPP	CASPER TRUE VALUE HARDWARE INC	KEYS	14.15
101-36420-53405	BLDG & GROUND MAINT SUPP	CASPER TRUE VALUE HARDWARE INC	KEYS	8.37
101-36420-53405	BLDG & GROUND MAINT SUPP	FERGUSON ENTERPRISES LLC	CONCESSION FLUSH KIT	34.99
101-36420-53405	BLDG & GROUND MAINT SUPP	GRAINGER	SPRAYGROUND SOLENOIDS	393.56
101-36420-53405	BLDG & GROUND MAINT SUPP	GRAINGER	SPRAYGROUND VALVE KITS	565.46
101-36420-53405	BLDG & GROUND MAINT SUPP	GRAINGER	SPRAYGROUND WALL SOLENOID	92.40
101-36420-53405	BLDG & GROUND MAINT SUPP	HOME DEPOT CREDIT SERVICES	THREAD SEALANT	6.95
101-36420-53405	BLDG & GROUND MAINT SUPP	HOME DEPOT CREDIT SERVICES	BIRD OBSERVATORY BALLUSTERS	33.72
101-36420-53407	EQUIP MAINT PART&SUPPLIE	BUSHNELL INCORPORATED	SPRAYGROUND FITTINGS	51.16
101-36420-53407	EQUIP MAINT PART&SUPPLIE	HALOGEN SUPPLY CO. INC.	BOUYS	680.07
101-36420-54306	EQUIPMENT RENTAL	SERVICE SANITATION, INC	PAULUS PARK PORT-O-POTTY	121.27
101-36420-54306	EQUIPMENT RENTAL	SERVICE SANITATION, INC	CHESTNUT PORT-O-POTTY	110.21
Total For Dept 36420 PUBLIC WORKS PARK MAINTENANCE				31,198.47
Dept 36471 PUBLIC WORKS FLEET SERVICES				
101-36471-52111	OTHER PROFESSIONAL SVCS	CINTAS CORPORATION #2	UNIFORMS/MATS 07/02	84.51
101-36471-52111	OTHER PROFESSIONAL SVCS	CINTAS CORPORATION #2	UNIFORMS/MATS 7/9	76.87
101-36471-52111	OTHER PROFESSIONAL SVCS	MIKE'S TOWING, INC	SAFETY INSPECTION	72.00
101-36471-52111	OTHER PROFESSIONAL SVCS	MIKE'S TOWING, INC	SAFETY INSPECTIONS	72.00
101-36471-52701	MAINT-BLDGS & GROUNDS	PETROLEUM TECHNOLOGIES EQPT., INC	ANNUAL INSPECTION	1,295.00
101-36471-53211	OTHER SUPPLIES	AIRGAS USA, LLC	TORCH GAS	123.19
101-36471-53211	OTHER SUPPLIES	CASPER TRUE VALUE HARDWARE INC	POR15 SUPPLIES	31.59
101-36471-53211	OTHER SUPPLIES	CASPER TRUE VALUE HARDWARE INC	SCREWS	1.50

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101-36471-53211	OTHER SUPPLIES	CASPER TRUE VALUE HARDWARE INC	PUTTY	2.99
101-36471-53211	OTHER SUPPLIES	CASPER TRUE VALUE HARDWARE INC	SCREWS	1.50
101-36471-53406	AUTO PARTS & SUPPLIES	ADVANCE AUTO PARTS	BULBS	19.59
101-36471-53406	AUTO PARTS & SUPPLIES	FOSTER COACH SALES INC.	LATCHES	197.18
101-36471-53406	AUTO PARTS & SUPPLIES	FOSTER COACH SALES INC.	SENSOR	144.24
101-36471-53406	AUTO PARTS & SUPPLIES	LAKE ZURICH RADIATOR & A/C SERVICE	EVAP CORE	160.00
101-36471-53406	AUTO PARTS & SUPPLIES	MACQUEEN EQUIPMENT, LLC	DOOR SWITCH	189.71
101-36471-53406	AUTO PARTS & SUPPLIES	MACQUEEN EQUIPMENT, LLC	MIRROR HOUSING	293.73
101-36471-53406	AUTO PARTS & SUPPLIES	NAPA AUTO PARTS	CREDIT - CORE DEP	(18.00)
101-36471-53406	AUTO PARTS & SUPPLIES	NAPA AUTO PARTS	BREAKERS	31.74
101-36471-53406	AUTO PARTS & SUPPLIES	NAPA AUTO PARTS	RESISTOR	86.78
101-36471-53406	AUTO PARTS & SUPPLIES	NAPA AUTO PARTS	BRAKE ROTORS	343.92
101-36471-53406	AUTO PARTS & SUPPLIES	NAPA AUTO PARTS	CABIN FILTERS	13.42
101-36471-53406	AUTO PARTS & SUPPLIES	NAPA AUTO PARTS	FILTER	6.71
101-36471-53406	AUTO PARTS & SUPPLIES	NAPA AUTO PARTS	FILTERS	165.26
101-36471-53406	AUTO PARTS & SUPPLIES	O'REILLY AUTOMOTIVE STORES, INC	HOSE CLAMPS	72.70
101-36471-53406	AUTO PARTS & SUPPLIES	RUSH TRUCK CENTER - SPRINGFIELD	ACCUMULATOR	218.41
101-36471-53406	AUTO PARTS & SUPPLIES	RUSH TRUCK CENTER - SPRINGFIELD	COMPRESSOR	294.90
101-36471-53406	AUTO PARTS & SUPPLIES	WICKSTROM AUTO GROUP, INC	REGULATOR	117.02
101-36471-53407	EQUIP MAINT PART&SUPPLIE	ALEXANDER EQUIPMENT CO., INC	CHIPPER KNIVES	327.92
101-36471-53407	EQUIP MAINT PART&SUPPLIE	ARLINGTON POWER EQUIPMENT	SAW CHAINS	74.08
101-36471-53407	EQUIP MAINT PART&SUPPLIE	ARLINGTON POWER EQUIPMENT	SAW CHAINS	97.86
101-36471-53407	EQUIP MAINT PART&SUPPLIE	ARLINGTON POWER EQUIPMENT	CREDIT - CHAIN LOOP	(74.08)
101-36471-53407	EQUIP MAINT PART&SUPPLIE	ATLAS BOBCAT, LLC	GLASS DOOR	189.96
101-36471-53407	EQUIP MAINT PART&SUPPLIE	ATLAS BOBCAT, LLC	FILTERS	140.95
101-36471-53407	EQUIP MAINT PART&SUPPLIE	BURRIS EQUIPMENT COMPANY	FILTERS	56.67
101-36471-53407	EQUIP MAINT PART&SUPPLIE	CASPER TRUE VALUE HARDWARE INC	PAINT	44.48
101-36471-53407	EQUIP MAINT PART&SUPPLIE	CASPER TRUE VALUE HARDWARE INC	PAINT	9.98
101-36471-53407	EQUIP MAINT PART&SUPPLIE	CASPER TRUE VALUE HARDWARE INC	SWITCHES	20.77
101-36471-53407	EQUIP MAINT PART&SUPPLIE	CASPER TRUE VALUE HARDWARE INC	SPRAY PAINT	12.98
101-36471-53407	EQUIP MAINT PART&SUPPLIE	NAPA AUTO PARTS	FILTERS	113.75
101-36471-53407	EQUIP MAINT PART&SUPPLIE	NAPA AUTO PARTS	AIR FILTER	60.11
101-36471-53407	EQUIP MAINT PART&SUPPLIE	R.N.O.W., INC	VALVE	149.57
101-36471-53407	EQUIP MAINT PART&SUPPLIE	STANDARD EQUIPMENT COMPANY	VACTOR HOSES	1,114.98
101-36471-53407	EQUIP MAINT PART&SUPPLIE	WEST SIDE EXCHANGE	HYDRAULIC HOSE	540.16
101-36471-53407	EQUIP MAINT PART&SUPPLIE	WEST SIDE EXCHANGE	HOSE	118.50
101-36471-53407	EQUIP MAINT PART&SUPPLIE	ZARNOTH BRUSH WORKS, INC	SWEEPER BRUSHES	828.00

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101-36471-53418	LUBRICANTS & FLUIDS	BURRIS EQUIPMENT COMPANY	FILTERS	103.12
101-36471-53418	LUBRICANTS & FLUIDS	NAPA AUTO PARTS	BRAKE FLUID	6.49
101-36471-53418	LUBRICANTS & FLUIDS	NAPA AUTO PARTS	OIL	11.58
		Total For Dept 36471 PUBLIC WORKS FLEET SERVICES		8,046.29
Dept 67001 RECREATION ADMINISTRATION				
101-67001-51654	MEMBERSHIPS & SUBSCRIP	SIGNUPGENIUS WWW.SIGNUP	P& REC SIGNUP GENIUS - JUN 2020	9.99
101-67001-53204	CELL PHONES & PAGERS	VERIZON WIRELESS LLC	CELL PHONE - JUN 2020	1.91
101-67001-53204	CELL PHONES & PAGERS	VERIZON WIRELESS LLC	CELL PHONE - MAY 2020	1.91
101-67001-53206	POSTAGE & SHIPPING	U S POSTMASTER	FAL BROCHURE	1,344.68
101-67001-53208	OFFICE SUPPLIES	RUNCO OFFICE SUPPLY & EQUIPMENT CO.	PAPER, STAPLES, TAPE, BULLETIN BOARDS, ETC	233.67
		Total For Dept 67001 RECREATION ADMINISTRATION		1,592.16
Dept 67935 RECREATION DANCE				
101-67935-53211	OTHER SUPPLIES	CURTAIN CALL	CREDIT - DANCE COSTUME SALES TAX	(201.63)
101-67935-53211	OTHER SUPPLIES	WEISSMAN DESIGNS FOR D 314-773-9	CREDIT - DANCE COSTUMES	(104.41)
101-67935-53211	OTHER SUPPLIES	WEISSMAN DESIGNS FOR D 314-773-9	CREDIT - DANCE COSTUMES	(35.95)
		Total For Dept 67935 RECREATION DANCE		(341.99)
Dept 67960 RECREATION CAMPS				
101-67960-53209	UNIFORMS	ICON GRAPHICS & SCREEN PRINTING	AQUATIC UNIFORMS	860.00
		Total For Dept 67960 RECREATION CAMPS	860.00	860.00
Dept 67970 RECREATION AQUATICS				
101-67970-53414	CHEMICALS	CASPER TRUE VALUE HARDWARE INC	SPRAYGROUND CHEMICALS	39.96
		Total For Dept 67970 RECREATION AQUATIC	39.96	39.96
Total For Fund 101 GENERAL				139,531.37
Fund 202 MOTOR FUEL TAX				
Dept 36001 PUBLIC WORKS ADMINISTRATION				
202-36001-52701	MAINT-BLDGS & GROUNDS	MEADE, INC	MN STREET SIGNAL MAINT	200.00
202-36001-52701	MAINT-BLDGS & GROUNDS	SEBERT LANDSCAPING	LANDSCAPE MAINT - JUN	4,251.29
202-36001-53201	ELECTRICITY	COMMONWEALTH EDISON	STREETLIGHT ELECTRIC 3073	13,735.28
202-36001-53201	ELECTRICITY	COMMONWEALTH EDISON	STREETLIGHT ELECTRIC 3073	13,797.16
202-36001-53201	ELECTRICITY	COMMONWEALTH EDISON	45 S OLD RAND	28.58
202-36001-53201	ELECTRICITY	COMMONWEALTH EDISON	CLAIRVIEW	27.48

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202-36001-55253	INFRASTRUCTURE IMPROVEMT	PRECISION PAYVEMENT MARKINGS, INC	2020 THERMO PAVEMENT MARKING	6,359.07
		Total For Dept 36001 PUBLIC WORKS ADMINISTRATION		38,398.86
		Total For Fund 202 MOTOR FUEL TAX		38,398.86
Fund 210 TIF #1				
Dept 10490 GENERAL GOVERNMENT TIF				
210-10490-51654	MEMBERSHIPS & SUBSCRIP	IL TAX INCREMENT ASSOCIATION	ANNUAL DUED FOR TIF ASSOCIATION	650.00
		Total For Dept 10490 GENERAL GOVERNMENT TIF		650.00
		Total For Fund 210 TIF #1		650.00
Fund 214 TIF #2 DOWNTOWN				
Dept 10490 GENERAL GOVERNMENT TIF				
214-10490-52201	VILLAGE ATTORNEY	KATHLEEN FIELD ORR & ASSOCIATES	TIF LEGAL REVIEW - KOREAN BBQ	550.00
214-10490-55252	BLDG & BLDG IMPROVEMENTS	TERRAIN GROUP	RESTORATION 15 SOR	3,245.00
		Total For Dept 10490 GENERAL GOVERNMENT TIF		3,795.00
		Total For Fund 214 TIF #2 DOWNTOWN		3,795.00
Fund 227 DISPATCH CENTER				
Dept 24220 POLICE DISPATCH				
227-24220-53209	UNIFORMS	GALL'S, LLC	CIPOLLA - PIN	3.24
227-24220-53209	UNIFORMS	GALL'S, LLC	MJOEN - BOOTS, SOCKS, SHIRTS	161.05
		Total For Dept 24220 POLICE DISPATCH		164.29
		Total For Fund 227 DISPATCH CENTER		164.29
Fund 401 VILLAGE CAPITAL PROJECTS				
Dept 36001 PUBLIC WORKS ADMINISTRATION				
401-36001-55251	LAND IMPROVEMENTS	ACRES ENTERPRISES, INC	2020 EAB PLANTING	63,134.00
401-36001-55252	BLDG & BLDG IMPROVEMENTS	EOSULLIVAN CONSULTING LLC	COMMUNITY ENGAGEMENT CONSULTING	7,000.00
401-36001-55252	BLDG & BLDG IMPROVEMENTS	EOSULLIVAN CONSULTING LLC	COMMUNITY ENGAGEMENT CONSULTING	7,000.00
401-36001-55253	INFRASTRUCTURE IMPROVEMT	MANHARD CONSULTING LTD	STREAM BANK IMP KILDEER CK	1,676.50
		Total For Dept 36001 PUBLIC WORKS ADMINISTRATION		78,810.50

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Total For Fund 401 VILLAGE CAPITAL PROJECTS				78,810.50
Fund 405 NHR CAPITAL PROJECTS				
Dept 36001 PUBLIC WORKS ADMINISTRATION				
405-36001-53416	CONCRETE & ASPHALT	FISCHER BROS FRESH CONCRETE, INC.	CONCRETE 6-18	848.25
405-36001-53416	CONCRETE & ASPHALT	PETER BAKER & SON COMPANY	COLD PATCH - 6/26	631.40
405-36001-55253	INFRASTRUCTURE IMPROVEMT	MANHARD CONSULTING LTD	ROAD RESURFACING 2020	7,848.00
Total For Dept 36001 PUBLIC WORKS ADMINISTRATION				9,327.65
Total For Fund 405 NHR CAPITAL PROJECTS				9,327.65
Fund 501 WATER & SEWER				
Dept 00000				
501-00000-21204	LC CONNECTION FEES PAYABLE	LAKE COUNTY PUBLIC WORKS DEPT.	LC CONNECTION FEE - 295 KIM TRAIL	4,030.00
501-00000-27102	IEPA LOAN PAYABLE	IL EPA	2008 IEPA LOAN PRINCIPAL AND INTEREST	45,824.56
Total For Dept 00000				49,854.56
Dept 36001 PUBLIC WORKS ADMINISTRATION				
501-36001-53203	TELEPHONE & DATA SVCS	VERIZON WIRELESS LLC	LOT 42 LIFT ALARM	18.02
501-36001-53203	TELEPHONE & DATA SVCS	WINDSTREAM	ANALOG LINES - JUL	448.57
501-36001-53208	OFFICE SUPPLIES	RUNCO OFFICE SUPPLY & EQUIPMENT CO.	COPY PAPER	68.87
501-36001-53208	OFFICE SUPPLIES	RUNCO OFFICE SUPPLY & EQUIPMENT CO.	TABS & LABELS	34.61
501-36001-53209	UNIFORMS	CINTAS CORPORATION #2	UNIFORMS/MATS 07/02	26.52
501-36001-53209	UNIFORMS	CINTAS CORPORATION #2	UNIFORMS/MATS 7/9	26.52
501-36001-56603	INTEREST	IL EPA	2008 IEPA LOAN PRINCIPAL AND INTEREST	10,775.10
Total For Dept 36001 PUBLIC WORKS ADMINISTRATION				11,398.21
Dept 36530 PUBLIC WORKS WATER BILLING				
501-36530-52111	OTHER PROFESSIONAL SVCS	DATAPROSE, LLC	WATER BILL PROCESSING - JUNE 2020	739.52
501-36530-52112	PROFESSIONAL ACCOUNTING	BAKER TILLY VIRCHOW KRAUSE, LLP	FISCAL AUDIT 2019	970.00
501-36530-53206	POSTAGE & SHIPPING	DATAPROSE, LLC	WATER BILL PROCESSING - JUNE 2020	2,731.28
Total For Dept 36530 PUBLIC WORKS WATER BILLING				4,440.80
Dept 36550 PUBLIC WORKS WATER SERVICE				
501-36550-52607	WATER SAMPLE ANALYSIS	SUBURBAN LABORATORIES, INC.	LABORATORY SERVICES/WATER	530.00
501-36550-52701	MAINT-BLDGS & GROUNDS	SEBERT LANDSCAPING	LANDSCAPE MAINT - JUN	802.66

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GL Number	GL Desc	Vendor	Invoice Description	Amount
501-36550-53201	ELECTRICITY	CONSTELLATION NEW ENERGY, INC.	WELL #11	230.18
501-36550-53201	ELECTRICITY	CONSTELLATION NEW ENERGY, INC.	WELL #12	6,604.45
501-36550-53201	ELECTRICITY	CONSTELLATION NEW ENERGY, INC.	WELL #9	4,431.09
501-36550-53201	ELECTRICITY	CONSTELLATION NEW ENERGY, INC.	WELL #10	5,720.83
501-36550-53201	ELECTRICITY	CONSTELLATION NEW ENERGY, INC.	WELL #8	4,131.63
501-36550-53201	ELECTRICITY	CONSTELLATION NEW ENERGY, INC.	WELL #7	604.29
501-36550-53407	EQUIP MAINT PART&SUPPLIE	BUSHNELL INCORPORATED	WELL 8 CL2 PUMP PIPING	78.24
501-36550-53413	DISTRIBUTION SYS REPAIR	CASPER TRUE VALUE HARDWARE INC	B-BOX REPAIR	6.59
501-36550-53414	CHEMICALS	MIDWEST SALT LLC	WTR CONDITIONING SALT - WELL #8	2,118.48
501-36550-53414	CHEMICALS	MIDWEST SALT LLC	WTR CONDITIONING SALT WELL #12	2,309.84
501-36550-53414	CHEMICALS	VIKING CHEMICAL COMPANY	CHLORINE	1,000.00
501-36550-55253	INFRASTRUCTURE IMPROVEMT	MANHARD CONSULTING LTD	WATER MAIN IMP 2019	1,720.00
501-36550-55253	INFRASTRUCTURE IMPROVEMT	MANHARD CONSULTING LTD	WATER MAIN IMP 2020	5,959.00
501-36550-55253	INFRASTRUCTURE IMPROVEMT	MANHARD CONSULTING LTD	WATER MAIN IMP - PAULUS PK	3,599.25
501-36550-55253	INFRASTRUCTURE IMPROVEMT	MANHARD CONSULTING LTD	WATER MAIN IMP - 35 W MAIN	2,866.50
Total For Dept 36550 PUBLIC WORKS WATER SERVICE				42,713.03
Dept 36560 PUBLIC WORKS SEWER SERVICE				
501-36560-52111	OTHER PROFESSIONAL SVCS	STATE INDUSTRIAL PRODUCTS CORP	2020 H2S REDUCTION PRG - NW PUMP STATIO	1,489.00
501-36560-52111	OTHER PROFESSIONAL SVCS	STATE INDUSTRIAL PRODUCTS CORP	2020 H2S REDUCTION PRG - QUENTIN	2,474.91
501-36560-53201	ELECTRICITY	COMMONWEALTH EDISON	FLOW CONTROL	46.76
501-36560-53201	ELECTRICITY	COMMONWEALTH EDISON	VACUUM PRIMING	28.41
501-36560-53201	ELECTRICITY	CONSTELLATION NEW ENERGY, INC.	LIFTS - 1115 BETTY	31.23
501-36560-53201	ELECTRICITY	CONSTELLATION NEW ENERGY, INC.	LIFTS - 1297 BRAEMAR	194.64
501-36560-53201	ELECTRICITY	CONSTELLATION NEW ENERGY, INC.	LIFTS - 1160 BRISTOL TR	123.13
501-36560-53201	ELECTRICITY	CONSTELLATION NEW ENERGY, INC.	LIFTS - 700 OLD MILL GROVE	47.08
501-36560-53201	ELECTRICITY	CONSTELLATION NEW ENERGY, INC.	LIFTS - 719 CYPRESS BRIDGE	44.32
501-36560-53201	ELECTRICITY	CONSTELLATION NEW ENERGY, INC.	LIFTS - 620 CHURCH	260.43
501-36560-53201	ELECTRICITY	CONSTELLATION NEW ENERGY, INC.	LIFTS - 1005 MARCH	141.77
501-36560-53201	ELECTRICITY	CONSTELLATION NEW ENERGY, INC.	LIFTS - 1100 QUENTIN	759.37
501-36560-53201	ELECTRICITY	CONSTELLATION NEW ENERGY, INC.	LIFTS - 1150 DEERPATH	49.81
501-36560-53201	ELECTRICITY	CONSTELLATION NEW ENERGY, INC.	LIFTS - 90 S PLEASANT	100.48
501-36560-53201	ELECTRICITY	CONSTELLATION NEW ENERGY, INC.	LIFTS - 61 W MAIN	52.93
501-36560-53201	ELECTRICITY	CONSTELLATION NEW ENERGY, INC.	LIFTS - 750 N RAND	1,120.41
501-36560-53201	ELECTRICITY	CONSTELLATION NEW ENERGY, INC.	LIFTS - 825 W MAIN	332.06
501-36560-53201	ELECTRICITY	CONSTELLATION NEW ENERGY, INC.	LIFTS - 1080 HONEY LAKE	45.77
501-36560-53201	ELECTRICITY	DYNEGY ENERGY SERVICES LLC	LIFTS - 1160 THORNDAL	181.00

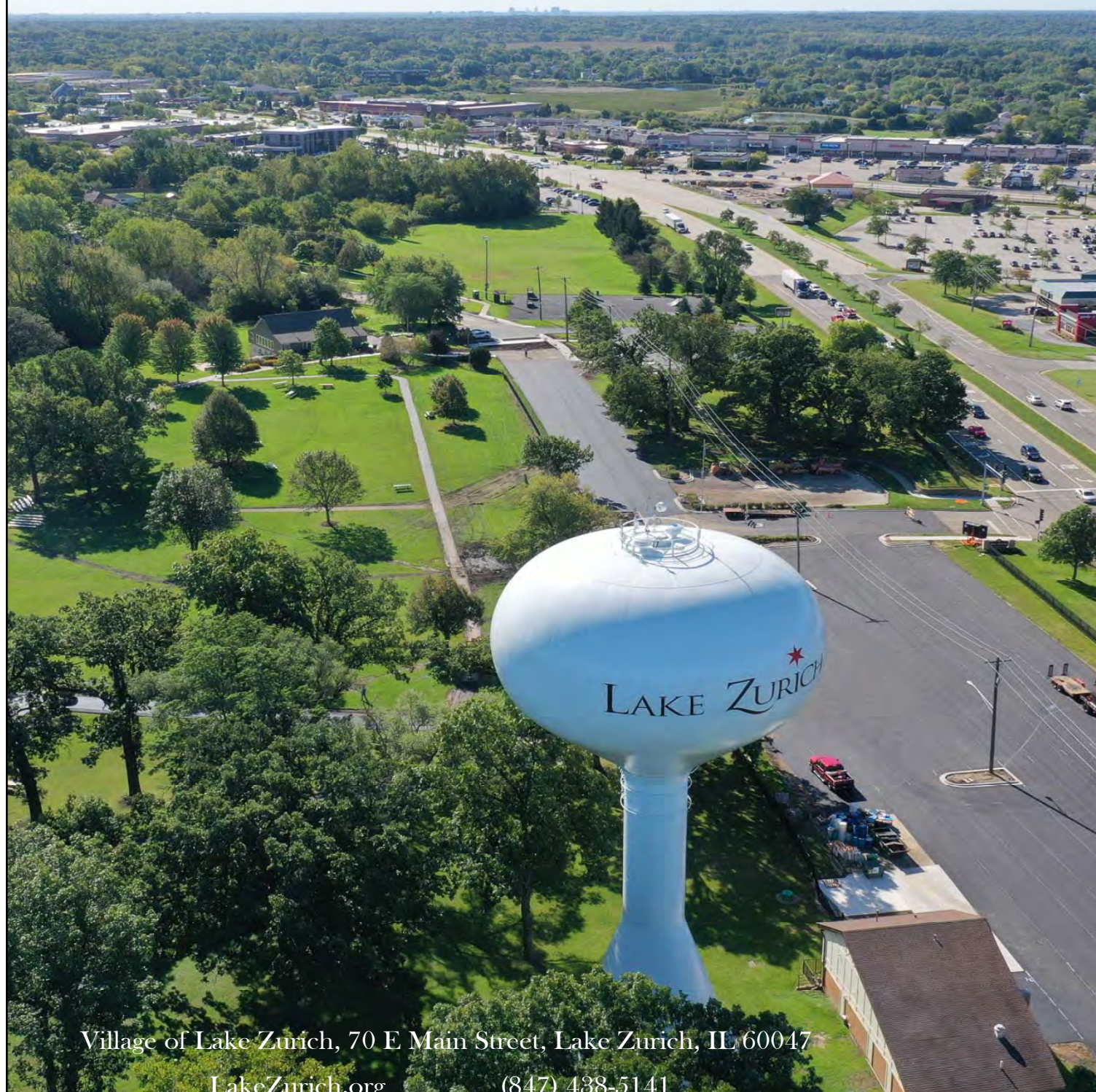
<div> <div>VILLAGE OF LAKE ZURICH</div> <div>WARRANT REPORT - 7/20/2020</div> <div><u>\$420,552.15</u></div> </div> <div>Page 11 of 13</div>				
GL Number	GL Desc	Vendor	Invoice Description	Amount
501-36560-53210	SMALL TOOLS & EQUIP	HOME DEPOT CREDIT SERVICES	TOOLS FOR LIFT STATION CHECK VALVES	43.84
501-36560-53211	OTHER SUPPLIES	1ST AYD CORPORATION	HD DISPOSABLE LATEX GLOVES	247.43
501-36560-53408	LIFT STATION PARTS & SUP	LAI, LTD	REPLACEMENT AIR RELIEF VALVE/THORNDALE	582.00
501-36560-55253	INFRASTRUCTURE IMPROVEMT	MANHARD CONSULTING LTD	SEWER LINING 2020	3,630.00
501-36560-55256	VEHICLES	RUNNION EQUIPMENT COMPANY	CRANE RENTAL	4,275.00
Total For Dept 36560 PUBLIC WORKS SEWER SERVICE				16,301.78
Total For Fund 501 WATER & SEWER				124,708.38
Fund 601 MEDICAL INSURANCE				
Dept 10001 GENERAL GOVERNMENT ADMINISTRATION				
601-10001-54310	WELLNESS PROGRAM	AMAZON.COM, INC	PURCHASE CREDITS - MAY	(162.87)
Total For Dept 10001 GENERAL GOVERNMENT ADMINISTRATION				(162.87)
Total For Fund 601 MEDICAL INSURANCE				(162.87)
Fund 603 RISK MANAGEMENT				
Dept 12125 RISK EVENT MANAGEMENT				
603-12125-53208	OFFICE SUPPLIES	RUNCO OFFICE SUPPLY & EQUIPMENT CO.	PAPER, STAPLES, TAPE, BULLETIN BOARDS, ETC	406.34
603-12125-53208	OFFICE SUPPLIES	RUNCO OFFICE SUPPLY & EQUIPMENT CO.	BULLETIN BOARD	59.99
603-12125-53212	PROGRAM SUPPLIES	ICON GRAPHICS & SCREEN PRINTING	AQUATIC UNIFORMS	1,192.00
603-12125-54306	EQUIPMENT RENTAL	ST PETER'S CHURCH	STORAGE FEE - JULY	100.00
Total For Dept 12125 RISK EVENT MANAGEMENT				1,758.33
Total For Fund 603 RISK MANAGEMENT				1,758.33
Fund 615 EQUIPMENT REPLACEMENT				
Dept 36001 PUBLIC WORKS ADMINISTRATION				
615-36001-55262	VEHICLES - FIRE	RAY O'HERRON COMPANY INC.	SIREN SPEAKER	352.88
615-36001-55262	VEHICLES - FIRE	SECRETARY OF STATE VEHICLE SVC DEPT	TITLE/PLATES 291	158.00
615-36001-55262	VEHICLES - FIRE	SUBURBAN ACCENTS, INC	DECALS 3291	650.00
Total For Dept 36001 PUBLIC WORKS ADMINISTRATION				1,160.88
Total For Fund 615 EQUIPMENT REPLACEMENT				1,160.88

<div> <div>VILLAGE OF LAKE ZURICH</div> <div>WARRANT REPORT - 7/20/2020</div> <div><u>\$420,552.15</u></div> </div> <div>Page 12 of 13</div>				
GL Number	GL Desc	Vendor	Invoice Description	Amount
Fund 710 PERFORMANCE ESCROW				
Dept 00000				
710-00000-21455	BUILDING DEPOSIT PAYABLES	BTB CONTRACTING INC	BD PAYMENT REF - PERMIT #PB20-0591	105.00
710-00000-21455	BUILDING DEPOSIT PAYABLES	FERRUZZI, JOHN & RAFELSON, ANNE	BD PAYMENT REF - PERMIT #PB20-0586	105.00
710-00000-21455	BUILDING DEPOSIT PAYABLES	FINN, DAVID & BUFFY	BD PAYMENT REF - PERMIT #PB20-0215	105.00
710-00000-21455	BUILDING DEPOSIT PAYABLES	GO PERMITS LLC	BD PAYMENT REF - PERMIT #PB20-0552	105.00
710-00000-21455	BUILDING DEPOSIT PAYABLES	LINSNER, MICHAEL J & DONNA C	BD PAYMENT REF - PERMIT #PB20-0531	105.00
710-00000-21455	BUILDING DEPOSIT PAYABLES	LOBERG CONSTRUCTION CO, INC	BD PAYMENT REF - PERMIT #PB20-0057	510.00
710-00000-21455	BUILDING DEPOSIT PAYABLES	MAGITEK ENERGY SOLUTIONS, INC.	BD PAYMENT REF - PERMIT #PB19-1262	100.00
710-00000-21455	BUILDING DEPOSIT PAYABLES	MARK'S PRECISION CARPENTRY	BD PAYMENT REF - PERMIT #PB20-0388	105.00
710-00000-21455	BUILDING DEPOSIT PAYABLES	NOVAKOVIC, IGOR	BD PAYMENT REF - PERMIT #PB19-1318	100.00
710-00000-21455	BUILDING DEPOSIT PAYABLES	PYSZYNSKI, PAWEL	BD PAYMENT REF - PERMIT #18010055	3,500.00
710-00000-21455	BUILDING DEPOSIT PAYABLES	RENEWAL BY ANDERSEN	BD PAYMENT REF - PERMIT #PB20-0500	105.00
710-00000-21455	BUILDING DEPOSIT PAYABLES	WEBER, STEVEN M & PATRICIA R	BD PAYMENT REF - PERMIT #PB19-1089	100.00
710-00000-21455	BUILDING DEPOSIT PAYABLES	WINDOWS AND EXTERIORS BY OLSON, IN	BD PAYMENT REF - PERMIT #PB20-0561	105.00
710-00000-25314	ESCROW LETTERS OF CREDIT	300 MAIN ST LZ, LLC	BLD REFUND - LIFE STORAGE LOC	16,422.60
710-00000-25502	PEG CABLE FEES	AMAZON.COM, INC	PURCHASE CREDITS - MAY	(19.99)
		Total For Dept 00000		21,552.61
		Total For Fund 710 PERFORMANCE ESCROW		21,552.61
Fund 720 PAYROLL CLEARING				
Dept 00000				
720-00000-22502	PAYROLL PAYABLE	KADZIELAWSKI, JACOB	PR062620 - OKC01167	87.02
		Total For Dept 00000		87.02
		Total For Fund 720 PAYROLL CLEARING		87.02
Fund 731 SSA #8 HEATHERLEIGH SUBDV				
Dept 10099 GENERAL GOVERNMENT SSA ACTIVITY				
731-10099-52604	SWEEPING & MOWING	SEBERT LANDSCAPING	LANDSCAPE MAINT - JUN	372.41
		Total For Dept 10099 GENERAL GOVERNMENT SSA ACTIVITY		372.41
		Total For Fund 731 SSA #8 HEATHERLEIGH SUBDV		372.41

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WARRANT REPORT - 7/20/2020				
<u>\$420,552.15</u>				
GL Number	GL Desc	Vendor	Invoice Description	Amount
Fund 734 SSA #11 LZ PINES SUBDV				
Dept 10099 GENERAL GOVERNMENT SSA ACTIVITY				
734-10099-52604	SWEEPING & MOWING	SEBERT LANDSCAPING	LANDSCAPE MAINT - JUN	14.78
Total For Dept 10099 GENERAL GOVERNMENT SSA ACTIVITY				14.78
Total For Fund 734 SSA #11 LZ PINES SUBDV				14.78
Fund 735 SSA #13 CONVENTRY CRK SUB				
Dept 10099 GENERAL GOVERNMENT SSA ACTIVITY				
735-10099-52604	SWEEPING & MOWING	SEBERT LANDSCAPING	LANDSCAPE MAINT - JUN	382.94
Total For Dept 10099 GENERAL GOVERNMENT SSA ACTIVITY				382.94
Total For Fund 735 SSA #13 CONVENTRY CRK SUB				382.94
Fund Totals:				
Fund 101 GENERAL				139,531.37
Fund 202 MOTOR FUEL TAX				38,398.86
Fund 210 TIF #1				650.00
Fund 214 TIF #2 DOWNTOWN				3,795.00
Fund 227 DISPATCH CENTER				164.29
Fund 401 VILLAGE CAPITAL PROJECTS				78,810.50
Fund 405 NHR CAPITAL PROJECTS				9,327.65
Fund 501 WATER & SEWER				124,708.38
Fund 601 MEDICAL INSURANCE				(162.87)
Fund 603 RISK MANAGEMENT				1,758.33
Fund 615 EQUIPMENT REPLACEMENT				1,160.88
Fund 710 PERFORMANCE ESCROW				21,552.61
Fund 720 PAYROLL CLEARING				87.02
Fund 731 SSA #8 HEATHERLEIGH SUBDV				372.41
Fund 734 SSA #11 LZ PINES SUBDV				14.78
Fund 735 SSA #13 CONVENTRY CRK SUB				382.94
Total for All Funds				\$ 420,552.15

Comprehensive Annual Financial Report

For the Fiscal Year Ended December 31, 2019



Village of Lake Zurich, 70 E Main Street, Lake Zurich, IL 60047

LakeZurich.org

(847) 438-5141

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT
OF THE
VILLAGE OF LAKE ZURICH, ILLINOIS**
As of and for the Year Ended December 31, 2019

Prepared by the Finance Department

Bane Thomey
Finance Director / Treasurer

VILLAGE OF LAKE ZURICH

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VILLAGE OF LAKE ZURICH

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OFFICE OF THE VILLAGE MANAGER
Ray Keller

June 12, 2020

The Honorable Tom Poynton, Village President
Members of the Village Board of Trustees
Citizens of the Village of Lake Zurich, Illinois

The Finance Department is pleased to submit herewith the Comprehensive Annual Financial Report (CAFR) of the Village of Lake Zurich, Illinois (the Village) for the fiscal year ended December 31, 2019. This report provides a broad view of the Village's financial activities for the twelve-month 2019 fiscal year and its financial position at December 31, 2019.

Although addressed to the elected officials and citizens of the Village, this report has a number of other users. Foremost among these other users are bondholders of the Village, financial institutions, credit rating agencies, educational institutions, and other government entities. Illinois statutes require that Illinois municipalities publish financial statements on an annual basis that are prepared in accordance with generally accepted accounting principles and are audited by independent accountants. In producing a CAFR, the Village of Lake Zurich has chosen to provide financial information that is significantly greater than that which is required under state law.

Responsibility for both the accuracy of the information presented in the CAFR as well as the completeness and fairness of the presentation, including all disclosures, rests with the Village. We believe that the information, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position of the Village and the results of its operations; and that all disclosures necessary to enable the reader to gain the maximum understanding of the Village's financial affairs have been included.

Baker Tilly Virchow Krause, LLP (Certified Public Accountants) has issued an unmodified ("clean") opinion on the Village's financial statements for the fiscal year ended December 31, 2019. The independent auditors' report is located at the front of the financial section of this report.

Management of the Village has established a system of internal control designed to assure that the assets of the Village are safeguarded against loss, theft, or misuse. The system of internal control also assures that the accounting system compiles reliable financial data for the preparation of financial statements in conformity with generally accepted accounting principles. Internal accounting controls are designed to provide reasonable, not absolute, assurance that these objectives will be met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of the costs and benefits requires estimates and judgments by management.

This letter of transmittal should be read in conjunction with management's discussion and analysis to obtain the most complete assessment of the Village's current financial status and its future prospects.

Village Hall ▪ 70 East Main Street ▪ Lake Zurich, Illinois 60047 ▪ (847) 438-5141

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- i -

Profile of the Government

The Village of Lake Zurich is located in southwestern Lake County, 37 miles northwest of downtown Chicago. The Village is an established residential community which traditionally served as a market center for surrounding rural areas and, earlier in the 20th century, as a popular summer resort. The population has increased by more than five times since 1960, as the Village has shared in the economic growth from an expanding Chicago metropolitan area. Lake Zurich has developed into a stable community with above-average wealth and housing values, and a balanced tax and revenue base.

Settlers first came to the area in the 1830's. George Ela settled in the area of Deer Grove, not far from Cedar Lake (now Lake Zurich) in 1935. Seth Paine, a Chicagoan, came to the area in 1836, and built a number of commercial establishments in what is now downtown Lake Zurich. New England farmers and German immigrants followed, and the Village was incorporated on September 19, 1896.

The Village grew slowly after its incorporation. The Palatine and Lake Zurich and Wauconda Railroad was built in 1910, but the line was discontinued in 1920. Rand Road (now U.S. Route 12) was paved through town in 1922, and helped establish Lake Zurich, with its rural setting and 250-acre lake, as a summer resort community. The east-west State Route 22, which also runs through Lake Zurich, was constructed in 1927. Population growth accelerated after World War II, with the Village's population increasing from 850 in 1950 to 3,458 in 1960, and further to 4,082 in 1970, 8,225 in 1980, and 14,927 in 1990 (up 81.5% from 1980). The 2000 Census reported a population of 18,104 up 21.3% from 1990. The Village estimates its current population at 20,054. The land area of the Village is 6.9 square miles.

The Village's municipal neighbors include North Barrington to the west, Deer Park to the south, Kildeer to the southeast and east, and Hawthorn Woods to the north. Transportation links include U.S. Route 12 and State Route 22, and freight rail service by the CN Railroad. Commuter train service to Chicago is available in Barrington, five miles from Lake Zurich. O'Hare International Airport is approximately 30 miles from the Village.

The Village is a non-home rule community operating under the management form of municipal government as provided in 65 ICLS 5. Lake Zurich is governed by a President and six-member Board of Trustees. All are elected at an at-large basis in non-partisan elections to overlapping four year terms. The Board and President are charged with (among other things) setting policy, passing ordinances, adopting the budget and hiring the Village Manager. In turn, the Village Manager oversees day-to-day operations of the Village. Additional demographic information about the Village can be found in the statistical section of this report.

The Reporting Entity

This report includes all activities and functions of the Village that are under the jurisdiction of the Board of Trustees, as set forth in state and local law. There are two blended component units included in this report, those being the Police Pension Fund and the Firefighters' Pension Fund. These two pension plans are governed by separate boards, but the Village is obligated by state statute to fund the two plans based on actuarial valuations.

Accounting System and Budgetary Control

The accounts of the Village 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 balances, revenues, and expenditures. 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 Village's accounting records are generally maintained on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when measurable and available to liquidate obligations of the current period. Expenditures are recorded when a liability is incurred that is expected to draw upon current financial resources. The modified accrual accounting records are the basis for assessing budgetary compliance. After the end of the year, the Village's management makes certain adjustments to the accounting records to permit the preparation of required financial statements on the accrual basis of accounting to comply with generally accepted accounting principles. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when incurred.

The annual budget serves as the foundation for the Village's financial planning and control. It also serves as the legal authority to spend public funds. The Village Board has adopted the Budget Act for purposes of legally appropriating public funds. The Village Manager was designated by the Village Board as the Budget Officer. All departments submit their budget requests to the Village Manager approximately four months before the start of the next fiscal year. The Director of Finance prepares a projection of revenues to be received during the fiscal year. The Village Manager, Director of Finance, and appropriate staff review all budget requests and revenue estimates and develop a proposed budget. The proposed budget is presented to the Village Board and a formal public hearing is held prior to its adoption by the Village Board, which is required by state law prior to the first day of the fiscal year. The Budget Officer may approve the transfer of budgeted funds from one account to another, provided the two accounts are within the same object class and within the same department and fund. Any other amendments or increases to the annual budget may be done only by a two-thirds vote of the Village Board. The Village's fiscal periods coincide with the calendar year.

Factors Affecting Economic Condition

Local Economy: Lake Zurich is primarily a white-collar community and therefore the residents have been less affected by the loss of manufacturing jobs impacting other states and counties. Revenues are showing modest increases, while expenditures continued to increase, especially in the areas of pension and health care costs.

Lake Zurich has a very strong retail sales tax base acquired through commodity retail establishments primarily located on the Rand Road Corridor. Sales tax revenue for the Village continues to be stable. The Village has a strong mix of retail superstores, such as Costco, Home Depot, Wal-Mart, Target, Jewel and Mariano's, which has helped in weathering downturns in the economy. The Village is also home to Peapod, a nationwide grocery delivery company; and the Village has a sales tax sharing incentive with Peapod. Despite a strong sales tax base, the rising cost of operations limits the Village's ability to properly maintain and improve the citizens' investment in Village infrastructure. To assist with long term planning, the Village embarked on a 20-year Community Investment Plan (CIP) to manage the over \$130 million in infrastructure, including roads, water mains, sanitary and storm sewers, buildings and equipment. Village management is continuously looking for ways to cut costs and/or increase revenues. However, a large proportion of the increasing costs are mandated by statute, regulatory agencies, and/or labor contracts.

Retail vacancy rates fluctuated over the last year showing a sharp increase in Quarter 2 to 8.1%, but then decreasing in Quarters 3 and 4, ending at 5.5%, slightly below where the year started. The retail vacancy rate decreased in Quarter 1 of 2020, to a 3% vacancy rate.

The industrial vacancy rate has remained steady, beginning with Quarter 1 at 4.4%, with minor variations in Quarters 2 & 3 and ending Quarter 4 at 4.7%. The rate remained stable in Quarter 1 of 2020 at 4.4%. The Office vacancy rate began with Quarter 1 at 7.3% and remained relatively flat, ending Quarter 4 at 7.4%. The vacancy rate decreased to 6.9% in Quarter 1 of 2020.

Interest in new construction continued to remain high throughout the year with several new projects that had either received their zoning entitlements during previous year or this year getting under way or completed in 2019.

New construction activity in the industrial sector consisted of completion of a 20,000 sq.ft. warehouse expansion at the easterly end of the industrial park for a boat manufacturer, to a 60,000 sq.ft. acquisition and interior buildout of a building at the northerly end of the industrial park for a powder coating component of a plastics manufacturer. Most remaining construction activity in the industrial district however, focused on smaller interior remodels and buildouts ranging from 7,000 sq.ft. to around 15,000 sq.ft. within industrial condominium buildings.

There was more activity in the retail/commercial sector with Life Time Athletic commencing construction of their 125,000 sq.ft. new facility, the construction and completion of two new gas stations along Rt 22 at the easterly and westerly ends of the community, and the complete demolition and rebuilding of two fast-food restaurants along Rand Road with one of these being completed. Four larger big-box retail establishments recognized the value of online shopping and reconfigured their parking lots for curb-side pickup for the convenience of their online shoppers. The demolition of three older buildings by the Village and one older industrial building all in the Main Street Area were undertaken to make such properties available and attractive for future redevelopment.

In the residential sector, two developers obtained their zoning entitlements for the development of vacant land – one with a higher density development for 38 townhouses on approximately 3.5 acres, and the other with a new development for 35 single-family homes on 19 acres that were annexed to the Village.

In the institutional sector, the Community School District 95 commenced the first of many projects for the demolition and reconstruction of one of its elementary schools on their main campus on Church Street.

The Village also updated its zoning regulations for tobacco and vape shops and also began certain initiatives for the promotion and installation of solar panels on residential and commercial properties. The process of updating the Village comprehensive plan continued through the year with the focus on the Village's Main Street Area through a study commissioned by the Village to provide a third-party review of the Village's economic development efforts, identify any gaps in the Village's economic development program and to offer ideas for stimulating interest in the downtown/Main Street.

The Village is directly impacted by the financial condition of the State of Illinois. Due to the state's budget shortfall, shared revenue payments to the Village continue to be a target for fixing the State's own financial difficulties. Local share of the state Income Tax have been reduced and an administrative fee has been applied to the Non-Home Rule Sales Tax collection. The State continues to look at freezing property tax rates and/or other reductions to revenue sharing with local governments, both of which could be of severe financial detriment to the Village. We are closely monitoring the political environment in Springfield. Either change alone would further decrease the resources available to the Village, especially if both are

adopted, and in turn the level of services we can provide our residents would likely be impacted. As a non-home rule community, options for replacing the lost revenue are virtually non-existent.

Long-Term Financial Planning: The Village uses a number of processes and resultant planning documents to accomplish its financial planning. As discussed above, the Village adopts an annual budget. The Village Board adopted the formal Community Investment Plan (CIP) in September 2017, forecasting out funding needs for capital items that are expected to exceed \$20,000 and have a useful life of more than a year, such as road improvements, large machinery and equipment, and building improvements. Projects were prioritized by mandatory, essential, deferrable and contributory. The CIP covers a twenty-year span of anticipated capital needs.

The Finance Department has developed five-year financial forecasts for funds, which are updated at least quarterly. These forecasts project revenues, expenditures, fund balance levels, and cash and investment levels. The forecasts are used for purposes of monitoring the long-term financial outlook of the Village, determining available funding for the capital projects, and assisting the Village Manager in setting budget goals for department directors.

Major Accomplishments and Initiatives for Fiscal Year 2019

The fiscal year ended December 31, 2019 saw many accomplishments and major initiatives come to fruition, including:

- **Pension Obligations.** Continued to fund public safety pension obligations to meet the 100% funding goal by 2044. As of November 2019, the Police Pension Fund is 50.84% funded and the Fire Pension Fund is 63.72% funded.
- **Saving Electricity.** During 2019, experts from the Northern Illinois Municipal Electric Collaborative (NIMEC) stated that Lake Zurich's aggregation program is very favorable compared to every single aggregation program in Northern Illinois. Electricity savings from the electrical aggregation program's inception as averaged \$355 per household for a Village-wide savings of \$1.87 million, according to NIMEC.
- **Creating Opportunities.** In May 2019, the Village demolished the "Block D" buildings on Old Rand Road that have been underutilized since the early 2000's, thus clearing the sites of dilapidated buildings and clearing the way for future investment opportunities.
- **38 New Housing Units Approved for Main Street Area.** This year marked the final approval of Lake Zurich's new townhouse subdivision known as *Canterbury Estates*, which will contain 38 new townhouses within nine buildings on the approximately three acres located on the north side of Route 22 and west of its intersection with Old Rand Road.
- **May Whitney Elementary School.** Our partners at School District 95 are moving forward with the complete rebuild of May Whitney Elementary School on Church Street, complete with new outdoor recreation areas and a new parking lot.
- **Sunset Pavilion Becomes Award Winning.** Following the completion of the private-public partnership that is *Sunset Pavilion* at Breezewald Park, in early 2019 the Village was awarded the American Public Works Association Lake County Branch and Chicago Metropolitan Area Chapter awards for new structures under \$5 million. The lease agreement with the successful operator, PB&S Investments Inc., was renewed for a new two-year term.

- **Lake Zurich Opens Electric Car Charging Station.** The Village announced in 2019 the opening of the ChargePoint EV station in the east parking lot of Village Hall, part of an overall effort to provide more amenities to the Main Street area and promote environmental sustainability. This was the first public charging station in Lake Zurich.
- **Lift Station Replacement.** The Thorndale lift station replacement has been in operation since the 1980's and in 2019 was replaced with a new station at the cost of some \$645,000. The new lift station was built immediately northwest of the old one on the Village-owned parcel of Chestnut Corners Park. The project included the construction of approximately 65 feet of 12-inch sanitary sewer and relocation of about 80 feet of existing 24-inch storm sewer.
- **Paulus Parking Lot.** Over \$1 million was invested in 2019 for a complete parking lot rebuild of the Paulus Park parking lot. This project included 13,000 square yards of asphalt pavement, access drives, and all asphalt walking paths include Paulus Park, as well as stormwater drainage and grading improvements.
- **Sanitary Sewer Improvements.** The Village invested some \$600,000 to replace about 1,000 feet of 8-inch sanitary sewer and reinforced other portions with new lining on North Old Rand Road between Route 12 and Pine Tree Road. Life Time Fitness contributed \$60,000 to support this infrastructure upgrade project near its new facility.
- **Water Main Improvements.** Aging water main infrastructure received investment to the tune of over \$800,000 in 2019, this year focusing on Cherokee Road and Kim Trail. The project included installation of 900 feet of 8-inch water main pipe on Kim Trail and 400 feet of 6-inch water main on Cherokee. This infrastructure upgrade included new water main, fire hydrants, valves, and connections of houses to the new services.
- **Recreation Program Growth.** Aquatics, day camp, dance programs, and early childhood preschool programs all continued to experience solid enrollment from the community in 2019, at times putting pressure on existing programming space.
- **Ensuring Public Safety.** Police Department received first place award in the Illinois Traffic Safety Challenge due to efforts on occupant protection, impaired driving, distracted driving, and bicycle and pedestrian safety.
- **Staying Prepared.** The Village received Class 3 Public Protection Classification (PPC) from the Insurance Services Office (ISO) for fire protection services. Of the 46,000+ departments evaluated nationwide, Lake Zurich scored in the top 7%. Property and casualty insurers use this rating as one component in calculating premium costs for fire insurance policies. Departments are rated on a 1 – 10 scale with a class 1 rating equating to the best and a 10 the worse.
- **Technological Advancement.** The Village undertook several technology initiatives during 2019. Interview rooms were equipped with new video and audio recording systems at the Police Station; storage arrays and electronic control systems were upgraded, and the Village launched a redesign of the Village website.
- **National Citizen Survey.** This year marked the third National Citizen Survey conducted by the Village of Lake Zurich, which has showed high levels of satisfaction with quality of life, municipal services, and civic engagement opportunities. Overall, ratings in Lake Zurich for 2019 generally remained stable compared to 2017.

- **Government Transparency.** Promoted the availability of live online broadcasts of Village public meetings, online instant notification of Village Board and Planning & Zoning Commission agenda, and social media platforms Facebook and Benchmarks.

Some of the more significant initiatives planned for the 2020 fiscal year are as follows:

- Maintain a varied community tax base that consists of a healthy balance of residential, commercial, and industrial land uses to minimize an over-reliance on any one particular type.
- Leverage technological advancements to provide resident self-service opportunities, increase the effectiveness of personnel and gain measurable efficiencies.
- Review and update strategic direction of the Main Street redevelopment area – “A Return to Main Street”, including a renewed approach to promoting the development of the Village’s Block A property.
- Facilitate the redevelopment of vacant properties, including the Cummings property, former K-Mart, Regal Cinema backlots, and properties at the northwest corner of the Lake.
- Align outreach efforts to increase the number of business and jobs in the community with a focus on recruiting manufacturing businesses with a sales tax component.
- Align community expectations with the realities of market opportunities, as the retail commercial environment continues to contract and evolve.
- Conduct Phase 2 of the Sanitary force main lining.
- Start the Kildeer Creek stream bank stabilization project.
- Begin implementation the OSLAD grant-funded improvements at Paulus Park, if awarded.
- Replace the Breezewald playground per the Playground Replacement Plan.
- Continue to enhance Kuechmann Arboretum, including invasive species removal, trail restoration and interpretive signage installation
- Adopt a new five-year Village Strategic Plan.
- Promote a customer-focused culture that values accessible, consistent, and predictable delivery of municipal services.
- Provide sustainable recreational programming that may be under served by the private sector.
- Transition from the 5th to the 6th edition of the CALEA accreditation standards manual for police.
- Finalize fire department Lexipol policies and start implementing new Tactical SOG’s into Lexipol.
- Evaluate suitability of all park facilities and fire station #1 to support future community needs, with an emphasis on the future utility of the Paulus Park Barn.
- Foster civic pride and quality of life through community events that match community expectations.
- Promote availability of live online broadcasts of Village public meetings and information available through the Village website, Benchmarks and Facebook.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Lake Zurich for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2018. This represented the thirty-first consecutive year that the Village has received this prestigious award. In order to be awarded a Certificate of Achievement, the Village must publish an easily readable and efficiently organized CAFR that satisfies both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that this CAFR continues to meet the Certificate of Achievement Program's requirements and are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department, particularly Senior Accountants' Diane Gleich and Amy Sparkowski. The Village President and Village Board of Trustees must be acknowledged and thanked for setting the highest standards of professionalism in the oversight and management of the Village's finances.

Respectfully submitted,

Ray Keller

Ray Keller
Village Manager

Bane Thomey

Bane Thomey
Director of Finance/
Village Treasurer



Government Finance Officers Association

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

Presented to

**Village of Lake Zurich
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

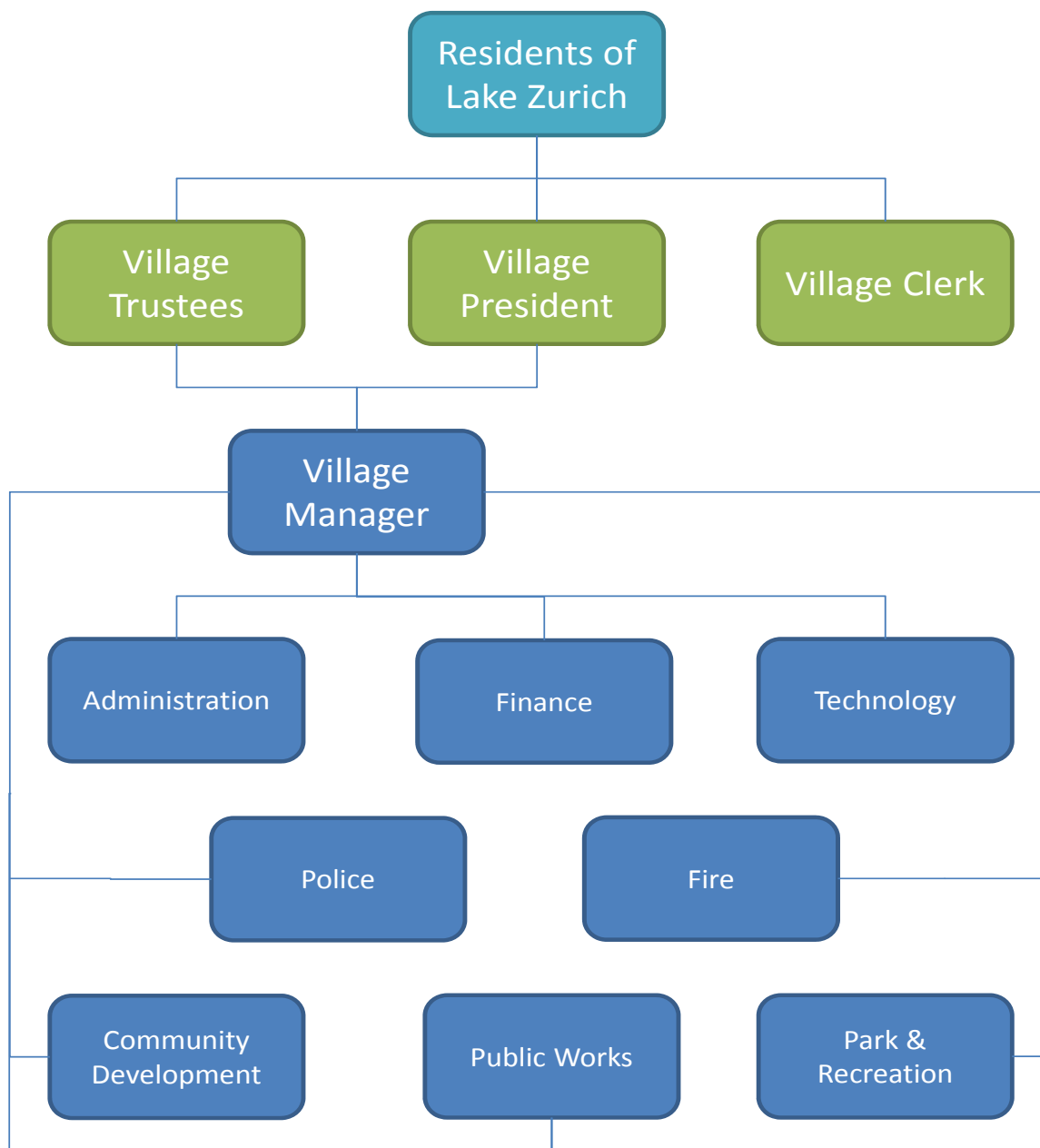
December 31, 2018

Christopher P. Morill

Executive Director/CEO

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Village of Lake Zurich Organization Chart



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VILLAGE OF LAKE ZURICH, ILLINOIS
LIST OF ELECTED AND APPOINTED OFFICIALS
December 31, 2019

VILLAGE BOARD OF TRUSTEES

Tom Poynton, Mayor

Jim Beaudion

Mary Beth Euker

Marc Spacone

Janice Gannon

Jonathan Sprawka

Greg Weider

Kathleen Johnson, Village Clerk

Ray Keller, Village Manager

Bane Thomey, Finance Director/Treasurer



INDEPENDENT AUDITORS' REPORT

To the Honorable President and
Members of the Board of Trustess
Village of Lake Zurich, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Lake Zurich, Illinois, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Village of Lake Zurich's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

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To the Honorable President and
Members of the Board of Trustees
Village of Lake Zurich, Illinois

Opinions

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, each major fund, and the aggregate remaining fund information of the Village of Lake Zurich, Illinois, as of December 31, 2019 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Lake Zurich's basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates 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 supplementary information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

To the Honorable President and
Members of the Board of Trustees
Village of Lake Zurich, Illinois

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Lake Zurich's basic financial statements. The introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 12, 2020 on our consideration of the Village of Lake Zurich'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 of Lake Zurich'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 of Lake Zurich's internal control over financial reporting and compliance.



Oak Brook, Illinois
June 12, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

**VILLAGE OF LAKE ZURICH
MANAGEMENT'S DISCUSSION AND ANALYSIS**

December 31, 2019

This section of the financial report is management's overview and analysis of the financial position and financial performance of the Village of Lake Zurich for the fiscal year ended December 31, 2019. This statement should be read along with the transmittal letter and financial statements for the most complete understanding of the Village of Lake Zurich's financial activities for the year.

FINANCIAL HIGHLIGHTS

VILLAGE FUNDS AS A WHOLE:

- Total assets and deferred outflows of the Village exceeded liabilities and deferred inflows by \$87 million.
- Total net position of the Village increased \$5.6 million.
- Combined revenues totaled \$45.4 million, a 7% increase.
- Overall expenses totaled \$39.8 million, a 4% decrease.

GENERAL FUND:

- Fund balance increased by \$641k.
- Total fund balance at the end of the year was \$11.4 million, of which \$1.61 million was non-spendable as advances to other funds, inventory and prepaid expenditures.
- Cash and investments totaled \$8.2 million.

BUSINESS-TYPE ACTIVITIES (Water and Sewer Fund)

- Net position increased \$2.0 million, mainly due to an increase in program revenues.
- Total net position at the end of the year was \$43.7 million, of which \$37.8 million was invested in fixed assets and \$5.9 million in unrestricted funds.
- Working capital of the fund increased from \$4.4 million to \$5.5 million.

LONG-TERM DEBT

- Total long-term debt decreased \$12.1 million to \$80 million outstanding as of December 31, 2019. Included in this figure is a \$9.6 million decrease to net pension liability.
- Bonded debt alone decreased \$2.2 million to \$25.4 million outstanding as of December 31, 2019.

CAPITAL ASSETS

- Total capital assets, net of accumulated depreciation, increased \$1.13 million to \$131.0 million.
- Capital assets for governmental activities, net of accumulated depreciation, increased \$1.04 million to \$85.8 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

In accordance with generally accepted accounting principles, the Village presents its financial statements so as to offer two perspectives of its financial position and results of operation. The government-wide perspective presents financial information for the government as a whole. The fund perspective involves the presentation of financial information for individual accounting entities established by the Village for specific purposes. The focus of the fund statements is on major funds. Both perspectives (government-wide and major fund) address likely user questions, provide a broad basis for comparison, and enhance the Village's accountability.

MD&A 1

See independent auditor's report

**VILLAGE OF LAKE ZURICH
MANAGEMENT'S DISCUSSION AND ANALYSIS**

December 31, 2019

Government wide statements

The government-wide statements are intended to provide a view of the financial position and operations of the Village in a manner similar to the private sector. These statements provide a long-term view of the financial position of the Village of Lake Zurich. The *Statement of Net Position* reflects all of the Village's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the net difference between them reported as net position. Over time, the change in net position may serve as a useful indicator to reflect the improving or deteriorating position of the Village.

The government-wide *Statement of Activities* reflects the change in Village net position for the current year. These activities are reported on a full accrual basis. Thus revenues and expenses are recorded as they are incurred, regardless of when cash flow is affected. Both the *Statement of Net Position* and the *Statement of Activities* include the Village's governmental and business-type activities.

Governmental activities encompass general government, public safety, highways and streets, culture and recreation and economic development. In general, taxes and intergovernmental revenues support governmental funds. The business-type activities of the Village consist of water and sewer operations, which are funded primarily from user fees. Revenues generated from water and sewer operations are intended to cover all or a significant amount of total costs. The government-wide financial statements can be found on pages 4-6 of this report.

Fund Financial Statements

The Village of Lake Zurich utilizes fund accounting. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with specific financial and legal requirements. The Village of Lake Zurich has three fund types; governmental, proprietary and fiduciary.

Governmental Funds

Governmental funds included in the fund financial statements are fundamentally the same as those reflected in the government-wide statements. The major difference is that the fund statements focus almost entirely on the short-term with emphasis on fiscal responsibility with relation to the current budgetary year. As such, the statements are prepared on the modified accrual basis. A reconciliation provided on the face of the governmental fund financial statements provides those items that were used to convert the fund modified accrual basis to the governmental-wide full accrual basis.

The Village of Lake Zurich has fifteen 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 balances for these funds, all of which are considered to be "major" funds. The purposes of these major funds are as follows:

The General Fund is the general operating fund for the Village and is utilized to account for all activity that is not accounted for in another fund.

The TIF (#1) Tax Allocation Fund accounts for all revenues and transfers to pay for administrative, debt service, and capital improvement activity necessary to stimulate and induce redevelopment of Downtown Lake Zurich pursuant to the Tax Increment Finance (TIF) Act.

The Downtown TIF #2 Special Revenue Fund captures all the costs and revenue associated with the construction and improvements to TIF District #2.

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See independent auditor's report

**VILLAGE OF LAKE ZURICH
MANAGEMENT'S DISCUSSION AND ANALYSIS**

December 31, 2019

The Debt Service Fund accounts for the accumulation of financial resources to pay principal and interest for general obligation bond issues, including the debt generated by the establishment of the Tax Increment Financing District.

The TIF (#1) Debt Service Fund accounts for the accumulation of financial resources to pay principal and interest expenses generated related to TIF District #1.

The Capital Improvements Fund accounts for the financial resources used for the acquisition and construction of capital projects. This includes street construction costs financed by the motor fuel tax allocation and park facility improvements financed by park donations, grants and contributions.

The TIF (#1) Capital Projects Fund captures all the costs and revenue associated with the construction and improvements to TIF District #1. Note that this fund was closed into the *TIF (#1) Tax Allocation Fund* in 2019.

Data from the other eight (8) funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in the report. Budgetary comparisons are included at the fund level in the combining and individual fund financial statements. The basic governmental fund financial statements can be found on pages 7 through 14 of this report.

Proprietary Funds

The Village of Lake Zurich maintains one proprietary fund – the Waterworks and Sewerage Fund. This proprietary fund is categorized as an enterprise fund, which are used to report the same functions presented as business-type activities in the government-wide financial statements. Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. As proprietary funds are reported on a full accrual basis, the Village of Lake Zurich fund statements for its Waterworks and Sewerage fund mirror the government-wide statements. The basic proprietary fund financial statements can be found on pages 15 through 19 of this report.

Fiduciary Funds

Fiduciary Funds are used to account for resources held for the benefit of parties outside the government. Hence, fiduciary funds are not included in the government-wide statements, as their resources are not available to support the Village's own programs. The Village of Lake Zurich has three fiduciary funds – the Police Pension Fund, the Firefighters Pension Fund, and the Performance Escrow Fund. Like proprietary funds, fiduciary funds are accounted for on a full accrual basis. The basic fiduciary fund statements can be found on pages 20 and 21 of this report.

Notes to the Financial Statements

The notes to the financial statements provide information that is critical to the full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statement are on pages 23 through 73 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Included in this report is a budgetary comparison statement for the General Fund and the special revenue funds, as well as information regarding the Village's progress in funding its obligation to provide pension and other postemployment benefits to its employees. This information is available on pages 74 through 85.

MD&A 3

See independent auditor's report

**VILLAGE OF LAKE ZURICH
 MANAGEMENT'S DISCUSSION AND ANALYSIS**

December 31, 2019

Amendments to Budget

Amendments to the budget are typically made throughout the year. The Village Manager, as Budget Officer, is authorized to implement a budget transfer between accounts within the same object class, provided it is within the same department and fund. No transfers were authorized by the Budget Officer during the year. Budget transfers between object classes and any increases or decreases to the total budget must be approved by the Village Board. Three (3) budget amendments were approved during the fiscal year.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position

The combined net position for the fiscal year ended December 31, 2019 totaled \$86.9 million and consisted of net position from both governmental activities and business-type activities of \$43.2 million and \$43.7 million respectively. Following is a table that shows total net position of the Village as of December 31, 2019 with a comparison to the preceding fiscal year.

Statement of Net Position As of December 31, 2018 and 2019						
	Governmental Activities		Business-type Activities		Total Village Wide	
Category	12/31/2019	12/31/2018	12/31/2019	12/31/2018	12/31/2019	12/31/2018
Current and other assets	\$ 42,221,785	\$ 39,913,269	\$ 8,090,101	\$ 6,279,029	\$ 50,311,886	\$ 46,192,298
Capital assets	85,769,804	84,726,413	45,265,124	45,177,602	131,034,928	129,904,015
Total assets	127,991,589	124,639,682	53,355,225	51,456,631	181,346,814	176,096,313
Deferred Outflows	8,347,782	17,406,395	136,926	634,059	8,484,708	18,040,454
Total assets & deferred outflows	136,339,371	142,046,077	53,492,151	52,090,690	189,831,522	194,136,767
Current and other liabilities	4,291,216	3,933,870	2,145,207	1,401,764	6,436,423	5,335,634
Long-term liabilities	69,597,346	80,203,424	7,282,750	8,927,467	76,880,096	89,130,891
Total liabilities	73,888,562	84,137,294	9,427,957	10,329,231	83,316,519	94,466,525
Deferred Inflows	19,235,241	18,314,266	399,432	106,613	19,634,673	18,420,879
Total liabilities and deferred inflows	93,123,803	102,451,560	9,827,389	10,435,844	102,951,192	112,887,404
Net position:						
Net invest capital assets	88,305,543	83,682,136	37,783,758	36,769,636	126,089,301	120,451,772
Restricted	11,057,528	10,713,751	-	-	11,057,528	10,713,751
Unrestricted	(56,147,503)	(54,801,370)	5,881,004	4,885,210	(50,266,499)	(49,916,160)
Total net position	\$ 43,215,568	\$ 39,594,517	\$ 43,664,762	\$ 41,654,846	\$ 86,880,330	\$ 81,249,363

The Village's net investment in capital assets (e.g., land, buildings, machinery and equipment, and infrastructure less any related debt used to acquire those assets still outstanding), is the largest portion of the Village's net position. As of December 31, 2019, capital assets net of related debt totaled \$126.1 million. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other resources, since capital assets themselves cannot be used to liquidate these liabilities.

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**VILLAGE OF LAKE ZURICH
 MANAGEMENT'S DISCUSSION AND ANALYSIS**

December 31, 2019

In the governmental activities, the total net position increased by \$3.6 million. The General Fund was able to transfer additional funds to the Capital Improvement and the Equipment Replacement funds to accumulate resources for upcoming capital needs. General Fund was still able to post a surplus of \$641k.

Cash and investments for governmental activities increased \$4.6 million. Total assets and deferred outflows for the governmental activities decreased to \$136 million. This is attributable to the decreased deferred outflow of resources relating to pensions from \$14.6 million to \$5.7 million. Total liabilities and deferred inflows decreased as well, from \$102 million to \$93 million, due to changes for pension liabilities.

For the business-type activities, total net position increased by \$2.0 million. This is mainly due to an increase in program revenues and a decrease in operating expenses. Aside from the lease proceeds of \$3 million spent in 2018 to complete the meter replacement project, 2019 operating expenses are consistent with the prior year. The Village continues to pay down existing debt.

During the current fiscal year, total net position of the Village increased by \$5.6 million, compared to a \$2.5 million decrease, including restatement, in 2018. A more detailed explanation of the change in net position of the governmental activities and business-type activities is provided in the following sections.

Statement of Activities

The following summarizes the changes in the Village's net position for the 2019 fiscal year:

Change in Net Position For the Fiscal Years Ended December 31, 2018 and 2019						
	Governmental Activities		Business-type Activities		Total Village Wide	
Category	2019	2018	2019	2018	2019	2018
Revenues:						
Program revenues:						
Charges for services	\$ 10,786,317	\$ 10,131,867	\$ 7,431,278	\$ 6,191,268	\$ 18,217,595	\$ 16,323,135
Operating grants	740,143	564,495	-	-	740,143	564,495
Capital grants	19,233	17,636	-	-	19,233	17,636
General revenues:						
Taxes	13,267,664	13,012,858	-	-	13,267,664	13,012,858
Intergovernmental	12,052,144	11,760,384	-	-	12,052,144	11,760,384
Investment earnings	510,432	353,593	162,361	142,640	672,793	496,233
Other	449,173	410,874	9,604	-	458,777	410,874
Total revenues	37,825,106	36,251,707	7,603,243	6,333,908	45,428,349	42,585,615
Expenses:						
General Government	2,003,371	2,188,126	-	-	2,003,371	2,188,126
Public Safety	22,631,359	22,341,200	-	-	22,631,359	22,341,200
Highways and Streets	5,281,079	5,281,131	-	-	5,281,079	5,281,131
Culture and Recreation	1,878,294	1,803,515	-	-	1,878,294	1,803,515
Economic Development	1,408,997	1,071,579	-	-	1,408,997	1,071,579
Interest on long-term debt	1,000,955	1,045,097	-	-	1,000,955	1,045,097
Water/Sewer	-	-	5,593,327	7,912,780	5,593,327	7,912,780
Total expenses	34,204,055	33,730,648	5,593,327	7,912,780	39,797,382	41,643,428
Change in Net Position	3,621,051	2,521,059	2,009,916	(1,578,872)	5,630,967	942,187
Beginning net position	39,594,517	40,252,349	41,654,846	43,474,944	81,249,363	83,727,293
Change in Acct. Principle	-	(3,178,891)	-	(241,226)	-	(3,420,117)
Ending net position	43,215,568	39,594,517	43,664,762	41,654,846	86,880,330	81,249,363

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**VILLAGE OF LAKE ZURICH
MANAGEMENT'S DISCUSSION AND ANALYSIS**

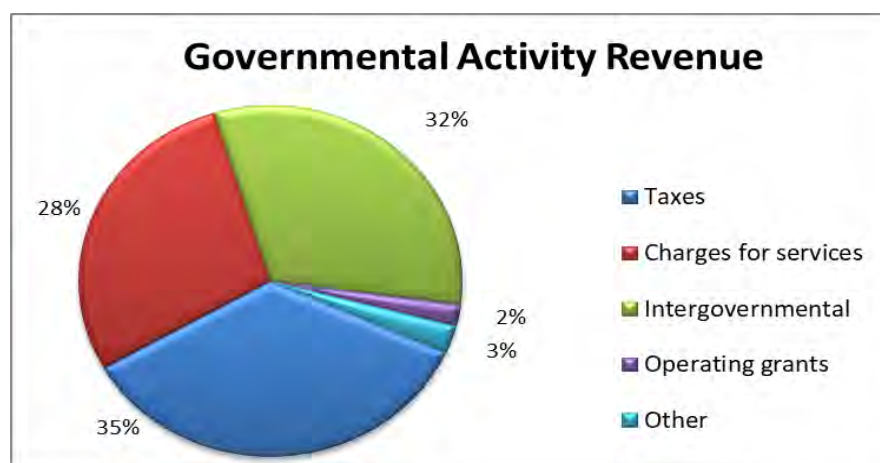
December 31, 2019

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 fiscal year 2019, governmental program expenses of \$34.2 million exceeded program revenues of \$11.5 million by \$22.7 million. General revenues of \$26.3 million made up for the deficiency.

Revenues

The following graph indicates the breakdown of 2019 revenues by type.



Total revenues of \$37.8 million were higher than last year by \$1.6 million (4.3%). No new major revenue sources were implemented. The increase was spread between property taxes (\$291k), shared income tax (\$210k), investment earnings (\$157k), grant revenues (\$177k), and charges for services (\$654k) as the biggest categories.

Utility taxes have been fluctuating, and ended the year down \$21k (2%). The telecommunications tax has been unpredictable in the past few years. Receipts were down 4% at \$593k. Receipts have been declining due to changes in how customers receive their phone service, such as free long-distance with most cellular plans.

Sales tax revenues came in at \$9.2 million, down slightly at \$5k (.1%). Lake Zurich's mix of retailers provides stability and consistency during more difficult financial periods better than localities that are selling more luxury or specialty products.

The State Income Tax receipts of \$2.09 million have also been fluctuating as the State of Illinois changed the total rate and sharing percentage, effective July 2017. While the tax rate was increased, the sharing rate was decreased. The State has also declared additional credits for businesses not previously offered, decreasing the amounts available for distribution to local governments. Income Tax was up \$210k for the year, an increase of 11.1%.

Charges for Services make up 28% of the Village's governmental revenue. Charges for services increased by \$654k (6.5%), coming in at \$10.8 million. No new charges were implemented; activity levels were up.

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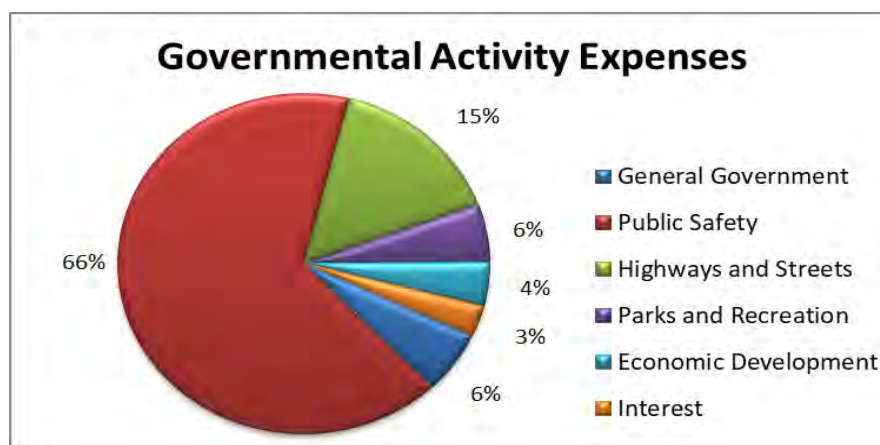
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**VILLAGE OF LAKE ZURICH
MANAGEMENT'S DISCUSSION AND ANALYSIS**

December 31, 2019

Expenses

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



Expenses associated with governmental activities increased by \$473k, or 1.4%. By far the most significant category of expenses relate to public safety, which totaled \$22.6 million of the total \$34.2 million. This includes both police and fire operational expenses, as well as annual contributions to the respective downstate pension funds of over \$4 million for the year.

Business Type Activities

For business-type activities, net position increased a total of \$2.0 million. Program revenues of \$7.4 million exceeded program expenses of \$5.6 million. Depreciation of water and sewer fund capital assets is a large portion of the expenses at \$1.9 million (34% of operating expenses).

Revenues associated with business-type activities totaled \$7.6 million, up 20% for the year. Charges for services increased, from \$6.2 to \$7.4 million (20%). An increase to water and sewer rates was effective the first day of the fiscal year. Business-type expenses decreased \$2.3 million compared to the prior year, down to \$5.6 million from \$7.9 million in fiscal 2018. The decrease is mainly due to the \$3 million that was attributable to the water meter replacement project in 2018. The Village has prioritized a few large capital projects for the past three years, utilizing bond funds specifically issued to address these concerns. As the infrastructure continues to age, capital expenses will continue to be a large drain of resources for this fund.

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**VILLAGE OF LAKE ZURICH
MANAGEMENT'S DISCUSSION AND ANALYSIS**

December 31, 2019

FINANCIAL ANALYSIS OF GOVERNMENT FUNDS

Governmental Funds

As noted earlier, the focus of fund reporting is the short-term inflow and outflow of expendable resources. Fund balance is a useful indicator in assessing available resources with respect to meeting future obligations.

At December 31, 2019 governmental funds reported combined fund balances of \$24.3 million. Of this amount, \$8.6 million is unrestricted and is available for future obligations. About \$11.1 million is restricted, with \$3.5 million restricted for Tax Increment Financing (TIF), \$2.9 million for capital projects and \$1.4 million for debt service. The remainder of restricted funds relate to special recreation, public safety, highway and streets, special events and a small amount for tourism, generated by the hotel tax.

GENERAL FUND:

The General Fund is the Village's primary operating fund. For the fiscal year ended December 31, 2019, fund balance in the General Fund increased by \$641k from current year activities. Change to fund balance is a combination of revenues of \$29.9 million compared to expenditures of \$27.3 million. Other financing uses of \$2.0 million are also included, representing a transfer of \$800k to the Capital Improvement Fund, \$775k to the Dispatch Services Fund, \$118k to the Special Events Fund and \$350k to the Equipment Replacement Fund. After all activity and adjustments are accounted for, the General Fund has an ending fund balance of \$11.4 million.

OTHER MAJOR FUNDS:

- The TIF Tax Allocation Fund currently has a negative fund balance of \$94k. This is \$176k lower than the previous year, and is primarily due to the closing of the TIF (#1) Capital Project Fund in 2019 and the transfer of its balances including negative fund balance of \$182k to the TIF Tax Allocation Fund. Any fund balance in the TIF Tax Allocation Fund would be restricted entirely for TIF purposes.
- The Debt Service Fund has a positive fund balance of \$1.41 million that is restricted entirely for the payment of future debt service. This is \$37k higher than the previous year, as funds were set aside for the upcoming principal and interest payments in January 2020.
- The TIF (#1) Debt Service Fund currently has a negative fund balance of \$828k. While any fund balance in this fund would be restricted for payment of future debt service, the fund received a long-term advance of over \$1.5 million to cover its expenditures to date. Fund balance improved by \$40k during the year and the long-term advance has been reduced to \$1.3 million. Now that the TIF has been extended, the debt restructured, and several negative increment parcels removed, the TIF is working on rebuilding the fund balance of future years.
- The Capital Improvements Fund fund balance increased \$154k to \$3.02 million. The majority of the increase is due to advanced funding from the General Fund for upcoming capital projects. \$240k of this fund balance is earmarked for noise mitigation related to the CN rail, which will be drawn down over the next few fiscal years.
- The TIF (#1) Capital Project Fund was closed in 2019, and its balances including negative fund balance of \$182k were transferred to the TIF Tax Allocation Fund as noted above.
- The Downtown TIF Fund #2 increased fund balance by \$140k over the year. Fund balance at year-end of \$3.51 million is restricted entirely for TIF purposes, almost solely land held for resale.

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**VILLAGE OF LAKE ZURICH
MANAGEMENT'S DISCUSSION AND ANALYSIS**

December 31, 2019

Proprietary Funds

The focus for the proprietary fund at the fund level is synonymous with that found at the government-wide level. Reporting is on a full-accrual basis with short-term and long-term emphasis on financial data. The Waterworks and Sewerage Fund is the sole proprietary fund for the Village of Lake Zurich. This fund records all financial activity relating to the municipality's water and sewer operations. The Waterworks and Sewerage Fund provides the same type of information in the government-wide financial statements reflected as "Business-type" activities, but in more detail.

At December 31, 2019, net position of the proprietary fund totaled \$43.2 million. Cash and investments totaled \$6.6 million, an increase of \$528k (9%). Operating revenues increased 19% from the previous year to \$7.2 million. A rate increase to the Lake Zurich portion of water bills took effect January 1, 2019. Completion of the water meter replacement project is providing more accurate consumption records. Gallons billed (452 million gallons) and pumped (554 million gallons) remained fairly consistent with the prior year demonstrating conservation use of water and more accurate billing. Operating expenses (including depreciation) of \$5.4 million were 34% lower than the previous year. In 2018, approximately \$3.3 million was spent as a one-time large capital expense for the water meter project. Outside of that project, expenses were relatively stable compared to 2018 expenses. Depreciation increased by \$39k (2%) to \$1.9 million.

Fiduciary Funds

Police and Firefighters' Pension Funds: The Village's two single-employer pension plans experienced growth in the fiscal year ended December 31, 2019. Combined, the funds reported a \$11.8 million increase in plan fiduciary net position. Investment earnings (net of related expenses) posted a combined gain of \$10.7 million between the two funds. Cash and investments totaled \$68 million as of December 31st.

Agency Funds: The Village has several agency funds, including an escrow performance fund and several special service area funds. These funds do not have budgets, nor do they have measures of operations. They are used to account for assets and liabilities of funds kept in a custodial manner. Total assets of agency funds decreased over last fiscal year by \$136k, primarily due to a repayment of amounts due to other funds. Total cash and investments as of December 31, 2019 was \$1.7 million, about \$148k lower than the end of the previous fiscal year. The activity of the special service areas has been broken out from the escrow performance fund activity for transparency.

GENERAL FUND HIGHLIGHTS

Amendments to Budget

The Village Manager as Budget Officer is authorized to implement a budget transfer between accounts within the same object class, provided it is within the same department and fund. Budget transfers between object classes and any increases or decreases to the total budget must be approved by the Village Board. The revenues and expenditures were monitored closely throughout the year compared to stay in compliance with the fund level budgetary policy.

Three budget amendments were approved for this fiscal year that affected the General Fund. Revenues and other financing sources were increased \$403,028, with matching increases to expenditures and other financing uses. The largest revenue increases were to Income Tax (\$238k), the Fire District Agreement (\$179k), Engineering Review (\$136k) and Building Permits (\$114k). For expenditures, overtime in the Fire Department was increased by \$262k and overtime in the Police Department was increased by \$107k. Additionally, SRA Programs increased by \$208k and Engineering and Architectural Fees increased \$103k. No other major changes were made to expenditures. With additional savings apparent, increases were made

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**VILLAGE OF LAKE ZURICH
 MANAGEMENT'S DISCUSSION AND ANALYSIS**

December 31, 2019

to transfers out of the General Fund to the Equipment Replacement Fund to help fund several upcoming expensive equipment replacements.

Change in Fund Balance

General Fund

When the original budget was adopted in December of 2019, a surplus of \$10k was expected for the General Fund. After the budget amendments, the budgeted surplus increased to \$81k. The actual Fund Balance for General Fund, however, shows a surplus at year-end of \$641k. Revenues and other financing sources came in at \$30.0 million for the year, \$353k more than budgeted. Expenditures totaled \$27.3 million, which was \$198k less than budgeted. Other financing uses (transfers out) were reduced by \$8k, based on projected revenues to the recipient funds. Overall, expenditures and other financing uses totaled \$29.4 million, \$206k lower than budgeted. The following table summarizes General Fund revenues and expenditures, with a comparison to budget, for the fiscal year ended December 31, 2019.

**General Fund Budgetary Highlights
 Fiscal Year Ended December 31, 2019**

	Final Budget	Actual
Revenues & Other Financing Sources		
Taxes	\$ 9,995,705	\$ 10,074,575
Licenses and permits	733,782	758,237
Intergovernmental	16,051,272	16,071,466
Charges for services	1,907,203	2,073,156
Fines and forfeits	583,760	591,896
Other revenue	331,983	387,824
Sub-total revenues	\$ 29,603,705	\$ 29,957,154
Other financing sources	43,960	43,960
Total Revenues and Other Financing Sources	\$ 29,647,665	\$ 30,001,114
Expenditures and Other Financing Uses		
General government	\$ 1,879,164	\$ 1,834,652
Public safety	20,248,218	20,256,133
Highways and streets	3,310,058	3,204,663
Culture and recreation	1,286,832	1,276,301
Economic development	791,344	746,021
Sub-total expenditures	\$ 27,515,616	\$ 27,317,770
Other financing uses		
Transfers to Other Funds	2,050,620	2,042,350
Total Expenditures and Other Financing Sources	29,566,236	29,360,120
Change in Fund Balance	\$ 81,429	\$ 640,994

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**VILLAGE OF LAKE ZURICH
 MANAGEMENT'S DISCUSSION AND ANALYSIS**

December 31, 2019

CAPITAL ASSETS

The Village of Lake Zurich's investment in capital assets, net of accumulated depreciation, amounted to \$131.0 million at December 31, 2019. The investment includes land, buildings, improvements, machinery and equipment, vehicles and infrastructure as follows:

	Governmental Activities		Business-type Activities		Total	
	FYE 19	FYE 18	FYE 19	FYE 18	FYE 19	FYE 18
Land and Improvements	\$ 35,137,670	\$35,375,303	\$ 249,652	\$ 249,652	\$ 35,387,322	\$ 35,624,955
Building and Improvements	8,309,722	8,582,207	-	-	8,309,722	8,582,207
Machinery & Equipment	1,691,982	1,642,233	1,493,627	1,409,874	3,185,609	3,052,107
Vehicles	3,995,615	3,474,782	581,654	519,983	4,577,269	3,994,765
Other	914,766	124,461	1,190,570	1,213,503	2,105,336	1,337,964
Infrastructure	35,720,049	35,527,427	41,749,621	41,784,590	77,469,670	77,312,017
Total	\$ 85,769,804	\$84,726,413	\$45,265,124	\$45,177,602	\$ 131,034,928	\$ 129,904,015

Capital additions for the year totaled \$3.7 million for governmental funds and \$2.0 million for the business-type activities of the water and sewer fund. Additions included the following major projects:

Governmental Funds:

- Land improvements of \$61k, with \$24k on the parking lot for the Community Services Facility and \$37k on Wicklow West playground equipment.
- Building and building improvements of \$68k, with \$45k on new flooring for the Community Services Facility and \$23k on HVAC replacement.
- Infrastructure improvements of \$1.58 million for the annual road program.
- Equipment of \$289k, with \$243k for Starcom Radio purchase for Fire and Police Department and \$47k for Police Department door access control system.
- Vehicles of \$862k, with \$31k for police vehicles, \$543k for a new fire engine, \$176k for a new public works dump truck and \$112k for public works vehicles.

Business-Type Fund:

- Infrastructure improvements of \$1.71 million for sanitary sewer replacement and sanitary sewer lining.
- Machinery and Equipment of \$155k, for well valve replacements of \$34k and pump replacements of \$121k.
- Vehicles of \$112k for a platform crane for \$49k and two utility pickup trucks for \$63k.

Additional information on the Village's capital assets is presented in the notes to the basic financial statements on pages 44 and 45.

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**VILLAGE OF LAKE ZURICH
 MANAGEMENT'S DISCUSSION AND ANALYSIS**

December 31, 2019

DEBT ADMINISTRATION

During the fiscal year, bonded debt was decreased by \$2.2 million. Series 2019 was issued for \$1,124,000 on a short-term basis and was repaid before the end of the fiscal year. During the year, the only additional new debt was for capital leases for new office copiers for \$22k.

	Governmental Activities		Business-type Activities		Total Village Wide	
	FYE 19	FYE 18	FYE 19	FYE 18	FYE 19	FYE 18
General Obligation Bonds	\$ 505,000	\$ 990,000	\$ -	\$ -	\$ 505,000	\$ 990,000
TIF Alternate Revenue Bonds	22,445,000	23,585,000	-	-	22,445,000	23,585,000
TIF Revenue Bonds	-	-	-	-	-	-
Water Alternate Revenue Bonds	-	-	2,425,000	2,970,000	2,425,000	2,970,000
Bonded Debt Total	22,950,000	24,575,000	2,425,000	2,970,000	25,375,000	27,545,000
IEPA Loan	-	-	1,727,557	1,924,089	1,727,557	1,924,089
Compensated Absences	1,239,171	1,135,210	83,625	76,185	1,322,796	1,211,395
Net Pension Liability	44,026,285	52,928,556	400,291	1,127,626	44,426,576	54,056,182
Capital Lease Obligation	146,878	252,725	3,202,216	3,358,063	3,349,094	3,610,788
Other Postemployment Benefits	3,159,596	3,082,201	274,993	257,526	3,434,589	3,339,727
Other	206,395	242,222	126,593	155,814	332,988	398,036
Total Other LT Debt	48,778,325	57,640,914	5,815,275	6,899,303	54,593,600	64,540,217
Combined LT Debt Total	71,728,325	82,215,914	8,240,275	9,869,303	79,968,600	92,085,217

The Village maintains a AAA, stable outlook, bond rating from Standard and Poors, which had been upgraded from AA in 2013. Maintaining the AAA stable was based on the following factors:

- Very strong economy, with a projected per capita buying income at 167% the national average.
- Very strong budgetary flexibility
- Strong overall budgetary performance.
- Strong debt and contingent liabilities profile.

Additional information on the Village's long-term debt is presented in the notes to the basic financial statements on pages 48 through 52.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

- The Village is directly impacted by the financial condition of the State of Illinois. The political environment in Springfield is being closely monitored for legislation that could reduce or eliminate the shared revenue, and in turn impact the level of service to the residents. The State reduced the local sharing of the Income Tax starting July 2017 and implemented an administration fee on local taxes such as the Non-Home Rule Sales Tax. The State's upcoming budget for 2020/2021 shows a slight increase to the shared Income Tax, but a decrease in Personal Property Replacement Tax.
- The Illinois Department of Revenue certified the CPI used for calculating the Village's 2019 Tax Levy to be 1.9%. Any increase in CPI along with the value of new construction will be used to offset the growing cost of funding for both police and fire pension funds for the Village.
- Minimizing retail vacancies continue to be a priority for the Village, as sales tax is a significant revenue source. The Village will continue to monitor economic trends relating to retail sales and adjust forecasts/spending as appropriate.

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**VILLAGE OF LAKE ZURICH
MANAGEMENT'S DISCUSSION AND ANALYSIS**

December 31, 2019

- In December 2019, a novel strain of coronavirus (COVID-19) was reported to have surfaced in China. In March 2020, the global economy was significantly impacted by the drastic response to the Coronavirus pandemic, whereas a large segment of commerce was temporarily suspended through governmental enforcement. This effect has led to unprecedented unemployment, due to business closures; significant market declines; temporary closures of non-life sustaining business activities, including "stay-at-home" orders for certain hard-hit areas.

As a result of these measures, certain governments have limited their office staff and contact with the public in an attempt to slow the spread and impact of COVID-19. Additionally, many governments are faced with providing essential services with limited staffing and availability of resources. While this disruption is anticipated to be temporary, with full operations and services resuming in the near future, the exact timing of a return to normal is uncertain. Furthermore, the extent of the impact of COVID-19 on the Village of Lake Zurich's operational and financial performance will depend on the developments of COVID-19, including the duration and spread of the outbreak, impact on residents, employees and vendors, all of which are uncertain and cannot be reasonably predicted at the current time.

- Two of the four union contracts expire on December 31, 2020. Negotiated salary and benefit increases are expected to be reasonable and in-line with market conditions, allowing for increased stability in the operating budget of the Village.

The above factors were taken into consideration for funding and planning purposes for current and future fiscal years. At December 31, 2019 the unrestricted fund balance of the General Fund was 33% of total expenditures of the upcoming year. Village policy states a minimum unrestricted fund balance be maintained of 25% with a target of 40%.

The Water/Sewer Fund had cash and investments of \$6.6 million at December 31, 2019. The fund also had unrestricted net position of \$5.4 million. The Village monitors both revenues and expenses to determine the rate levels necessary to cover the maintenance and long term replacement infrastructure needs of the Water/Sewer Fund. The Village Board approved a rate increase effective January 1, 2019.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Village of Lake Zurich's financial position and activities for the fiscal year ended December 31, 2019. Questions and requests for additional information should be directed to the Finance Director, Village of Lake Zurich, 70 E. Main Street, Lake Zurich, Illinois 60047.

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BASIC FINANCIAL STATEMENTS

VILLAGE OF LAKE ZURICH

STATEMENT OF NET POSITION As of December 31, 2019

	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Cash and investments	\$ 23,279,358	\$ 6,614,712	\$ 29,894,070
Receivables (net)			
Property taxes	10,598,910	-	10,598,910
Accounts	1,257,821	915,233	2,173,054
Accrued interest	64,739	17,579	82,318
Internal balances	(484,833)	484,833	-
Due from fiduciary funds	-	5,637	5,637
Due from other governmental units	2,519,605	-	2,519,605
Cash at paying agent	515,100	-	515,100
Prepaid items	1,044,733	49,899	1,094,632
Inventories	11,927	2,208	14,135
Land held for resale	3,414,425	-	3,414,425
Capital Assets			
Capital assets not being depreciated	31,388,317	1,440,222	32,828,539
Capital assets net of accumulated depreciation	54,381,487	43,824,902	98,206,389
Total Assets	<u>127,991,589</u>	<u>53,355,225</u>	<u>181,346,814</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension related amounts	5,734,089	128,213	5,862,302
Unamortized loss on refunding	2,513,587	-	2,513,587
OPEB related amounts	100,106	8,713	108,819
Total Deferred Outflows of Resources	<u>8,347,782</u>	<u>136,926</u>	<u>8,484,708</u>
LIABILITIES			
Accounts payable	639,558	1,119,599	1,759,157
Accrued payroll	433,478	36,835	470,313
Other payables	457,843	-	457,843
Accrued interest payable	112,656	31,248	143,904
Unearned revenues	498,471	-	498,471
Due to fiduciary funds	18,231	-	18,231
Noncurrent Liabilities			
Due within one year	2,130,979	957,525	3,088,504
Due in more than one year	69,597,346	7,282,750	76,880,096
Total Liabilities	<u>73,888,562</u>	<u>9,427,957</u>	<u>83,316,519</u>
DEFERRED INFLOWS OF RESOURCES			
Property taxes levied for future periods	10,590,445	-	10,590,445
Pension related amounts	8,445,840	382,116	8,827,956
OPEB related amounts	198,956	17,316	216,272
Total Deferred Inflows of Resources	<u>19,235,241</u>	<u>399,432</u>	<u>19,634,673</u>
NET POSITION			
Net investment in capital assets	88,305,543	37,783,758	126,089,301
Restricted for			
Special recreation	44,185	-	44,185
Public safety	324,563	-	324,563
TIF	3,505,389	-	3,505,389
Debt Service	1,408,269	-	1,408,269
Noise mitigation	239,530	-	239,530
Capital projects	2,858,431	-	2,858,431
Highways and streets	2,290,097	-	2,290,097
Tourism	387,064	-	387,064
Unrestricted	<u>(56,147,503)</u>	<u>5,881,004</u>	<u>(50,266,499)</u>
TOTAL NET POSITION	<u>\$ 43,215,568</u>	<u>\$ 43,664,762</u>	<u>\$ 86,880,330</u>

See accompanying notes to financial statements.

VILLAGE OF LAKE ZURICH

STATEMENT OF ACTIVITIES For the Year Ended December 31, 2019

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General government	\$ 2,003,371	\$ 959,564	\$ 4,470	\$ -
Public safety	22,631,359	9,010,081	-	-
Highways and streets	5,281,079	55,808	735,673	16,223
Culture and recreation	1,878,294	760,864	-	3,010
Economic development	1,408,997	-	-	-
Interest and fiscal charges	1,000,955	-	-	-
Total Governmental Activities	<u>34,204,055</u>	<u>10,786,317</u>	<u>740,143</u>	<u>19,233</u>
Business-type Activities				
Waterworks and sewerage	<u>5,593,327</u>	<u>7,431,278</u>	-	-
Total Business-type Activities	<u>5,593,327</u>	<u>7,431,278</u>	-	-
 Total	 <u>\$ 39,797,382</u>	 <u>\$ 18,217,595</u>	 <u>\$ 740,143</u>	 <u>\$ 19,233</u>
General Revenues				
Taxes				
Property taxes				
Utility taxes				
Telecommunications taxes				
Other taxes				
Intergovernmental - unrestricted				
Replacement				
Sales taxes				
Local use				
Shared income tax				
Other				
Special events				
Investment income				
Miscellaneous				
Total General Revenues				
 Change in net position				
 NET POSITION - Beginning of Year				
 NET POSITION - END OF YEAR				

See accompanying notes to financial statements.

Net (Expenses) Revenues and Changes in Net Position

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Totals</u>
\$ (1,039,337)	\$ -	\$ (1,039,337)
(13,621,278)	-	(13,621,278)
(4,473,375)	-	(4,473,375)
(1,114,420)	-	(1,114,420)
(1,408,997)	-	(1,408,997)
<u>(1,000,955)</u>	-	<u>(1,000,955)</u>
<u>(22,658,362)</u>	-	<u>(22,658,362)</u>
-	<u>1,837,951</u>	<u>1,837,951</u>
-	<u>1,837,951</u>	<u>1,837,951</u>
<u>(22,658,362)</u>	<u>1,837,951</u>	<u>(20,820,411)</u>
11,006,718	-	11,006,718
1,276,499	-	1,276,499
592,676	-	592,676
391,771	-	391,771
70,716	-	70,716
9,230,561	-	9,230,561
662,382	-	662,382
2,089,504	-	2,089,504
(1,019)	1,500	481
158,575	-	158,575
510,432	162,361	672,793
<u>290,598</u>	<u>8,104</u>	<u>298,702</u>
<u>26,279,413</u>	<u>171,965</u>	<u>26,451,378</u>
3,621,051	2,009,916	5,630,967
<u>39,594,517</u>	<u>41,654,846</u>	<u>81,249,363</u>
<u>\$ 43,215,568</u>	<u>\$ 43,664,762</u>	<u>\$ 86,880,330</u>

See accompanying notes to financial statements.

VILLAGE OF LAKE ZURICH

BALANCE SHEET GOVERNMENTAL FUNDS As of December 31, 2019

	<u>General Fund</u>	<u>TIF Tax Allocation</u>	<u>Downtown TIF #2</u>	<u>Debt Service</u>
ASSETS				
Cash and investments	\$ 8,179,567	\$ 90,256	\$ 293,267	\$ 890,308
Receivables				
Property taxes receivable	8,049,939	1,281,007	95,095	1,172,861
Accounts receivable	506,758	-	4,490	-
Accrued interest	41,802	-	-	-
Due from other funds	42	-	-	-
Advances to other funds	1,535,000	-	-	-
Due from other governments	2,519,605	-	-	-
Cash at paying agent	-	-	-	515,100
Prepaid items	60,198	-	-	-
Inventories	11,927	-	-	-
Land held for resale	-	-	3,414,425	-
TOTAL ASSETS	<u>\$ 20,904,838</u>	<u>\$ 1,371,263</u>	<u>\$ 3,807,277</u>	<u>\$ 2,578,269</u>

See accompanying notes to financial statements.

<u>TIF Debt Service</u>	<u>Capital Improvements</u>	<u>TIF #1 Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Totals</u>
\$ 469,863	\$ 3,280,224	\$ -	\$ 5,304,895	\$ 18,508,380
-	-	-	8	10,598,910
-	-	-	742,359	1,253,607
1,952	20,985	-	-	64,739
-	-	-	-	42
-	-	-	200,000	1,735,000
-	-	-	-	2,519,605
-	-	-	-	515,100
-	-	-	7,323	67,521
-	-	-	-	11,927
-	-	-	-	3,414,425
<u>\$ 471,815</u>	<u>\$ 3,301,209</u>	<u>\$ -</u>	<u>\$ 6,254,585</u>	<u>\$ 38,689,256</u>

See accompanying notes to financial statements.

VILLAGE OF LAKE ZURICH

BALANCE SHEET GOVERNMENTAL FUNDS As of December 31, 2019

	<u>General Fund</u>	<u>TIF Tax Allocation</u>	<u>Downtown TIF #2</u>	<u>Debt Service</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 381,319	\$ -	\$ 4,904	\$ -
Accrued wages	394,959	-	-	-
Other liabilities	220,994	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	185,000	200,000	-
Due to fiduciary funds	18,231	-	-	-
Unearned revenues	<u>375,921</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>1,391,424</u>	<u>185,000</u>	<u>204,904</u>	<u>-</u>
Deferred Inflows of Resources				
Unavailable revenues	94,860	-	-	-
Property taxes levied for future periods	<u>8,043,431</u>	<u>1,280,030</u>	<u>96,984</u>	<u>1,170,000</u>
Total Deferred Inflows of Resources	<u>8,138,291</u>	<u>1,280,030</u>	<u>96,984</u>	<u>1,170,000</u>
Fund Balances				
Nonspendable for prepaid items	60,198	-	-	-
Nonspendable for inventory	11,927	-	-	-
Nonspendable for advances to other funds	1,535,000	-	-	-
Restricted for special recreation	44,185	-	-	-
Restricted for public safety	140,966	-	-	-
Restricted for TIF	-	-	3,505,389	-
Restricted for debt service	-	-	-	1,408,269
Restricted for noise mitigation	-	-	-	-
Restricted for capital projects	-	-	-	-
Restricted for highways and streets	-	-	-	-
Restricted for tourism	-	-	-	-
Assigned to capital project funds	-	-	-	-
Assigned to special events	-	-	-	-
Assigned to dispatch services	-	-	-	-
Unassigned	<u>9,582,847</u>	<u>(93,767)</u>	<u>-</u>	<u>-</u>
Total Fund Balances (Deficit)	<u>11,375,123</u>	<u>(93,767)</u>	<u>3,505,389</u>	<u>1,408,269</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 20,904,838</u>	<u>\$ 1,371,263</u>	<u>\$ 3,807,277</u>	<u>\$ 2,578,269</u>

See accompanying notes to financial statements.

<u>TIF Debt Service</u>	<u>Capital Improvements</u>	<u>TIF #1 Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Totals</u>
\$ -	\$ 56,084	\$ -	\$ 143,716	\$ 586,023
-	-	-	35,388	430,347
-	215,000	-	21,849	457,843
-	-	-	42	42
1,300,000	-	-	50,000	1,735,000
-	-	-	-	18,231
-	5,990	-	116,560	498,471
<u>1,300,000</u>	<u>277,074</u>	<u>-</u>	<u>367,555</u>	<u>3,725,957</u>
-	-	-	-	94,860
-	-	-	-	10,590,445
-	-	-	-	10,685,305
-	-	-	7,323	67,521
-	-	-	-	11,927
-	-	-	-	1,535,000
-	-	-	-	44,185
-	-	-	183,597	324,563
-	-	-	-	3,505,389
-	-	-	-	1,408,269
-	239,530	-	-	239,530
-	-	-	2,858,431	2,858,431
-	-	-	2,290,097	2,290,097
-	-	-	387,064	387,064
-	2,784,605	-	21,184	2,805,789
-	-	-	106,230	106,230
-	-	-	74,320	74,320
(828,185)	-	-	(41,216)	8,619,679
<u>(828,185)</u>	<u>3,024,135</u>	<u>-</u>	<u>5,887,030</u>	<u>24,277,994</u>
<u>\$ 471,815</u>	<u>\$ 3,301,209</u>	<u>\$ -</u>	<u>\$ 6,254,585</u>	<u>\$ 38,689,256</u>

See accompanying notes to financial statements.

VILLAGE OF LAKE ZURICH

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION As of December 31, 2019

Total Fund Balances - Governmental Funds	\$ 24,277,994
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds.	85,769,804
Less internal service fund portion	(3,068,281)
Some receivables that are not currently available are reported as unavailable revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements.	94,860
The loss on refunding of bonds is capitalized and amortized over the life of the bonds on the statement of net position.	2,513,587
Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	5,734,089
Deferred outflows of resources related to OPEB do not relate to current financial resources and are not reported in the governmental funds.	100,106
Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	(8,445,840)
Deferred inflows of resources related to OPEB do not relate to current financial resources and are not reported in the governmental funds.	(198,956)
Internal service funds are reported in the statement of net position as governmental activities.	8,279,186
Some liabilities, including long-term debt, are not due and payable in the current period and therefore, are not reported in the funds.	
Bonds and notes payable	(22,950,000)
Capital lease payable	(146,878)
Compensated absences	(1,239,171)
Accrued interest	(112,656)
Unamortized debt discount	(206,395)
Net pension liability	(44,026,285)
Total OPEB liability	<u>(3,159,596)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 43,215,568</u>

See accompanying notes to financial statements.

VILLAGE OF LAKE ZURICH

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS For the Year Ended December 31, 2019

	General Fund	TIF Tax Allocation	Downtown TIF #2	Debt Service
REVENUES				
Taxes	\$ 10,074,575	\$ 1,301,340	\$ 144,780	\$ 1,670,571
Licenses and permits	758,237	-	-	-
Intergovernmental	16,071,466	-	-	-
Charges for services	2,073,156	-	-	-
Fines, forfeitures and penalties	591,896	-	-	-
Special events	-	-	-	-
Investment income	206,650	6,391	3,563	22,990
Miscellaneous revenues	181,174	-	180,024	-
Total Revenues	<u>29,957,154</u>	<u>1,307,731</u>	<u>328,367</u>	<u>1,693,561</u>
EXPENDITURES				
Current				
General government	1,834,652	-	-	-
Public safety	20,256,133	-	-	-
Highways and streets	3,204,663	-	-	-
Culture and recreation	1,276,301	-	-	-
Economic development	746,021	506,843	188,858	-
Capital Outlay	-	-	-	-
Debt Service				
Principal	-	-	-	485,000
Interest and fiscal charges	-	-	-	47,708
Total Expenditures	<u>27,317,770</u>	<u>506,843</u>	<u>188,858</u>	<u>532,708</u>
Excess (deficiency) of revenues over expenditures	<u>2,639,384</u>	<u>800,888</u>	<u>139,509</u>	<u>1,160,853</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(2,042,350)	(977,341)	-	(1,124,000)
Proceeds from sales of capital assets	43,960	-	-	-
Total Other Financing Sources (Uses)	<u>(1,998,390)</u>	<u>(977,341)</u>	<u>-</u>	<u>(1,124,000)</u>
Net Change in Fund Balances	640,994	(176,453)	139,509	36,853
FUND BALANCES (DEFICIT) - Beginning of Year	<u>10,734,129</u>	<u>82,686</u>	<u>3,365,880</u>	<u>1,371,416</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ 11,375,123</u>	<u>\$ (93,767)</u>	<u>\$ 3,505,389</u>	<u>\$ 1,408,269</u>

See accompanying notes to financial statements.

TIF Debt Service	Capital Improvements	TIF #1 Capital Projects	Nonmajor Governmental Funds	Totals
\$ -	\$ -	\$ -	\$ 2,291,241	\$ 15,482,507
-	-	-	-	758,237
-	3,010	-	653,900	16,728,376
-	-	-	998,483	3,071,639
-	-	-	-	591,896
-	-	-	158,575	158,575
11,950	86,541	-	108,679	446,764
-	<u>11,542</u>	-	-	<u>372,740</u>
<u>11,950</u>	<u>101,093</u>	-	<u>4,210,878</u>	<u>37,610,734</u>
-	-	-	17,059	1,851,711
-	-	-	1,703,300	21,959,433
-	-	-	2,371,210	5,575,873
-	-	-	354,582	1,630,883
-	-	-	-	1,441,722
-	746,309	-	33,793	780,102
1,140,000	-	-	-	1,625,000
<u>751,386</u>	-	-	-	<u>799,094</u>
<u>1,891,386</u>	<u>746,309</u>	-	<u>4,479,944</u>	<u>35,663,818</u>
<u>(1,879,436)</u>	<u>(645,216)</u>	-	<u>(269,066)</u>	<u>1,946,916</u>
1,919,000	799,500	182,341	982,430	3,883,271
-	-	-	(89,580)	(4,233,271)
-	-	-	-	43,960
<u>1,919,000</u>	<u>799,500</u>	<u>182,341</u>	<u>892,850</u>	<u>(306,040)</u>
39,564	154,284	182,341	623,784	1,640,876
<u>(867,749)</u>	<u>2,869,851</u>	<u>(182,341)</u>	<u>5,263,246</u>	<u>22,637,118</u>
<u>\$ (828,185)</u>	<u>\$ 3,024,135</u>	<u>\$ -</u>	<u>\$ 5,887,030</u>	<u>\$ 24,277,994</u>

See accompanying notes to financial statements.

VILLAGE OF LAKE ZURICH

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES For the Year Ended December 31, 2019

Net change in fund balances - total governmental funds	\$	1,640,876
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of net position the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the statement of activities.

Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements	3,650,647
Less internal service funds	(825,403)
Depreciation is reported in the government-wide financial statements	(2,558,187)
Less: Net book value of assets retired	(49,069)

Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.	(94,807)
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Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal repaid	1,730,847
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Governmental funds report debt premiums and discounts as other financing sources (uses) or expenditures. However, in the statement of net position, these are reported as additions to or deductions from long-term debt. These are allocated over the period the debt is outstanding in the statement of activities and are reported as interest expense.

Debt discount	35,827
Amortization of loss on refunding	(258,750)

Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Compensated absences	(103,961)
Accrued interest on debt	21,065
Net pension liability	8,902,271
Total OPEB liability	(77,395)
Deferred outflows of resources related to pensions	(8,899,969)
Deferred outflows of resources related to OPEB	100,106
Deferred inflows of resources related to pensions	(1,291,317)
Deferred inflows of resources related to OPEB	27,914

Internal service funds are used by management to charge self insurance costs to individual funds. The change in net position of the internal service fund reported with governmental activities

1,670,356

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	<u>3,621,051</u>
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See accompanying notes to financial statements.

VILLAGE OF LAKE ZURICH

STATEMENT OF NET POSITION PROPRIETARY FUND As of December 31, 2019

	<u>Waterworks and Sewerage</u>	<u>Governmental Activities - Internal Service Funds</u>
ASSETS		
Current Assets		
Cash and investments	\$ 6,614,712	\$ 4,770,978
Accounts receivable	915,233	4,214
Accrued interest	17,579	-
Due from fiduciary funds	5,637	-
Prepaid items	49,899	977,212
Inventories	2,208	-
Total Current Assets	<u>7,605,268</u>	<u>5,752,404</u>
Noncurrent Assets		
Capital Assets		
Capital assets not being depreciated	1,440,222	-
Property and equipment	82,134,563	4,101,191
Less: Accumulated depreciation	<u>(38,309,661)</u>	<u>(1,032,910)</u>
Total Noncurrent Assets	<u>45,265,124</u>	<u>3,068,281</u>
Total Assets	<u>52,870,392</u>	<u>8,820,685</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension related amounts	128,213	-
OPEB Related Amount	<u>8,713</u>	<u>-</u>
Total Deferred Outflows of Resources	<u>136,926</u>	<u>-</u>

See accompanying notes to financial statements.

VILLAGE OF LAKE ZURICH

STATEMENT OF NET POSITION PROPRIETARY FUND As of December 31, 2019

	Waterworks and Sewerage	Governmental Activities - Internal Service Funds
LIABILITIES		
Current Liabilities		
Accounts payable	\$ 1,119,599	\$ 53,535
Accrued wages	36,835	3,131
Accrued interest	31,248	-
Compensated absences	16,725	-
Unamortized bond premium	29,220	-
IEPA loan payable	201,476	-
Capital lease obligation	160,104	-
Alternative revenue bonds payable	<u>550,000</u>	<u>-</u>
Total Current Liabilities	<u>2,145,207</u>	<u>56,666</u>
Noncurrent Liabilities		
Long-Term Debt		
Compensated absences	66,900	-
Total other postemployment benefit liability	274,993	-
Net pension liability	400,291	-
Unamortized bond premium	97,373	-
IEPA loan payable	1,526,081	-
Capital lease obligation	3,042,112	-
Alternative revenue bonds payable	<u>1,875,000</u>	<u>-</u>
Total Noncurrent Liabilities	<u>7,282,750</u>	<u>-</u>
Total Liabilities	<u>9,427,957</u>	<u>56,666</u>
DEFERRED INFLOWS OF RESOURCES		
Pension related amounts	382,116	-
OPEB related amounts	<u>17,316</u>	<u>-</u>
Total Deferred Inflows of Resources	<u>399,432</u>	<u>-</u>
NET POSITION		
Net investment in capital assets	37,783,758	3,068,281
Unrestricted net position	<u>5,396,171</u>	<u>5,695,738</u>
TOTAL NET POSITION	<u>43,179,929</u>	<u>\$ 8,764,019</u>
Reconciliation to the Statement of Net Position:		
Adjustments to reflect the consolidation of internal service funds activities related to enterprise funds.	<u>484,833</u>	
Net Position Business-type Activities	<u>\$ 43,664,762</u>	

See accompanying notes to financial statements.

VILLAGE OF LAKE ZURICH

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION PROPRIETARY FUND For the Year Ended December 31, 2019

	Waterworks and Sewerage	Governmental Activities - Internal Service Funds
OPERATING REVENUES		
Charges for services	\$ 7,228,107	\$ -
Contributions	-	5,347,294
Total Operating Revenues	<u>7,228,107</u>	<u>5,347,294</u>
OPERATING EXPENSES		
Administration	812,785	-
Operations	2,743,321	88,619
Insurance and claims	-	3,653,887
Depreciation	<u>1,866,142</u>	<u>325,793</u>
Total Operating Expenses	<u>5,422,248</u>	<u>4,068,299</u>
Operating Income (Loss)	<u>1,805,859</u>	<u>1,278,995</u>
NONOPERATING REVENUES (EXPENSES)		
Connection fees	203,171	-
Investment income	162,361	63,668
Miscellaneous revenues	1,500	2,743
Gain on sale of capital assets	8,104	-
Interest and fiscal charges	<u>(196,129)</u>	<u>-</u>
Total Nonoperating Revenues (Expenses)	<u>179,007</u>	<u>66,411</u>
Income (Loss) Before Transfers	<u>1,984,866</u>	<u>1,345,406</u>
TRANSFERS		
Transfers in	-	350,000
Total Transfers	<u>-</u>	<u>350,000</u>
Change in Net Position	<u>1,984,866</u>	<u>1,695,406</u>
NET POSITION - Beginning of Year	<u>41,195,063</u>	<u>7,068,613</u>
NET POSITION- END OF YEAR	<u>43,179,929</u>	<u>\$ 8,764,019</u>
Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds	<u>25,050</u>	
Change in Net Position of Business-type Activities	<u>\$ 2,009,916</u>	

See accompanying notes to financial statements.

VILLAGE OF LAKE ZURICH

STATEMENT OF CASH FLOWS PROPRIETARY FUND For the Year Ended December 31, 2019

	<u>Waterworks and Sewerage</u>	<u>Governmental Activities - Internal Service Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Received from customers	\$ 7,243,918	\$ 5,352,017
Paid to suppliers for goods and services	(1,068,589)	(938,821)
Paid to employees for services	(1,671,019)	(2,902,831)
Net Cash Flows From Operating Activities	<u>4,504,310</u>	<u>1,510,365</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment income	<u>152,793</u>	<u>63,668</u>
Net Cash Flows From Investing Activities	<u>152,793</u>	<u>63,668</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Receipt (payment) on interfund loan	(1,263,109)	119,099
Receipt of operating transfer	-	350,000
Miscellaneous	1,500	787
Due to / from other funds	-	20,000
Net Cash Flows From Noncapital Financing Activities	<u>(1,261,609)</u>	<u>489,886</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Principal paid	(897,379)	-
Interest paid	(227,717)	-
Connection fees received	203,171	-
Acquisition and construction of capital assets	(1,953,664)	(1,151,196)
Proceeds from the sale of capital assets	8,104	-
Net Cash Flows From Capital and Related Financing Activities	<u>(2,867,485)</u>	<u>(1,151,196)</u>
Net Change in Cash and Cash Equivalents	528,009	912,723
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>6,086,703</u>	<u>3,858,255</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 6,614,712</u>	<u>\$ 4,770,978</u>

See accompanying notes to financial statements.

VILLAGE OF LAKE ZURICH

STATEMENT OF CASH FLOWS PROPRIETARY FUND For the Year Ended December 31, 2019

	Waterworks and Sewerage	Governmental Activities - Internal Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES		
Operating income (loss)	\$ 1,805,859	\$ 1,278,995
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows From Operating Activities		
Depreciation	1,866,142	325,793
Changes in assets and liabilities		
Accounts receivable	15,811	4,723
Prepaid items	(2,923)	(49,482)
Inventories	1,776	-
Deferred outflows - pension related items	505,846	-
Deferred outflows - OPEB	(8,713)	-
Accounts payable	742,008	(52,795)
Accrued wages	7,069	-
Compensated absences	7,440	3,131
Total OPEB liability	17,467	-
Net pension liability	(727,335)	-
Deferred inflows - pension related items	275,503	-
Deferred inflows - OPEB related items	(1,640)	-
NET CASH FLOWS FROM OPERATING ACTIVITIES	\$ 4,504,310	\$ 1,510,365
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES		
None		

See accompanying notes to financial statements.

VILLAGE OF LAKE ZURICH

STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUNDS As of December 31, 2019

	<u>Pension Trusts</u>	<u>Agency Fund</u>
ASSETS		
Cash and investments	\$ 14,547	\$ 1,675,103
Investments		
U.S. treasuries	1,958,797	-
U.S. agencies	15,742,786	-
Mutual funds	41,808,439	-
Corporate bonds	4,643,821	-
State and local obligations	2,875,738	-
Money markets	181,698	-
Certificates of deposit	49,999	-
Insurance contracts	495,990	-
Receivables		
Accrued interest	174,747	11,425
Accounts receivable	-	62,873
Due from primary government	-	18,231
Prepaid items	5,204	-
Total Assets	<u>67,951,766</u>	<u>1,767,632</u>
LIABILITIES		
Accounts payable	36,626	590,458
Due to primary government	-	5,637
Deposits	-	1,171,537
Total Liabilities	<u>36,626</u>	<u>1,767,632</u>
NET POSITION		
Restricted for retirement benefits	\$ <u>67,915,140</u>	\$ <u>-</u>

See accompanying notes to financial statements.

VILLAGE OF LAKE ZURICH

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS For the Year Ended December 31, 2019

	Pension Trust Funds
ADDITIONS	
Contributions	
Employer	\$ 4,091,291
Employee	821,186
Total Contributions	<u>4,912,477</u>
Investment income	
Net appreciation (depreciation) in fair value of investments	8,947,026
Interest on investments	<u>1,916,041</u>
Total Investment Income	<u>10,863,067</u>
Less Investment expense	127,005
Net Investment Income	<u>10,736,062</u>
Total Additions	<u>15,648,539</u>
DEDUCTIONS	
Pension payments and refunds	3,811,839
Administration	<u>77,034</u>
Total Deductions	<u>3,888,873</u>
Change in Fiduciary Net Position	11,759,666
NET POSITION - Beginning of Year	<u>56,155,474</u>
NET POSITION - END OF YEAR	<u><u>\$ 67,915,140</u></u>

See accompanying notes to financial statements.

VILLAGE OF LAKE ZURICH

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See accompanying notes to financial statements.

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Lake Zurich, Illinois (the village) was incorporated in 1896. The village is a non home-rule municipality, under the 1970 Illinois Constitution, located in Lake County, Illinois. The village operates under a President-Trustee form of government and provides the following services as authorized by its charter: public safety (police and fire protection), highways and streets, sanitation (water and sewer), health and social services, public improvements, planning and zoning, and general administrative services.

The accounting policies of the Village of Lake Zurich, Illinois conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The accepted standard-setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB).

A. REPORTING ENTITY

This report includes all of the funds of the village. The reporting entity for the village consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The village has not identified any organizations that meet this criteria.

The Police Pension Employees Retirement System (PPERS) is established for the village's police employees. PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the village's President, one pension beneficiary elected by the membership, and two police employees elected by the membership constitute the pension board. The village and the PPERS participants are obligated to fund all PPERS costs based upon actuarial valuations. A municipality is considered to have a financial burden if it is legally obligated or has otherwise assumed the obligation to make contributions to the pension plan. The State of Illinois is authorized to establish benefit levels and the village is authorized to approve the actuarial assumptions used in the determination of contribution levels. PPERS is reported as a fiduciary component unit pension trust fund and the data for the pension is included in the government's fiduciary fund financial statements as a pension trust fund. No separate annual financial report is issued for the PPERS.

The Firefighters' Pension Employees Retirement System (FPERS) is established for the village's firefighters. FPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the village's President, one pension beneficiary elected by the membership; and two fire employees elected by the membership constitute the pension board. The village and the FPERS participants are obligated to fund all FPERS costs based upon actuarial valuations. A municipality is considered to have a financial burden if it is legally obligated or has otherwise assumed the obligation to make contributions to the pension plan. The State of Illinois is authorized to establish benefit levels and the village is authorized to approve the actuarial assumptions used in the determination of contribution levels. FPERS is reported as a fiduciary component unit and the data for the pension is included in the government's fiduciary fund financial statements as a pension trust fund. No separate annual financial report is issued for the FPERS.

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except the fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The effect of material interfund activity has been eliminated from these statements. Interfund services provided and used are not eliminated from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The village does not allocate indirect expenses to functions in the statement of activities. 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 contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

Fund Financial Statements

Financial statements of the village are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position/fund balance, revenues, and expenditures/expenses.

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONT.)

Fund Financial Statements (cont.)

Funds are organized as major funds or nonmajor funds within the governmental and proprietary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the village or meets the following criteria:

- a. Total assets/deferred outflows of resources, liabilities/deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10% of the corresponding total for all funds of that category or type, and
- b. The same element of the individual governmental or enterprise fund that met the 10% test is at least 5% of the corresponding total for all governmental and enterprise funds combined.
- c. In addition, any other governmental or enterprise fund that the village believes is particularly important to financial statement users may be reported as a major fund.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The village reports the following major governmental funds:

- General Fund - accounts for the village's primary operating activities. It is used to account for and report all financial resources except those accounted for and reported in another fund.
- TIF Tax Allocation Fund - used to account for all restricted revenues and to record fund transfers to pay for administrative, debt service, and capital improvement activity necessary to stimulate and induce redevelopment of Downtown Lake Zurich pursuant to the TIF act.
- Downtown TIF #2 Fund - used to account for all restricted revenues and activities associated with improvements within the Tax Increment Financing District.
- Debt Service Fund - used to account for and report financial resources that are restricted, committed, or assigned to expenditure for the payment of general long-term debt principal, interest, and related costs.
- TIF Debt Service Fund - used to account for and report financial resources that are restricted, committed, or assigned to expenditure for the payment of TIF debt principal, interest, and related costs.
- Capital Improvements Fund - used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets for the village.
- TIF #1 Capital Projects Fund - used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets for TIF #1.

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONT.)

Fund Financial Statements (cont.)

The village reports the following major enterprise fund:

Waterworks and Sewerage Fund - accounts for operations of the potable water and wastewater treatment services to the residents of the village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations and maintenance, financing and related debt service, billing and collection.

The village reports the following nonmajor governmental funds:

Special Revenue Funds - used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes (other than debt service or capital projects).

Foreign Fire Tax Fund
Hotel Tax Fund
Motor Fuel Tax Fund
Special Events Fund
Dispatch Services Fund
TIF #3 Fund

Capital Projects Funds - used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Park Improvements Fund
Non-Home Rule Sales Tax Capital Projects Fund

In addition, the village reports the following fund types:

Internal Service Funds - used to account for and report the financing of goods or services provided by one department or agency to other departments or agencies of the village, or to other governmental units, on a cost-reimbursement basis.

Medical Self-Insurance Fund
Risk Management Fund
Equipment Replacement Fund

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONT.)

Fund Financial Statements (cont.)

Pension (and Other Employee Benefit) Trust Funds - used to account for and report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, other postemployment benefit plans, or other employee benefit plans.

Police Pension Fund
Firefighters' Pension Fund

Agency Funds - used to account for and report assets controlled by the village and the assets are for the benefit of individuals, private organizations, and/or other governmental units.

Escrow Performance Fund	accounts for performance deposits for refundable deposits held by the village to ensure the completion of public improvements by private developers that the village holds on behalf of others as their agent
Special Service Areas Fund	accounts for receipts and disbursements related to maintenance within special service areas within the village

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

Government-Wide Financial Statements

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (CONT.)

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Property tax revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the village considers property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

Intergovernmental aids and grants are recognized as revenues in the period the village is entitled the resources and the amounts are available. Amounts owed to the village which are not available are recorded as receivables and unavailable revenues. Amounts received before eligibility requirements (excluding time requirements) are met are recorded as liabilities. Amounts received in advance of meeting time requirements are recorded as deferred inflows.

Revenues susceptible to accrual include property taxes, franchise taxes, licenses, miscellaneous taxes, public charges for services, and interest. Other general revenues such as permits, fines and forfeitures, inspection fees, recreation fees, and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above.

Proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note. Agency funds follow the accrual basis of accounting, and do not have a measurement focus.

The proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Waterworks and Sewerage Fund are charges to customers for sales and services. Special assessments are recorded as receivables and contribution revenue when levied. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

All Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources 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.

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION OR EQUITY

1. Deposits and Investments

For purposes of the statement of cash flows, the village considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents.

Illinois Statutes authorize the village to make deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreement to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds Investment Pool.

Pension funds may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, and the Illinois insurance company general and separate accounts, mutual funds meeting certain requirements, equity securities, and corporate bonds meeting certain requirements. Pension funds with net assets in excess of \$10,000,000 and an appointed investment advisor may invest an additional portion of its assets in common and preferred stocks and mutual funds, that meet certain requirements. The police pension fund's investment policy allows investments in all of the above listed accounts, but does exclude any repurchase agreements. The firefighters' pension fund allows funds to be invested in any type of security authorized by the Illinois Pension Code.

The police pension fund's investment policy allows investments in all of the above listed accounts, but does exclude any repurchase agreements. The police pension fund's investment policy, in accordance with Illinois Statutes, establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	40.0%	1.20%
Large cap domestic equities	42.0%	6.00%
Small cap domestic equities	12.0%	7.80%
International equities	6.0%	6.70%

Illinois Compiled Statutes (ILCS) limit the police pension fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund. The blended asset class is comprised of all other asset classes to allow for rebalancing the portfolio.

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION OR EQUITY (CONT.)

1. Deposits and Investments (cont.)

The long-term expected rate of return on the police pension fund's investments was determined using an asset allocation study conducted by the police pension fund's investment management consultant in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the police pension fund's target asset allocation are listed in the table above.

The firefighters' pension fund allows funds to be invested in any type of security authorized by the Illinois Pension Code. The firefighters' pension fund's investment policy, in accordance with Illinois Statutes, establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed income	40.0%	1.20%
Large cap domestic equities	42.0%	6.00%
Small cap domestic equities	12.0%	7.80%
International equities	6.0%	6.70%

Illinois Compiled Statutes (ILCS) limit the firefighters' pension fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund. The blended asset class is comprised of all other asset classes to allow for rebalancing the portfolio.

The long-term expected rate of return on the firefighters' pension fund's investments was determined using an asset allocation study conducted by the firefighters' pension fund's investment management consultant in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the firefighters' pension fund's target asset allocation are listed in the table above.

The village has adopted an investment policy. That policy follows the state statute for allowable investments.

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION OR EQUITY (CONT.)

1. Deposits and Investments (cont.)

Interest Rate Risk

In accordance with its investment policy, the village limits its exposure to interest rate risk by structuring the portfolio in a manner that provides sufficient liquidity to enable the village to meet all operating requirements which may be reasonably anticipated in any fund. The investment policy limits the maximum maturity length of investments to three years from the date of purchase unless the funds invested are earmarked for a special purpose, in which case the maximum maturity length shall be five years from the date of purchase, but must coincide as nearly as possible with the expected use of the funds. The police pension fund's and firefighters' pension fund's investment policy does not limit the maximum maturity length of investments in the funds.

Credit Risk

The village limits its exposure to credit risk by investing in securities issued by the United States Government, securities issued by agencies of the United States Government, which are implicitly guaranteed by the United States Government, or corporate bonds rated within the three highest classifications by at least two standard rating services. The police pension fund and the firefighters' pension fund limit exposure to credit risk by primarily investing in obligations guaranteed by the United States Government, securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government and investment grade corporate bonds rated at or above BBB- by Standard and Poors, Baa3 by Moody's and BBB- by Fitch by at least two of the three rating agencies.

Concentration of Credit Risk

In order to limit the exposure to concentration of credit risk, the village's investment policy states that no more than 25% of the village's total investment portfolio may be invested in a single security type or with a single financial institution, with the exception of U.S Treasury securities and authorized pools. The village's investment policy does not specifically prohibit the use of or the investment in derivatives. The police pension fund and firefighters' pension fund do not have formal written policies with regard to the concentration of credit risk for investments. The police pension fund and firefighters' pension fund are both subject to the Illinois Compiled Statutes (ILCS) which limits fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund.

Custodial Credit Risk - Deposits

The village's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured with collateralization pledged by the applicable financial institution to the extent of 110% of the value of the deposit. Both the police pension fund and the firefighters' pension fund investment policies require all bank balances to be covered by federal depository insurance.

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION OR EQUITY (CONT.)

1. Deposits and Investments (cont.)

Custodial Credit Risk - Investments

The village'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 village's agent in the village's name. To limit exposure, the police pension fund and the firefighters' pension fund require all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment basis with the underlying investments held by a third party acting as the fund's agent separate from where the investment was purchased in the fund's name.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances. The difference between the bank statement balance and carrying value is due to outstanding checks and/or deposits in transit.

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at Illinois Fund's share price, the price for which the investments could be sold.

Illinois Metropolitan Investment Fund (IMET) is 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. Investment in IMET's 1-3 year fund may be redeemed with 5 business days' notice.

See Note III. A. for further information.

2. Receivables

Property taxes for levy year 2019 attaches as an enforceable lien on January 1, 2019, on property values assessed as of the same date. Taxes are levied by December following the lien date (by passage of a Tax Levy Ordinance).

Tax bills for levy year 2019 are prepared by Lake County and issued on or about May 1, 2020 and August 1, 2020, and are payable in two installments, on or about June 1, 2020 and September 1, 2020 or within 30 days of the tax bills being issued.

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION OR EQUITY (CONT.)

2. Receivables (cont.)

The county collects such taxes and remits them periodically. The 2019 property tax levy is recognized as a receivable and deferred inflows in fiscal 2019, net the allowance for uncollectible. As the taxes become available to finance current expenditures, they are recognized as revenues. At December 31, 2019, the property taxes receivable and related deferred inflows consisted of the estimated amount collectible from the 2019 levy.

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as "due to and from other funds." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmental-wide financial statements as internal balances.

3. Inventories and Prepaid Items

Inventories are recorded at cost based on the FIFO method using the consumption method of accounting. Proprietary fund inventories are generally used for construction and/or for operation and maintenance work. They are not for resale.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are accounted for on the consumption method.

4. Capital Assets

Government-Wide Statements

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$10,000 for computers and software, \$15,000 for vehicles and furniture and fixtures, \$25,000 for land improvements and machinery and equipment, \$50,000 for buildings and building improvements, and \$250,000 for infrastructure assets, and an estimated useful life in excess of 1 year. All capital assets are valued at historical cost, or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION OR EQUITY (CONT.)

4. Capital Assets (cont.)

Government-Wide Statements (cont.)

Depreciation and amortization of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation and amortization reflected in the statement of net position. Depreciation and amortization is provided over the assets' estimated useful lives using the straight-line method. The range of estimated useful lives by type of asset is as follows:

Land improvements	20-30	Years
Buildings	45	Years
Building improvements	10-30	Years
Vehicles	3-25	Years
Computers and software	5	Years
Furniture and fixtures	5-20	Years
Machinery and equipment	10-30	Years
Infrastructure	40-50	Years

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same way as in the government-wide statements.

5. Deferred Outflows of Resources

A deferred outflow of resources represents a consumption of net position/fund balance that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future time.

6. Compensated Absences

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements.

Vested or accumulated vacation leave, including related Social Security and Medicare, 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 and the remainder is reported in long-term debt. Vested or accumulated vacation leave and vested 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.

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION OR EQUITY (CONT.)

7. Long-Term Obligations

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of bonds payable, notes payable, net pension liability, total other postemployment benefit liability and accrued compensated absences.

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debts (plus any premiums) are reported as other financing sources and payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same as it is in the government-wide statements.

For the government-wide statements and proprietary fund statements, bond premiums and discounts are amortized over the life of the issue using the effective interest method. The balance at year end is shown as an increase or decrease in the liability section of the statement of net position.

8. Deferred Inflows of Resources

A deferred inflow of resources represents an acquisition of net position/fund balance that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

9. Equity Classifications

Government-Wide Statements

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net positions that do not meet the definitions of "restricted" or "net investment in capital assets."

When both restricted and unrestricted resources are available for use, it is the village's policy to use restricted resources first, then unrestricted resources as they are needed.

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION OR EQUITY (CONT.)

9. Equity Classifications

Fund Statements

Governmental fund balances are displayed as follows:

- a. Nonspendable - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. Restricted - Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- c. Committed - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (ordinance) of the Village Board. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the Village Board that originally created the commitment.
- d. Assigned - Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. The Village Board has, by ordinance, adopted a financial policy authorizing the Finance Director to assign amounts for a specific purpose. Assignments may take place after the end of the reporting period.
- e. Unassigned - Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those purposes.

Proprietary fund equity is classified the same as in the government-wide statements.

The village considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents / contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the village would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

10. Land Held for Resale

The village's land held for resale includes land that is being held for sale for future development of the village. The assets are valued at lower of cost or market.

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE II - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. EXCESS EXPENDITURES OVER APPROPRIATIONS

Fund	Budgeted Expenditures	Actual Expenditures	Excess Expenditures Over Budget
Motor Fuel Tax Fund	\$ 508,306	\$ 517,600	\$ 9,294

The village controls expenditures at the department level. Some individual departments experienced expenditures which exceeded appropriations. The detail of those items can be found in the village's year-end budget to actual report.

B. DEFICIT BALANCES

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year end.

As of December 31, 2019, the following individual funds held a deficit balance:

Fund	Amount
TIF Tax Allocation	\$ (93,767)
TIF Debt Service	(828,185)
TIF #3	(41,216)

NOTE III - DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

The village maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the statement of net position and balance sheet as cash and investments. The deposits and investments of the pension trust funds are held separately from those of other funds.

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (CONT.)

The village's deposits and investments at year end were comprised of the following:

	Carrying Value	Statement Balances	Associated Risks
Petty cash	\$ 2,500	\$ -	N/A
Deposits	19,363,850	20,111,502	Custodial credit risk - deposits
Money markets	3,175,287	3,175,287	Custodial credit risk - deposits
Illinois funds	3,810,563	3,804,444	Credit risk
Certificates of deposit	4,114,299	4,114,299	Custodial credit risk
Corporate bonds	4,643,821	4,643,821	Credit risk, custodial credit risk, concentration of credit risk, interest rate risk
U.S. treasuries	1,958,797	1,958,797	Custodial credit risk, interest rate risk
U.S. agencies	16,311,952	16,311,952	Credit risk, custodial credit risk - investments, concentration of credit risk, interest rate risk
Mutual funds - other than bond funds	41,808,439	41,808,439	N/A
State and local obligations	2,875,738	2,875,738	Credit risk, custodial credit risk - investments, concentration of credit risk, interest rate risk
Negotiable CDs	1,294,852	1,294,852	Credit risk, custodial credit risk - investments, concentration of credit risk, interest rate risk
Insurance contracts	<u>495,990</u>	<u>495,990</u>	Credit risk, custodial credit risk - investments, concentration of credit risk
Total Deposits and Investments	<u>\$ 99,856,088</u>	<u>\$ 100,595,121</u>	
Reconciliation to financial statements			
Per statement of net position			
Cash and investments	\$ 29,894,070		
Cash at paying agent	515,100		
Per statement of net position - fiduciary funds			
Cash and investments - pension trusts	14,547		
Cash and investments - agency fund	1,675,103		
U.S. treasuries	1,958,797		
U.S. agencies	15,742,786		
Mutual funds	41,808,439		
Corporate bonds	4,643,821		
State and local obligations	2,875,738		
Money markets	181,698		
Certificates of deposit	49,999		
Insurance contracts	<u>495,990</u>		
Total Deposits and Investments	<u>\$ 99,856,088</u>		

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (CONT.)

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts) and \$250,000 for demand deposit accounts (interest-bearing and noninterest-bearing). In addition, if deposits are held in an institution outside of the state in which the government is located, insured amounts are further limited to a total of \$250,000 for the combined amount of all deposit accounts.

The village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. 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; Level 3 inputs are significant unobservable inputs.

As of December 31, 2019 the village utilized the market valuation method for all recurring fair value measurements and investments were measured using the valuation inputs as follows:

<u>Village</u>	December 31, 2019			
	Level 1	Level 2	Level 3	Total
Investment Type				
Negotiable CDs	\$ -	\$ 1,294,852	\$ -	\$ 1,294,852
U.S. agencies	-	569,166	-	569,166
Total	\$ -	\$ 1,864,018	\$ -	\$ 1,864,018

<u>Police Pension</u>	December 31, 2019			
	Level 1	Level 2	Level 3	Total
Investment Type				
U.S. treasuries	\$ 835,047	\$ -	\$ -	\$ 835,047
Mutual funds - other than bond funds	16,285,470	-	-	16,285,470
Corporate Bonds	1,385,254	-	-	1,385,254
State and local obligations	-	1,261,088	-	1,261,088
U.S. agencies	-	6,539,650	-	6,539,650
Total	\$ 18,505,771	\$ 7,800,738	\$ -	\$ 26,306,509

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (CONT.)

Firefighters' Pension

Investment Type	December 31, 2019			
	Level 1	Level 2	Level 3	Total
U.S. treasuries	\$ 1,123,750	\$ -	\$ -	\$ 1,123,750
Mutual funds - other than bond funds	25,522,969	-	-	25,522,969
Corporate bonds	3,258,567	-	-	3,258,567
State and local obligations	-	1,614,650	-	1,614,650
U.S. agencies	-	9,203,136	-	9,203,136
Insurance contracts	-	-	495,990	495,990
Total	<u>\$ 29,905,286</u>	<u>\$ 10,817,786</u>	<u>\$ 495,990</u>	<u>\$ 41,219,062</u>

Custodial Credit Risk

Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the village's deposits may not be returned to the village.

The village does not have any deposits exposed to custodial credit risk.

Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

The village does not have any investments exposed to custodial credit risk.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (CONT.)

Credit Risk (cont.)

As of December 31, 2019, the village's investments were rated as follows:

Investment Type	Standard & Poors	Moody's Investors Services
Negotiable CDs	Not Rated	Not Rated
U.S. agencies	AA+	Aaa
Corporate bonds	AAA-BBB	Aaa-Baa1
State and local obligations	AAA-NR	Aaa-NR
Illinois funds	AAA	Not Rated
Insurance contracts	Not Rated	Not Rated

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer.

At December 31, 2019, the police pension fund has over 5% of net plan assets invested in various agency securities as indicated in the table below.

The police pension board has diversified its investment holdings as follows:

Federal Farm Credit Bank	\$	3,033,612
Federal Home Loan Bank		2,540,982

At December 31, 2019, the firefighters' pension fund has over 5% of net plan assets invested in various agency securities as indicated in the table below.

The firefighters' pension board has diversified its investment holdings as follows:

Federal Farm Credit Bank	\$	4,139,353
Federal Home Loan Bank		4,552,502

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (CONT.)

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment.

As of December 31, 2019, investments were as follows:

Village

Investment Type	Fair Value	Maturity (In Years)			
		Less than 1	1-5	6-10	Greater than 10
Negotiable CDs	\$ 1,294,852	\$ 700,808	\$ 594,044	\$ -	\$ -
U.S. agencies	569,166	569,166	-	-	-
Totals	<u>\$ 1,864,018</u>	<u>\$ 1,269,974</u>	<u>\$ 594,044</u>	<u>\$ -</u>	<u>\$ -</u>

Police Pension

Investment Type	Fair Value	Maturity (In Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. treasuries	\$ 835,047	\$ 150,047	\$ 685,000	\$ -	\$ -
State and local obligations	1,261,088	49,992	924,040	178,871	108,185
U.S. agencies	6,539,650	270,317	1,097,974	5,010,831	160,528
Corporate bonds	1,385,254	-	203,404	1,181,850	-
Totals	<u>\$ 10,021,039</u>	<u>\$ 470,356</u>	<u>\$ 2,910,418</u>	<u>\$ 6,371,552</u>	<u>\$ 268,713</u>

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (CONT.)

Interest Rate Risk (cont.)

Firefighters' Pension

Investment Type	Fair Value	Maturity (In Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. treasuries	\$ 1,123,750	\$ -	\$ 661,625	\$ 462,125	\$ -
State and local obligations	1,614,650	111,949	929,843	572,858	-
U.S. agencies	9,203,136	317,291	1,655,618	6,969,351	260,876
Corporate bonds	<u>3,258,567</u>	<u>-</u>	<u>1,831,794</u>	<u>1,426,773</u>	<u>-</u>
Totals	<u>\$ 15,200,103</u>	<u>\$ 429,240</u>	<u>\$ 5,078,880</u>	<u>\$ 9,431,107</u>	<u>\$ 260,876</u>

Money-Weighted Rate of Return

Police Pension Fund

For the year ended December 31, 2019, the annual money-weighted rate of return on the police pension plan investments, net of pension plan investment expense, was 19.10%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Firefighters' Pension Fund

For the year ended December 31, 2019, the annual money-weighted rate of return on the firefighters' pension plan investments, net of pension plan investment expense, was 19.12%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

See Note I.D.1. for further information on deposit and investment policies.

B. RECEIVABLES

All of the receivables on the balance sheet are expected to be collected within one year.

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

C. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2019, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 30,473,551	\$ -	\$ -	\$ 30,473,551
Construction in progress	124,461	794,280	3,975	914,766
Total Capital Assets Not Being depreciated	<u>30,598,012</u>	<u>794,280</u>	<u>3,975</u>	<u>31,388,317</u>
Capital assets being depreciated				
Land improvements	8,005,693	65,315	-	8,071,008
Buildings	12,258,956	-	-	12,258,956
Building improvements	2,100,587	67,748	-	2,168,335
Vehicles	6,768,673	861,913	585,932	7,044,654
Machinery and equipment	2,439,867	289,281	124,400	2,604,748
Computers/software	811,310	-	164,479	646,831
Infrastructure	<u>69,172,217</u>	<u>1,576,085</u>	<u>-</u>	<u>70,748,302</u>
Total Capital Assets Being Depreciated	<u>101,557,303</u>	<u>2,860,342</u>	<u>874,811</u>	<u>103,542,834</u>
Total Capital Assets	<u>132,155,315</u>	<u>3,654,622</u>	<u>878,786</u>	<u>134,931,151</u>
Less: Accumulated depreciation for				
Land improvements	(3,103,941)	(302,948)	-	(3,406,889)
Buildings	(5,519,093)	(272,421)	-	(5,791,514)
Building improvements	(258,243)	(67,812)	-	(326,055)
Vehicles	(3,293,891)	(341,080)	585,932	(3,049,039)
Machinery and equipment	(1,312,823)	(147,376)	75,331	(1,384,868)
Computers/software	(296,121)	(43,087)	164,479	(174,729)
Infrastructure	<u>(33,644,790)</u>	<u>(1,383,463)</u>	<u>-</u>	<u>(35,028,253)</u>
Total Accumulated depreciation	<u>(47,428,902)</u>	<u>(2,558,187)</u>	<u>825,742</u>	<u>(49,161,347)</u>
Net Capital Assets Being Depreciated	<u>54,128,401</u>	<u>302,155</u>	<u>49,069</u>	<u>54,381,487</u>
Total Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 84,726,413</u>	<u>\$ 1,096,435</u>	<u>\$ 53,044</u>	<u>\$ 85,769,804</u>

Depreciation expense was charged to functions as follows:

Governmental Activities	
General government	\$ 106,701
Public safety	524,964
Highways and streets	1,713,212
Culture and recreation	<u>213,310</u>
Total Governmental Activities Depreciation Expense	<u>\$ 2,558,187</u>

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

C. CAPITAL ASSETS (CONT.)

	Beginning Balance	Additions	Deletions	Ending Balance
Business-type Activities				
Capital assets not being depreciation				
Land	\$ 249,652	\$ -	\$ -	\$ 249,652
Construction in progress	<u>1,213,503</u>	<u>1,176,229</u>	<u>1,199,162</u>	<u>1,190,570</u>
Total Capital Assets Not Being depreciation	<u>1,463,155</u>	<u>1,176,229</u>	<u>1,199,162</u>	<u>1,440,222</u>
Capital assets being depreciated				
Vehicles	852,279	112,467	104,307	860,439
Machinery and equipment	1,890,011	155,211	-	2,045,222
Computer/software	240,845	-	34,815	206,030
Infrastructure	<u>77,313,953</u>	<u>1,708,919</u>	<u>-</u>	<u>79,022,872</u>
Total Capital Assets Being Depreciated	<u>80,297,088</u>	<u>1,976,597</u>	<u>139,122</u>	<u>82,134,563</u>
Total Capital Assets	<u>81,760,243</u>	<u>3,152,826</u>	<u>1,338,284</u>	<u>83,574,785</u>
Less: Accumulated depreciation for				
Vehicles	(332,296)	(50,796)	104,307	(278,785)
Machinery and equipment	(584,228)	(68,664)	-	(652,892)
Computer/software	(136,754)	(2,794)	34,815	(104,733)
Infrastructure	<u>(35,529,363)</u>	<u>(1,743,888)</u>	<u>-</u>	<u>(37,273,251)</u>
Total Accumulated depreciation	<u>(36,582,641)</u>	<u>(1,866,142)</u>	<u>139,122</u>	<u>(38,309,661)</u>
Net Capital Assets Being Depreciated	<u>43,714,447</u>	<u>110,455</u>	<u>-</u>	<u>43,824,902</u>
Business-type Capital Assets, Net of Accumulated Depreciation	<u>\$ 45,177,602</u>	<u>\$ 1,286,684</u>	<u>\$ 1,199,162</u>	<u>\$ 45,265,124</u>

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

D. INTERFUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS

Interfund Receivables/Payables

The following is a schedule of interfund receivables and payables including any overdrafts on pooled cash and investment accounts:

Receivable Fund	Payable Fund	Amount
General	Nonmajor Governmental	\$ 42
Total - Fund Financial Statements		42
Add: Interfund receivables created with internal service fund eliminations		484,833
Less: Government-wide eliminations		(42)
Total Internal Balances - Government-Wide Statement of Net Position		\$ 484,833

All amounts are due within one year.

Advances

The general fund is advancing funds to the TIF #3 fund, the TIF debt service fund, and the TIF tax allocation. The amount advanced is due to the cash flow issues in the funds since the districts' inceptions.

The non-home rule sales tax capital projects fund is advancing funds to the downtown TIF #2 fund. The amount advance is due to the cash flow issues in the fund since the district's inception.

The following is a schedule of interfund advances:

Receivable Fund	Payable Fund	Amount	Amount Not Due Within One Year
General	TIF #3	\$ 50,000	\$ 50,000
General	TIF Debt Service	1,300,000	1,300,000
General	TIF Tax Allocation	185,000	185,000
Non-Home Rule Sales Tax Capital Projects	Downtown TIF #2	200,000	200,000
Total		\$ 1,735,000	

The principal purpose of these advances is to fund TIF eligible expenditures in advance of sufficient increment to cover costs.

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

D. INTERFUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS (CONT.)

Transfers

The following is a schedule of interfund transfers:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
Capital Improvement	General	\$ 799,500	Funding for capital projects
Internal Service	General	350,000	Funding for internal services
			Funding for special events
			administration and Dispatch Center
Nonmajor Governmental	General	892,850	
TIF #1 Capital Projects	TIF Tax Allocation	182,341	Funding for capital projects
TIF Debt Service	TIF Tax Allocation	795,000	Funding for debt payment
TIF Debt Service	Debt Service	1,124,000	Funding for debt payment
Nonmajor Governmental	Nonmajor Governmental	<u>89,580</u>	Funding for special events
Total - Fund Financial Statements		4,233,271	
Less: Government-wide eliminations		<u>(4,233,271)</u>	
Total Transfers - Government-Wide Statement of Activities		<u>\$ -</u>	

Generally, transfers are used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

E. SHORT-TERM DEBT ACTIVITY

The village issued short-term debt for \$1,124,000. The Taxable General Obligation Refunding Bond (Limited Tax), Series 2019 dated June 12, 2019 were matured October 5, 2019; payable in annual installment with interest rate of 5.00%.

Short-term debt activity for the year ended December 31, 2019, was as follows:

	<u>Beginning Balance</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Ending Balance</u>
Taxable General Obligation Refunding Bond (Limited Tax), Series 2019	<u>\$ -</u>	<u>\$ 1,124,000</u>	<u>\$ 1,124,000</u>	<u>\$ -</u>

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended December 31, 2019, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds Payable					
General obligation debt	\$ 990,000	\$ -	\$ 485,000	\$ 505,000	\$ 505,000
Tax increment financing bonds	23,585,000	-	1,140,000	22,445,000	1,210,000
(Discounts)/Premiums	242,222	-	35,827	206,395	35,827
Total Bonds Payable	<u>24,817,222</u>	<u>-</u>	<u>1,660,827</u>	<u>23,156,395</u>	<u>1,750,827</u>
Other Liabilities					
Vested compensated absences	1,135,210	119,910	15,949	1,239,171	247,834
Capital leases	252,725	22,404	128,251	146,878	132,318
Total other postemployment benefits liability	3,082,201	254,872	177,477	3,159,596	-
Net pension liability	52,928,556	5,716,062	14,618,333	44,026,285	-
Total Other Liabilities	<u>57,398,692</u>	<u>6,113,248</u>	<u>14,940,010</u>	<u>48,571,930</u>	<u>380,152</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 82,215,914</u>	<u>\$ 6,113,248</u>	<u>\$ 16,600,837</u>	<u>\$ 71,728,325</u>	<u>\$ 2,130,979</u>
Business-type Activities					
Bonds and Loans Payable					
Alternative revenue bonds	\$ 2,970,000	\$ -	\$ 545,000	\$ 2,425,000	\$ 550,000
(Discounts)/Premiums	155,814	-	29,221	126,593	29,220
Illinois EPA loans	1,924,089	-	196,532	1,727,557	201,476
Total Bonds and Loans Payable	<u>5,049,903</u>	<u>-</u>	<u>770,753</u>	<u>4,279,150</u>	<u>780,696</u>
Other Liabilities					
Vested compensated absences	\$ 76,185	\$ 22,677	\$ 15,237	\$ 83,625	\$ 16,725
Capital leases	3,358,063	-	155,847	3,202,216	160,104
Total other postemployment benefits liability	257,526	32,914	15,447	274,993	-
Net pension liability	1,127,626	-	727,335	400,291	-
Total Other Liabilities	<u>4,819,400</u>	<u>55,591</u>	<u>913,866</u>	<u>3,961,125</u>	<u>176,829</u>
Total Business-type Activities Long-Term Liabilities	<u>\$ 9,869,303</u>	<u>\$ 55,591</u>	<u>\$ 1,684,619</u>	<u>\$ 8,240,275</u>	<u>\$ 957,525</u>

The compensated absences liability, total other postemployment benefits liability, and net pension liability attributable to governmental activities will be liquidated primarily by the general fund.

The village is subject to the Illinois Municipal Code, which limits the amount of certain indebtedness to 8.625% of the most recent available equalized assessed valuation of the village. As of December 31, 2019, the statutory debt limit for the village was \$75,302,321, providing a debt margin of \$74,797,321.

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (CONT.)

General Obligation Debt

All general obligation bonds payable are backed by the full faith and credit of the village. Bonds in the governmental funds will be retired by future property tax levies accumulated by the debt service fund.

Governmental Activities

<u>General Obligation Debt</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2019</u>
2008A General Obligation Refunding Bonds	8/1/2008	1/1/2020	3.50% to 5.00%	\$ 4,265,000	\$ 505,000
Total Governmental Activities - General Obligation Debt					<u>\$ 505,000</u>

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities General Obligation Debt</u>	
	<u>Principal</u>	<u>Interest</u>
2020	\$ 505,000	\$ 10,100
Totals	<u>\$ 505,000</u>	<u>\$ 10,100</u>

Alternative Revenue Debt

Business-type Activities Alternative Revenue Debt

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2019</u>
Water and Sewerage Fund - 2013 General Obligation Bonds (Alternative Revenue)	9/4/2013	12/15/2023	3.00%-4.00%	\$ 3,800,000	\$ 1,705,000
General Obligation Waterworks and Sewerage System Alternative Revenue Bonds Series 2016B	8/1/2016	12/15/2026	2.00%	1,000,000	<u>720,000</u>
Total Business-type Activities - Alternative Revenue Debt					<u>\$ 2,425,000</u>

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (CONT.)

Alternative Revenue Debt (cont.)

Debt service requirements to maturity are as follows:

Years	Business-type Activities Alternative Revenue Debt	
	Principal	Interest
2020	\$ 550,000	\$ 79,225
2021	550,000	61,475
2022	505,000	42,600
2023	500,000	24,400
2024	105,000	6,400
2025-2026	215,000	6,500
Totals	<u>\$ 2,425,000</u>	<u>\$ 220,600</u>

Tax Increment Financing Bonds

Tax increment financing bonds are payable from incremental taxes derived from a separately created tax increment financing district.

The village has pledged future sales tax revenues, net of specified operating expenses, to repay revenue bonds issued in 2009, 2014, 2015 and 2016. Proceeds from the bonds provided financing for the various TIF improvements.

Tax Increment Financing Bonds at December 31, 2019, consists of the following:

Governmental Activities

Tax Increment Financing Bonds	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2019
General Obligation TIF Alternative Revenue Bonds Series 2009A	4/1/2009	2/1/2020	3.30% - 6.15%	\$ 7,830,000	\$ 405,000
General Obligation TIF Alternative Revenue Bonds Series 2014A	9/8/2014	12/15/2024	2.00% - 3.00%	6,325,000	3,720,000
General Obligation TIF Alternative Revenue Bonds Series 2015A	4/23/2015	12/15/2034	3.25% - 3.75%	11,775,000	11,775,000
General Obligation TIF Alternative Revenue Bonds Series 2016A	5/16/2016	2/1/2029	1.10% - 3.05%	6,785,000	6,545,000
Total Governmental Activities Tax Increment Financing Bonds					<u>\$ 22,445,000</u>

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (CONT.)

Tax Increment Financing Bonds (cont.)

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities Tax Increment Financing Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2020	\$ 1,210,000	\$ 700,004
2021	1,360,000	662,711
2022	1,400,000	628,691
2023	1,440,000	591,978
2024	1,500,000	553,188
2025-2029	8,155,000	2,075,926
2030-2034	<u>7,380,000</u>	<u>835,515</u>
Totals	<u>\$ 22,445,000</u>	<u>\$ 6,048,013</u>

<u>Business-type Activities</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2019</u>
Illinois EPA Loans Payable					
IEPA Loan 2006	10/15/2005	12/16/2026	2.5%	\$ 2,000,000	\$ 820,290
IEPA Loan 2008	9/27/2007	8/11/2028	1.25%	1,673,182	<u>907,267</u>
Total Business-type Activities Illinois EPA Loans Payable					<u>\$ 1,727,557</u>

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Business-type Activities Illinois EPA Loans Payable</u>	
	<u>Principal</u>	<u>Interest</u>
2020	\$ 201,476	\$ 41,938
2021	206,545	36,870
2022	211,741	31,673
2023	217,067	26,347
2024	222,528	20,886
2025-2028	<u>668,200</u>	<u>31,740</u>
Totals	<u>\$ 1,727,557</u>	<u>\$ 189,454</u>

Capital Leases

Refer to Note III. G.

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (CONT.)

Prior-Year Defeasance of Debt

In prior years, the village defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the village's financial statements. At December 31, 2019, \$6,740,000 of bonds outstanding are considered defeased.

G. LEASE DISCLOSURES

Lessee - Capital Leases

During fiscal year 2015, the village entered into a capital lease obligation for a police records management system. The interest rate for the lease is 3.02%. During fiscal year 2017, the village entered into a capital lease obligation for water meters. The interest rate for the lease is 2.50%. During fiscal year 2018, the village entered into a capital lease obligation for a sewer cleaner. The interest rate for the lease is 3.12%. During fiscal year 2019, the Village entered into two capital lease obligations for copier equipment. The interest rates for the leases are 6.57% and 5.24%.

The gross amount of these assets under capital leases is \$3,541,438, which are included in capital assets in the governmental and business-type activities. The future minimum lease obligations and the net present value on these minimum lease payments as of December 31, 2019, are as follows:

Years	Governmental Activities			Business-type Activities		
	Principal	Interest	Totals	Principal	Interest	Totals
2020	\$ 132,318	\$ 4,833	\$ 137,151	\$ 160,104	\$ 80,828	\$ 240,932
2021	4,467	708	5,175	164,478	76,453	240,931
2022	4,736	440	5,176	168,974	71,958	240,932
2023	3,252	193	3,445	220,449	66,902	287,351
2024	2,105	46	2,151	226,376	60,975	287,351
2025-2029	-	-	-	1,128,612	222,982	1,351,594
2030-2033	-	-	-	1,133,223	62,771	1,195,994
Totals	<u>\$ 146,878</u>	<u>\$ 6,220</u>	<u>\$ 153,098</u>	<u>\$ 3,202,216</u>	<u>\$ 642,869</u>	<u>\$ 3,845,085</u>

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE IV - OTHER INFORMATION

A. EMPLOYEES' RETIREMENT SYSTEM

The village 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 a single-employer pension plan. The benefits, benefits levels, employee contributions and employer contributions for the plans are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. The Police Pension Plan and the Firefighters' Pension Plan do not issue separate reports on the pension plans. 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 IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

Illinois Municipal Retirement Fund

Plan description. All employees (other than those covered by the Police and Firefighters' Pension plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF has a two tier plan. Members who first participated in IMRF or an Illinois Reciprocal System prior to January 1, 2011 participate in Tier 1. All other members participate in Tier 2. For Tier 1 participants, pension benefits vest after 8 years of service. Participating members who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with 8 years of 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 (average of the highest 48 consecutive months' earnings during the last 10 years) for credited service up to 15 years and 3% for each year thereafter.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 participants, pension benefits vest after 10 years of service. Participating members who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with 10 years of 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 the first 15 years of service credit, plus 2% for each year of service after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased ever year after retirement, upon reaching age 67, by the lesser of 3% of the original pension amount or 1/2 of the increase in the Consumer Price Index of the original pension amount.

Plan membership. At December 31, 2019, the measurement date, membership in the plan was as follows:

Retirees and beneficiaries	119
Inactive, non-retired members	93
Active members	<u>67</u>
Total	<u><u>279</u></u>

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (CONT.)

Contributions. As set by statute, village employees participating in IMRF are required to contribute 4.50% of their annual covered salary. The statute requires the village to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The village's actuarially determined contribution rate for calendar year 2019 was 9.37% of annual covered payroll for IMRF. The village also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability/(Asset). The net pension liability/(asset) was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of that date.

Summary of Significant Accounting Policies. For purposes of measuring the net pension liability/(asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of IMRF and additions to/deductions from IMRF fiduciary net position have been determined on the same basis as they are reported by IMRF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Actuarial Assumptions. The total pension liability for IMRF was determined by actuarial valuations performed as of December 31, 2019 using the following actuarial methods and assumptions:

Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value
Actuarial assumptions	
Investment Rate of Return	7.25%
Salary increases	3.35% to 14.25%, including inflation
Price inflation	2.50%

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

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (CONT.)

Long-Term Expected Real Rate of Return. The long-term expected rate of return on pension plan investments was determined using an asset allocation study in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce long-term expected rate of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Projected Returns/Risks	
		One Year Arithmetic	Ten Year Geometric
Equities	37.00%	7.05%	5.75%
International equities	18.00%	8.10%	6.50%
Fixed income	28.00%	3.70%	3.25%
Real estate	9.00%	6.35%	5.20%
Alternatives	7.00%		
Private equity		11.30%	7.60%
Commodities		4.65%	3.60%
Cash equivalents	1.00%	1.85%	1.85%

Discount rate. The discount rate used to measure the total pension liability for IMRF was 7.25%. The discount rate calculated using the December 31, 2018 measurement date 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 village contributions will be made at rates equal to the difference between actuarially determined contribution rate and the member rate. Based on those assumptions, the 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 investments was applied to all periods of projected benefits to determine the total pension liability.

Discount rate sensitivity. The following is a sensitivity analysis of the net pension liability/(asset) to changes in the discount rate. The table below presents net pension liability/(asset) of the village calculated using the discount rate of 7.25% as well as what the net pension liability/(asset) would be if it were to be 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	Current Discount Rate	1% Increase
Total pension liability	\$ 42,251,098	\$ 37,344,453	\$ 33,363,774
Plan fiduciary net pension	35,484,344	35,484,344	35,484,344
Net pension liability/(asset)	<u>\$ 6,766,754</u>	<u>\$ 1,860,109</u>	<u>\$ (2,120,570)</u>

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (CONT.)

Changes in net pension liability/(asset). The changes in net pension liability/(asset) for the calendar year ended December 31, 2019 were as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
Balances at December 31, 2018	\$ 36,148,409	\$ 30,702,298	\$ 5,446,111
Service cost	531,265	-	531,265
Interest on total pension liability	2,580,817	-	2,580,817
Differences between expected and actual experience of the total pension liability	(282,902)	-	(282,902)
Benefit payments, including refunds of employee contributions	(1,633,136)	(1,633,136)	-
Contributions - employer	-	504,915	(504,915)
Contributions - employee	-	242,490	(242,490)
Net investment income	-	5,705,253	(5,705,253)
Other (net transfer)	-	(37,476)	37,476
Balances at December 31, 2019	<u>\$ 37,344,453</u>	<u>\$ 35,484,344</u>	<u>\$ 1,860,109</u>
Plan fiduciary net position as a percentage of the total pension liability			95.02 %

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions. For the year ended December 31, 2019, the village recognized pension expense of \$646,181. The village reported deferred outflows and inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 171,712	\$ 202,687
Assumption changes	424,086	120,892
Net difference between projected and actual earnings on pension plan investments	-	1,452,074
Total	<u>\$ 595,798</u>	<u>\$ 1,775,653</u>

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (CONT.)

The amounts reported as deferred outflows and inflows of resources related to pensions \$(1,179,855) will be recognized in pension expense as follows:

Year Ending December 31,	Amount
2020	\$ (199,765)
2021	(389,433)
2022	111,902
2023	(702,559)
Total	<u>\$ (1,179,855)</u>

Police Pension

Plan description. Police sworn personnel are covered by the police pension plan, which is a defined benefit single-employer pension plan. Although this is a single employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes (Chapter 40 ILCS 5/3) and may be amended only by the Illinois legislature. The village accounts for the plan as a pension trust fund.

As provided for in the Illinois Compiled Statutes, the plan provides retirement benefits as well as death and disability benefits to employees grouped into two tiers. Tier 1 is for employees hired prior to January 1, 2011 and Tier 2 is for employees hired after that date. The following is a summary of the police pension fund as provided for in Illinois Compiled Statutes.

Tier 1 - Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one half of the salary attached to the rank on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% 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 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension 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 paid upon reaching at least the age 55, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 - Covered employees attaining the age of 55 or more with 10 or more years of creditable service are entitled to receive a monthly pension of 2.5% of the final average salary for each year of creditable service. The salary is initially capped at \$106,800 but increases annually thereafter and is limited to 75% of final average salary. Employees with 10 or more years of creditable service may retire at or after age 50 and receive a reduced retirement benefit. The monthly pension of a police shall be increased annually on the January 1 occurring either on or after the attainment of age 60 or the first anniversary of the pension start date, whichever is later. Each annual increase shall be calculated at 3% or one-half the annual unadjusted percentage increase in the CPI, whichever is less.

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (CONT.)

Police Pension (cont.)

Plan membership. At December 31, 2019, the police pension membership consisted of:

Retirees and beneficiaries	26
Inactive, non-retired members	3
Active members	<u>33</u>
Total	<u><u>62</u></u>

Contributions. Covered employees are required 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 village is required to contribute the remaining amounts necessary to finance the plans as actuarially determined by an enrolled actuary. Effective January 1, 2011 the village's contributions must accumulate to the point where the past service cost for the Police Pension Plan is 90% funded by the year 2040. The village's actuarially determined contribution rate for the fiscal year ending December 31, 2019 was 53.70% of annual covered payroll.

Net Pension Liability/(Asset). The net pension liability/(asset) was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability/(asset) was determined by an annual actuarial valuation as of that date.

Summary of Significant Accounting Policies. The financial statements of the police pension plan are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which contributions are due. The village's contributions are recognized when due and a formal commitment to provide the contributions are made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Plan investments are reported at fair value. Short-term investments are reported at cost, which approximated fair value. Investments that do not have an established market are reported at estimated fair values.

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (CONT.)

Police Pension (cont.)

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed as of December 31, 2019 using the following actuarial methods and assumptions:

Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value
Actuarial assumptions	
Interest rate	6.75%
Inflation	2.50%
Projected salary increases	2.50% - 12.00%
Cost-of-living adjustments	1.25% - 3.00%

Mortality rates for active lives, inactive lives, survivor lives and disabled lives were based on the PubS-2010 Employee Mortality, projected 5 years past the valuation date with Scale MP-2019. Ten percent of active deaths are assumed to be in the line of duty. The actuarial assumptions were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance dated October 5, 2017.

Discount rate. The discount rate used to measure the total pension liability for the police pension plan was 6.75%, the same as the prior valuation. 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 village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the plan'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 Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Discount rate sensitivity. The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the village calculated using the discount rate of 6.75% as well as what the net pension liability would be if it were to be calculated using a discount rate that is 1 percentage point lower (5.75%) or 1 percentage point higher (7.75%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Total pension liability	\$ 55,264,050	\$ 47,991,546	\$ 42,090,084
Plan fiduciary net position	26,407,391	26,407,391	26,407,391
Net pension liability	<u>\$ 28,856,659</u>	<u>\$ 21,584,155</u>	<u>\$ 15,682,693</u>

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (CONT.)

Police Pension (cont.)

Changes in net pension liability/(asset). The village's changes in net pension liability/(asset) for the calendar year ended December 31, 2019 was as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/Asset (a) - (b)
Balances at December 31, 2018	\$ 46,008,986	\$ 21,970,870	\$ 24,038,116
Service cost	665,520	-	665,520
Interest on total pension liability	3,088,283	-	3,088,283
Changes in benefit terms	48,258	-	48,258
Differences between expected and actual experience of the total pension liability	24,101	-	24,101
Benefit payments, including refunds of employee contributions	(1,844,332)	(1,844,332)	-
Contributions - employer	-	1,801,045	(1,801,045)
Contributions - buy back	730	730	-
Contributions - employee	-	321,876	(321,876)
Net investment income	-	4,188,319	(4,188,319)
Administration	-	(31,117)	31,117
Balances at December 31, 2019	<u>\$ 47,991,546</u>	<u>\$ 26,407,391</u>	<u>\$ 21,584,155</u>

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions. For the year ended December 31, 2019, the village recognized pension expense of \$2,162,640. The village reported deferred outflows and inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 710,297	\$ 1,411,116
Assumption changes	1,143,164	667,992
Net difference between projected and actual earnings on pension plan investments	-	801,611
Total	<u>\$ 1,853,461</u>	<u>\$ 2,880,719</u>

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (CONT.)

Police Pension (cont.)

The amounts reported as deferred outflows and inflows of resources related to pensions (\$1,027,258) will be recognized in pension expense as follows:

Year Ending December 31,	Amount
2020	\$ 74,067
2021	(376,359)
2022	(337,322)
2023	(391,661)
2024	4,017
Total	<u>\$ (1,027,258)</u>

Firefighters' Pension

Plan description. Fire sworn personnel are covered by the firefighters' pension plan, which is a defined benefit single-employer pension plan. Although this is a single employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes (Chapter 40 ILCS 5/3) and may be amended only by the Illinois legislature. The village accounts for the plan as a pension trust fund.

As provided for in the Illinois Compiled Statutes, the firefighters' pension plan provides retirement benefits as well as death and disability benefits to employees grouped into two tiers. Tier 1 is for employees hired prior to January 1, 2011 and Tier 2 is for employees hired after that date. The following is a summary of the firefighters' pension plan as provided for in Illinois Compiled Statutes.

Tier 1 - Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive a monthly retirement benefit of one half of the monthly salary attached to the rank held in the fire service at the date of retirement. The monthly pension shall be increased by one twelfth of 2.5% of such monthly salary for each additional month over 20 years of service through 30 years of service to a maximum of 75% of such monthly salary. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension of a firefighter 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 paid upon reaching at least the age 55, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 - Covered employees attaining the age of 55 or more with 10 or more years of creditable service are entitled to receive a monthly pension of 2.5% of the final average salary for each year of creditable service. The salary is initially capped at \$106,800 but increases annually thereafter and is limited to 75% of final average salary. Employees with 10 or more years of creditable service may retire at or after age 50 and receive a reduced retirement benefit. The monthly pension of a firefighter shall be increased annually on the January 1 occurring either on or after the attainment of age 60 or the first anniversary of the pension start date, whichever is later. Each annual increase shall be calculated at 3% or one-half the annual unadjusted percentage increase in the CPI, whichever is less.

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (CONT.)

Firefighters' Pension (cont.)

Plan membership. At December 31, 2019, the firefighters' pension plan membership consisted of:

Retirees and beneficiaries	32
Inactive, non-retired members	2
Active members	<u>53</u>
Total	<u><u>87</u></u>

Contributions. Participants contribute a fixed percentage of their base salary to the plans. At December 31, 2019, the contribution percentage was 9.455%. If a participant leaves covered employment with less than 20 years of service, accumulated participant contributions may be refunded without accumulated interest. The village is required to contribute the remaining amounts necessary to finance the plans as actuarially determined by an enrolled actuary. Effective January 1, 2011 the village's contributions must accumulate to the point where the past service cost for the firefighters' pension plan is 90% funded by the year 2040. The village's actuarially determined contribution rate for the fiscal year ending December 31, 2019 was 43.02% of annual covered payroll.

Net pension liability/(asset). The net pension liability/(asset) was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability/(asset) was determined by an annual actuarial valuation as of that date.

Summary of significant accounting policies. The financial statements of the firefighters' pension plan are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which contributions are due. The village's contributions are recognized when due and a formal commitment to provide the contributions are made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Plan investments are reported at fair value. Short-term investments are reported at cost, which approximated fair value. Investments that do not have an established market are reported at estimated fair values.

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (CONT.)

Firefighters' Pension (cont.)

Actuarial assumptions. The total pension liability was determined by an actuarial valuation performed as of December 31, 2019 using the following actuarial methods and assumptions:

Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value
Actuarial assumptions	
Interest rate	6.75%
Inflation	2.50%
Projected salary increases	2.50% - 18.00%
Cost-of-living adjustments	1.25% - 3.00%

Mortality rates for active lives, inactive lives, survivor lives and disabled lives were based on the PubS-2010 Employee Mortality, projected 5 years past the valuation date with Scale MP-2019. Twenty percent of active deaths are assumed to be in the line of duty. The actuarial assumptions were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance dated October 5, 2017.

Discount rate. The discount rate used to measure the total pension liability for the firefighters' pension plan was 6.75%, the same as the prior valuation. 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 village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the plan'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 Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Discount rate sensitivity. The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the village calculated using the discount rate of 6.75% as well as what the net pension liability would be if it were to be calculated using a discount rate that is 1 percentage point lower (5.75%) or 1 percentage point higher (7.75%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Total pension liability	\$ 72,459,325	\$ 62,490,061	\$ 54,455,289
Plan fiduciary net position	41,507,749	41,507,749	41,507,749
Net pension liability	<u>\$ 30,951,576</u>	<u>\$ 20,982,312</u>	<u>\$ 12,947,540</u>

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (CONT.)

Firefighters' Pension (cont.)

Changes in net pension liability/(asset). The village's changes in net pension liability/(asset) for the calendar year ended December 31, 2019 was as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/Asset (a) - (b)
Balances at December 31, 2018	\$ 58,756,559	\$ 34,184,604	\$ 24,571,955
Service cost	1,290,345	-	1,290,345
Interest on total pension liability	3,986,763	-	3,986,763
Changes in benefit terms	121,794	-	121,794
Differences between expected and actual experience of the total pension liability	302,107	-	302,107
Benefit payments, including refunds of employee contributions	(1,967,507)	(1,967,507)	-
Contributions - employer	-	2,290,246	(2,290,246)
Contributions - employee	-	498,580	(498,580)
Net investment income	-	6,547,762	(6,547,762)
Administration	-	(45,936)	45,936
Balances at December 31, 2019	<u>\$ 62,490,061</u>	<u>\$ 41,507,749</u>	<u>\$ 20,982,312</u>

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions. For the year ended December 31, 2019, the village recognized pension expense of \$3,130,414. The village reported deferred outflows and inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 2,027,474	\$ 1,912,904
Assumption changes	1,385,569	1,307,920
Net difference between projected and actual earnings on pension plan investments	-	950,760
Total	<u>\$ 3,413,043</u>	<u>\$ 4,171,584</u>

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (CONT.)

Firefighters' Pension (cont.)

The amounts reported as deferred outflows and inflows of resources related to pensions (\$758,541) will be recognized in pension expense as follows:

Year Ending December 31,	Amount
2020	\$ 431,224
2021	(237,460)
2022	(305,401)
2023	(1,089,319)
2024	399,257
Thereafter	43,158
Total	<u>\$ (758,541)</u>

PENSION SEGMENT INFORMATION

Fiduciary Net Position

	Pension Trust		
	Police Pension	Firefighters' Pension	Total
Assets			
Cash and investments	\$ 10,000	\$ 4,547	\$ 14,547
Investments			
U.S. treasuries	835,047	1,123,750	1,958,797
U.S. agencies	6,539,650	9,203,136	15,742,786
Mutual funds	16,285,470	25,522,969	41,808,439
Corporate bonds	1,385,254	3,258,567	4,643,821
State and local obligations	1,261,088	1,614,650	2,875,738
Money markets	39,120	142,578	181,698
Certificates of deposit	-	49,999	49,999
Insurance contracts	-	495,990	495,990
Receivables			
Accrued interest	62,503	112,244	174,747
Prepaid items	2,646	2,558	5,204
Total Assets	<u>26,420,778</u>	<u>41,530,988</u>	<u>67,951,766</u>
Liabilities			
Accounts payable	13,387	23,239	36,626
Total Liabilities	<u>13,387</u>	<u>23,239</u>	<u>36,626</u>
Net Position			
Restricted for retirement benefits	<u>\$ 26,407,391</u>	<u>\$ 41,507,749</u>	<u>\$ 67,915,140</u>

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (CONT.)

Changes in Plan Net Position

	Pension Trust		
	Police Pension	Firefighters' Pension	Total
Additions			
Contributions			
Employer	\$ 1,801,045	\$ 2,290,246	\$ 4,091,291
Employee	322,606	498,580	821,186
Total Contributions	<u>2,123,651</u>	<u>2,788,826</u>	<u>4,912,477</u>
Investment Income			
Net appreciation (depreciation) in fair value of investments	3,528,877	5,418,149	8,947,026
Interest on investments	<u>709,071</u>	<u>1,206,970</u>	<u>1,916,041</u>
Total Investment income	4,237,948	6,625,119	10,863,067
Less investment income	<u>49,648</u>	<u>77,357</u>	<u>127,005</u>
Net investment income	<u>4,188,300</u>	<u>6,547,762</u>	<u>10,736,062</u>
Total Additions	<u>6,311,951</u>	<u>9,336,588</u>	<u>15,648,539</u>
Deductions			
Pension payments and refunds	1,844,333	1,967,506	3,811,839
Administration	<u>31,098</u>	<u>45,936</u>	<u>77,034</u>
Total Deductions	<u>1,875,431</u>	<u>2,013,442</u>	<u>3,888,873</u>
Change in net position	4,436,520	7,323,146	11,759,666
Net position, beginning of year	<u>21,970,871</u>	<u>34,184,603</u>	<u>56,155,474</u>
Net position, end of year	<u>\$ 26,407,391</u>	<u>\$ 41,507,749</u>	<u>\$ 67,915,140</u>

Aggregate pension expense. Aggregate pension expense for IMRF, police pension, and firefighters' pension totals \$5,939,235 for the year ended December 31, 2019.

B. RISK MANAGEMENT

The village is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. The village participates in a public entity risk pools to provide coverage for losses from (torts; theft of, damage to, or destruction of assets; errors and omission; workers compensation; and health care of its employees). However, other risks, such as (torts; theft of, damage to, or destruction of assets; errors and omission; workers compensation; and health care of its employees) are accounted for and financed by the village in internal service funds - the self-insurance fund and the risk management fund.

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE IV - OTHER INFORMATION (cont.)

B. RISK MANAGEMENT (CONT.)

Public Entity Risk Pool

IRMA

The village 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 Co-operations Statute to pool their risk management needs. The agency administers a mix of self-insurance and commercial insurance coverages; property/casualty and workers' compensation claim administration/litigation management services; unemployment claim administration; extensive risk management/loss control consulting and training programs; and a risk information system and financial reporting service for its members.

The village's payments to IRMA are displayed on the financial statements as expenditures/expenses in appropriate funds. Each member assumes the first \$2,500 of each occurrence, and IRMA has a mix of self-insurance and commercial insurance at various amounts above that level.

Each member appoints one delegate, along with an alternate delegate, to represent the member on the Board of Directors. The village does not exercise any control over the activities of IRMA beyond its representation on the Board of Directors.

Initial contributions are determined each year based on the individual member's eligible revenue as defined in the bylaws of IRMA and experience modification factors based on past member loss experience. Members have a contractual obligation to fund any deficit of IRMA attributable to any membership year during which they were a member. Supplemental contributions may be required to fund these deficits.

Intergovernmental Personnel Benefit Cooperative

The Village 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 other governmental, quasi governmental, and nonprofit public service entities.

The IPBC receives, processes, and pays such claims as they 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 village does not exercise any control over the activities of the IPBC beyond its representation on the Board of Directors.

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE IV - OTHER INFORMATION (cont.)

C. COMMITMENTS AND CONTINGENCIES

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments are only reported in governmental funds if it has matured. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred.

From time to time, the village is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the village attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the village's financial position or results of operations.

D. OTHER POSTEMPLOYMENT BENEFITS

Plan description. The village administers a single-employer defined contribution healthcare plan ("the Retiree Health Plan"). The benefits, benefit levels, employee contributions and employer contributions are governed by then village and can be amended by the village through its personnel manual and union contracts. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75. The plan does not issue a separate report. The activity of the plan is reported in the village's governmental and business-type activities.

Contributions and benefits provided. The village provides postemployment health care benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under one of the village's retirement plans. Elected officials are eligible for benefits if they qualify for retirement through the Illinois Municipal Retirement Fund.

All health care benefits are provided through the village's health insurance plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous and substance abuse care; vision care; dental care; and prescriptions. Upon a retiree reaching 65 years of age, Medicare becomes the primary insurer and the village's plan becomes secondary. All retirees contribute 100% of the actuarially determined premium to the plan. Active employees do not contribute to the plan until retirement.

Employees covered by benefit terms. At December 31, 2019, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	19
Active plan members	<u>151</u>
Total	<u><u>170</u></u>

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE IV - OTHER INFORMATION (cont.)

D. OTHER POSTEMPLOYMENT BENEFITS (CONT.)

TOTAL OPEB LIABILITY

The village's total OPEB liability of \$3,434,589 was measured as of December 31, 2019, and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs. The total OPEB liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.00%
Salary increases	4.00%
Healthcare cost trend rates	HMO Plan 5.50%; PPO Plan and HDHP 6.50%
Retirees' share of benefit-related costs	100%

The discount rate was based on the index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale).

Mortality rates were based on the RP-2014 Blue Collar Mortality projected to the valuation date with Scale MP-2015.

The actuarial assumptions used in the December 31, 2019 valuation were based on the results of an actuarial experience study for the period January 1, 2018 - December 31, 2018.

CHANGES IN THE TOTAL OPEB LIABILITY

	Total OPEB Liability
Balances at December 31, 2018	<u>\$ 3,339,727</u>
Changes for the year:	
Service cost	48,030
Interest	118,055
Changes in assumptions or other inputs	122,226
Other changes	(525)
Benefit payments	<u>(192,924)</u>
Net changes	<u>94,862</u>
Balances at December 31, 2019	<u><u>\$ 3,434,589</u></u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.64 percent in 2018 to 3.26 percent in 2019.

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE IV - OTHER INFORMATION (cont.)

D. OTHER POSTEMPLOYMENT BENEFITS (CONT.)

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the village, as well as what the village's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.3 percent) or 1-percentage-point higher (4.3 percent) than the current discount rate:

	1% Decrease (2.3%)	Discount Rate (3.3%)	1% Increase (4.3%)
Total OPEB liability	\$ 3,742,977	\$ 3,434,589	\$ 3,168,597

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the village, as well as what the village's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.5 percent decreasing to 3.5 percent) or 1-percentage-point higher (7.5 percent decreasing to 5.5 percent) than the current healthcare cost trend rates:

	1% Decrease (5.5% Decreasing to 3.5%)	Healthcare Cost Trend Rates (6.5% Decreasing to 4.5%)	1% Increase (7.5% Decreasing to 5.5%)
Total OPEB liability	\$ 3,145,378	\$ 3,434,589	\$ 3,771,414

OPEB EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB

For the year ended December 31, 2019, the village recognized negative OPEB expense of \$149,414. At December 31, 2019, the village 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
Changes of assumptions or other inputs	\$ 108,819	\$ 216,272
Total	\$ 108,819	\$ 216,272

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE IV - OTHER INFORMATION (cont.)

D. OTHER POSTEMPLOYMENT BENEFITS (CONT.)

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

<u>Year Ended December 31:</u>	<u>Amount</u>
2020	\$ (16,671)
2021	(16,671)
2022	(16,671)
2023	(16,671)
2024	(16,671)
Thereafter	(24,098)
Total	<u>\$ (107,453)</u>

E. SUBSEQUENT EVENT

In December 2019, a novel strain of coronavirus was reported in Wuhan, Hubei province, China. In the first several months of 2020, the virus, SARS-CoV-2, and resulting disease, COVID-19, spread to the United States, including to areas impacting the village. The village's evaluation of the effects of these events is ongoing; however, subsequent to December 31, 2019, the investment markets have experienced significant volatility. It is highly likely that the values of the Police Pension Fund and Firefighters' Pension Fund investments have changed by material amounts since year end.

F. TAX INCREMENT FINANCING DISTRICT

The Village of Lake Zurich has established several Tax Increment Redevelopment Project Areas (RPA's) to encourage redevelopment of certain sites for more market oriented commercial uses of the properties that will enhance their value and improve their contributions to the village and its surrounding areas. As part of the redevelopment plans, the village has made significant improvements to utilities, public parking, intersections, and traffic signalization, streets and landscaping. The redevelopment plans also include site preparation, land acquisition and assembly, and demolition/clearance.

Construction and development in the RPA's were the responsibility of developers and are substantially complete. To entice development of the areas, the village created tax increment financing (TIF) districts to finance public improvements made within the RPA's.

Several funds have been established to record the revenues generated in the RPA's that relate directly to servicing the debt issued to make public improvements in the RPA's.

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE IV - OTHER INFORMATION (cont.)

G. TAX ABATEMENT

Tax abatements are a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments.

The village rebates sales tax in order to recruit, retain, or improve local business facilities or their supporting public infrastructure under certain circumstances. The terms of these rebate arrangements are specified within written agreements with the business and governmental entities concerned.

The village has entered into economic incentive agreements with three commercial entities, as well as with two other government agencies, whereby the village has agreed to rebate a portion of sales taxes generated by particular businesses to each entity. Each agreement for rebate with the commercial entities is limited to a specified time period and are limited to sales taxes generated by the commercial entity. The commercial rebates are paid monthly or quarterly, depending on specific terms, with the agreements expiring between 10 and 30 years after commencement. The agreements with the government agencies exist in perpetuity based on an intergovernmental agreement to rebate portions of sales taxes generated by any businesses on particular properties. These payments are made monthly in accordance with the agreements.

As of December 31, 2019, the village has an accrued rebate liability of \$209,676 for amounts collected by the state but not yet paid to the village and/or due to the other entities. Of this amount, \$151,077 is due to commercial entities and \$58,600 to governmental entities. For the fiscal year-to-date, the village recorded \$667,904 in payment across all sales tax rebate agreements.

VILLAGE OF LAKE ZURICH

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE IV - OTHER INFORMATION (cont.)

H. EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS

The Governmental Accounting Standards Board (GASB) has approved the following:

- Statement No. 83, *Certain Asset Retirement Obligations*
- Statement No. 84, *Fiduciary Activities*
- Statement No. 87, *Leases*
- Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*
- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- Statement No. 91, *Conduit Debt Obligations*
- Statement No. 92, *Omnibus*
- Statement No. 93, *Replacement of Interbank Offered Rates*
- Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*

When they become effective, application of these standards may restate portions of these financial statements. The statements listed above through Statement No. 93 had their required effective dates postponed by one year with the issuance of Statement No. 95, *Postponement of Effective Dates of Certain Authoritative Guidance*, with the exception of Statement No. 87, which was postponed by one and a half years.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF LAKE ZURICH

GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL For the Year Ended December 31, 2019

	Original Budget	Final Budget	Actual
Revenues			
Taxes	\$ 10,093,414	\$ 9,995,705	\$ 10,074,575
Licenses and permits	716,725	733,782	758,237
Intergovernmental	15,734,408	16,051,272	16,071,466
Charges for services	1,865,420	1,907,203	2,073,156
Fines, forfeitures and penalties	617,000	583,760	591,896
Investment income	150,000	165,470	206,650
Miscellaneous revenues	<u>62,670</u>	<u>166,513</u>	<u>181,174</u>
Total Revenues	<u>29,239,637</u>	<u>29,603,705</u>	<u>29,957,154</u>
Expenditures			
General government	1,901,162	1,879,164	1,834,652
Public safety	20,218,503	20,248,218	20,256,133
Highways and streets	3,328,396	3,310,058	3,204,663
Culture and recreation	1,057,129	1,286,832	1,276,301
Economic development	<u>843,686</u>	<u>791,344</u>	<u>746,021</u>
Total Expenditures	<u>27,348,876</u>	<u>27,515,616</u>	<u>27,317,770</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,890,761</u>	<u>2,088,089</u>	<u>2,639,384</u>
Other Financing Sources (Uses)			
Proceeds from sale of capital assets	5,000	43,960	43,960
Transfers out	<u>(1,885,620)</u>	<u>(2,050,620)</u>	<u>(2,042,350)</u>
Total Other Financing Sources (Uses)	<u>(1,880,620)</u>	<u>(2,006,660)</u>	<u>(1,998,390)</u>
Net Change in Fund Balances	<u>\$ 10,141</u>	<u>\$ 81,429</u>	640,994
Fund Balance, Beginning of Year			<u>10,734,129</u>
Fund Balance, End of Year			<u>\$ 11,375,123</u>

See independent auditors' report and accompanying notes to required supplementary information

VILLAGE OF LAKE ZURICH

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - TIF TAX ALLOCATION For the Year Ended December 31, 2019

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Property taxes	\$ 1,320,000	\$ 1,300,364	\$ 1,301,340
Investment income	2,500	6,266	6,391
Total Revenues	<u>1,322,500</u>	<u>1,306,630</u>	<u>1,307,731</u>
EXPENDITURES			
Economic development	<u>513,850</u>	<u>513,850</u>	<u>506,843</u>
Total Expenditures	<u>513,850</u>	<u>513,850</u>	<u>506,843</u>
Excess (deficiency) of revenues over (under) expenditures	<u>808,650</u>	<u>792,780</u>	<u>800,888</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(795,000)</u>	<u>(977,341)</u>	<u>(977,341)</u>
Total Other Financing Sources (Uses)	<u>(795,000)</u>	<u>(977,341)</u>	<u>(977,341)</u>
Net Change in Fund Balance	<u>\$ 13,650</u>	<u>\$ (184,561)</u>	(176,453)
FUND BALANCE - Beginning of Year			<u>82,686</u>
FUND BALANCE (DEFICIT) - END OF YEAR			<u>\$ (93,767)</u>

See independent auditors' report and accompanying notes to required supplementary information

VILLAGE OF LAKE ZURICH

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - DOWNTOWN TIF #2 For the Year Ended December 31, 2019

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Property taxes	\$ 102,000	\$ 143,393	\$ 144,780
Investment income	250	3,326	3,563
Miscellaneous revenues	61,950	183,338	180,024
Total Revenues	<u>164,200</u>	<u>330,057</u>	<u>328,367</u>
EXPENDITURES			
Economic development	<u>164,200</u>	<u>194,683</u>	<u>188,858</u>
Total Expenditures	<u>164,200</u>	<u>194,683</u>	<u>188,858</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 135,374</u>	139,509
FUND BALANCE - Beginning of Year			<u>3,365,880</u>
FUND BALANCE - END OF YEAR			<u>\$ 3,505,389</u>

See independent auditors' report and accompanying notes to required supplementary information

VILLAGE OF LAKE ZURICH

ILLINOIS MUNICIPAL RETIREMENT FUND SCHEDULE OF CHANGES IN THE VILLAGE'S NET PENSION LIABILITY AND RELATED RATIOS Last Five Fiscal Years

	2015	2016	2017	2018	2019
Total pension liability					
Service cost	\$ 551,596	\$ 512,260	\$ 515,984	\$ 497,479	\$ 531,265
Interest	2,268,919	2,351,795	2,437,948	2,457,376	2,580,817
Differences between expected and actual experience	(359,277)	(340,738)	(97,822)	427,124	(282,902)
Changes of assumptions	41,608	(83,331)	(1,056,112)	1,054,884	-
Benefit payments, including refunds of member contributions	(1,369,411)	(1,300,032)	(1,453,935)	(1,609,460)	(1,633,136)
Net change in total pension liability	1,133,435	1,139,954	346,063	2,827,403	1,196,044
Total pension liability - beginning	30,701,554	31,834,989	32,974,943	33,321,006	36,148,409
Total pension liability - ending (a)	\$ 31,834,989	\$ 32,974,943	\$ 33,321,006	\$ 36,148,409	\$ 37,344,453
Plan fiduciary net position					
Employer contributions	\$ 653,377	\$ 628,101	\$ 619,482	\$ 631,725	\$ 504,915
Employee contributions	231,267	233,460	232,112	242,143	242,490
Net investment income	136,524	1,863,659	4,957,532	(1,685,438)	5,705,253
Benefit payments, including refunds of member contributions	(1,369,411)	(1,300,032)	(1,453,935)	(1,609,460)	(1,633,136)
Other (net transfer)	(27,440)	(27,607)	(506,291)	705,340	(37,476)
Net change in plan fiduciary net position	(375,683)	1,397,581	3,848,900	(1,715,690)	4,782,046
Plan fiduciary net position - beginning	27,547,190	27,171,507	28,569,088	32,417,988	30,702,298
Plan fiduciary net position - ending (b)	\$ 27,171,507	\$ 28,569,088	\$ 32,417,988	\$ 30,702,298	\$ 35,484,344
Employer's net pension liability - ending (a) - (b)	\$ 4,663,482	\$ 4,405,855	\$ 903,018	\$ 5,446,111	\$ 1,860,109
Plan fiduciary net position as a percentage of the total pension liability	85.35%	86.64%	97.29%	84.93%	95.02%
Covered payroll	\$ 5,139,246	\$ 4,934,022	\$ 5,158,053	\$ 5,380,953	\$ 5,388,637
Employer's net pension liability as a percentage of covered payroll	90.74%	89.30%	17.51%	101.21%	34.52%

Notes to Schedule:

The village implemented GASB Statement No. 68 in fiscal year 2015. Information prior to fiscal year 2015 is not available.

See independent auditors' report and accompanying notes to required supplementary information

VILLAGE OF LAKE ZURICH

ILLINOIS MUNICIPAL RETIREMENT FUND SCHEDULE OF EMPLOYER CONTRIBUTIONS Last Five Fiscal Years

	April 30, 2016	December 31, 2016	December 31, 2017	December 31, 2018	December 31, 2019
Actuarially determined contribution	\$ 613,312	\$ 431,173	\$ 619,482	631,724	504,915
Contributions in relation to the actuarially determined contribution	(613,312)	(431,173)	(619,482)	(631,725)	(504,915)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ (1)	\$ -
Covered payroll	\$ 5,139,246	\$ 3,387,062	\$ 5,158,053	\$ 5,380,953	\$ 5,388,637
Contributions as a percentage of covered payroll	11.93%	12.73%	12.01%	11.74%	9.37%

The village changed its fiscal year end from April 30 to December 31 for the period December 31, 2016.

Notes to Schedule:

The village implemented GASB Statement No. 68 in fiscal year 2015. Information prior to fiscal year 2015 is not available.

Valuation date:

Actuarially determined contribution rates are calculated as of December 31.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Aggregate Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	24 years
Asset valuation method	5-Year Smoothed Market
Inflation	2.50%
Salary increases	3.35% to 14.25% including inflation
Investment rate of return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	RP-2014 CHBCA

Other information:

There were no benefit changes during the year.

See independent auditors' report and accompanying notes to required supplementary information

VILLAGE OF LAKE ZURICH

POLICE PENSION FUND
 SCHEDULE OF CHANGES IN THE VILLAGE'S NET PENSION LIABILITY AND RELATED RATIOS
 Last Six Fiscal Years

	April 30, 2015	April 30, 2016	December 31, 2016*	December 31, 2017	December 31, 2018	December 31, 2019
Total pension liability						
Service cost	\$ 677,265	\$ 618,479	\$ 404,047	\$ 718,675	\$ 635,929	\$ 665,520
Interest	2,218,436	2,554,948	1,926,743	2,795,706	2,901,439	3,088,283
Change in benefit terms	-	-	-	-	-	48,258
Differences between expected and actual experience	500,612	(28,659)	(2,808,702)	985,053	190,986	24,101
Changes of assumptions	2,735,157	2,501,228	-	(1,168,984)	828,894	-
Buy back contributions	-	-	-	-	-	730
Benefit payments, including refunds of member contributions	(1,024,394)	(1,267,820)	(901,384)	(1,569,353)	(1,793,230)	(1,844,332)
Net change in total pension liability	5,107,076	4,378,176	(1,379,296)	1,761,097	2,764,018	1,982,560
Total pension liability - beginning	33,377,915	38,484,991	42,863,167	41,483,871	43,244,968	46,008,986
Total pension liability - ending (a)	\$ 38,484,991	\$ 42,863,167	\$ 41,483,871	\$ 43,244,968	\$ 46,008,986	\$ 47,991,546
Plan fiduciary net position						
Employer contributions	\$ 1,398,130	\$ 1,445,052	\$ 1,564,453	\$ 1,772,589	\$ 1,820,234	\$ 1,801,045
Employee contributions	301,323	302,885	218,169	304,715	373,412	321,876
Buy back contributions	-	-	-	-	-	730
Net investment income	1,301,083	127,632	869,361	2,535,432	(1,069,397)	4,188,319
Benefit payments, including refunds of member contributions	(1,024,394)	(1,267,820)	(901,384)	(1,569,353)	(1,793,230)	(1,844,332)
Administration	(28,758)	(31,815)	(25,420)	(26,555)	(34,947)	(31,117)
Net change in plan fiduciary net position	1,947,384	575,934	1,725,179	3,016,828	(703,928)	4,436,521
Plan fiduciary net position - beginning	15,409,473	17,356,857	17,932,791	19,657,970	22,674,798	21,970,870
Plan fiduciary net position - ending (b)	\$ 17,356,857	\$ 17,932,791	\$ 19,657,970	\$ 22,674,798	\$ 21,970,870	\$ 26,407,391
Village's net pension liability - ending (a) - (b)	\$ 21,128,134	\$ 24,930,376	\$ 21,825,901	\$ 20,570,170	\$ 24,038,116	\$ 21,584,155
Plan fiduciary net position as a percentage of the total pension liability	45.10%	41.84%	47.39%	52.43%	47.75%	55.03%
Covered payroll	\$ 3,053,408	\$ 3,109,454	\$ 3,101,474	\$ 3,055,082	\$ 3,081,455	\$ 3,354,032
Village's net pension liability as a percentage of covered payroll	691.95%	801.76%	703.73%	673.31%	780.09%	643.53%

*The village changed its fiscal year end from April 30 to December 31 for the period December 31, 2016.

Notes to Schedule:

The pension implemented GASB Statement No. 67 in fiscal year 2015. Information prior to fiscal year 2015 is not available.

VILLAGE OF LAKE ZURICH

POLICE PENSION FUND
SCHEDULE OF EMPLOYER CONTRIBUTIONS
 Last Six Fiscal Years

	April 30, 2015	April 30, 2016	December 31, 2016*	December 31, 2017	December 31, 2018	December 31, 2019
Actuarially determined contribution	\$ 1,392,968	\$ 1,402,842	\$ 1,564,453	\$ 1,790,395	\$ 1,799,590	\$ 1,750,667
Contributions in relation to the actuarially determined contribution	1,395,130	1,445,052	1,564,453	1,772,589	1,820,234	1,801,045
Contribution deficiency (excess)	<u>\$ (2,162)</u>	<u>\$ (42,210)</u>	<u>\$ -</u>	<u>\$ 17,806</u>	<u>\$ (20,644)</u>	<u>\$ (50,378)</u>
Covered payroll	\$ 3,053,408	\$ 3,109,454	\$ 3,101,474	\$ 3,055,082	\$ 3,081,445	\$ 3,354,032
Contributions as a percentage of covered payroll	45.69%	46.47%	50.44%	58.02%	59.07%	53.70%

* The village changed its fiscal year end from April 30 to December 31 for the period December 31, 2016.

Notes to Schedule:

1) The plan implemented GASB Statement No. 67 in fiscal year 2015. Information prior to fiscal year 2015 is derived from actuarial valuations developed in conformity with GASB Statement No. 25 and 27.

2) Valuation date: Actuarially determined contributions are calculated as of December 31 of the current fiscal year.

3) Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	21 years
Asset valuation method	5 year smoothed market
Inflation	2.50%
Salary increases	3.50% per year
Investment rate of return	6.75%
Mortality	Healthy - RP-2014 Mortality Table with a blue collar adjustment, with generational improvement Scale MP-2015
	Disabled - RP-2014 Disabled Mortality Table, with generational improvement scale MP-2015

VILLAGE OF LAKE ZURICH

POLICE PENSION FUND
SCHEDULE OF INVESTMENT RETURNS
 Last Six Fiscal Years

	<u>April 30,</u> <u>2016</u>	<u>April 30,</u> <u>2016</u>	<u>December 31,</u> <u>2016*</u>	<u>December 31,</u> <u>2017</u>	<u>December 31,</u> <u>2018</u>	<u>December 31,</u> <u>2019</u>
Annual money-weighted rate of return, net of investment expense	8.08%	0.72%	4.73%	12.80%	-4.71%	19.10%

* The village changed its fiscal year end from April 30 to December 31 for the period December 31, 2016.

Notes to Schedule:

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 auditors' report and accompanying notes to required supplementary information

VILLAGE OF LAKE ZURICH

FIREFIGHTERS' PENSION FUND

SCHEDULE OF CHANGES IN THE VILLAGE'S NET PENSION LIABILITY AND RELATED RATIOS
 Last Six Fiscal Years

	April 30, 2015	April 30, 2016	December 31, 2016	December 31, 2017	December 31, 2018	December 31, 2019
Total pension liability						
Service cost	\$ 1,134,464	\$ 1,149,541	\$ 751,025	\$ 1,421,674	\$ 1,281,368	\$ 1,290,345
Interest	2,701,567	2,980,213	2,314,004	3,442,447	3,600,377	3,986,763
Change in benefit terms	-	-	-	-	-	121,794
Differences between expected and actual experience	(173,195)	305,055	(3,347,579)	1,116,190	1,482,142	302,107
Changes of assumptions	1,221,986	2,811,180	-	(2,288,858)	1,010,548	-
Benefit payments, including refunds of member contributions	(611,825)	(901,657)	(550,340)	(1,072,050)	(1,350,851)	(1,967,507)
Net change in total pension liability	4,272,997	6,344,332	(832,890)	2,619,403	6,023,584	3,733,502
Total pension liability - beginning	40,329,133	44,602,130	50,946,462	50,113,572	52,732,975	58,756,559
Total pension liability - ending (a)	\$ 44,602,130	\$ 50,946,462	\$ 50,113,572	\$ 52,732,975	\$ 58,756,559	\$ 62,490,061
Plan fiduciary net position						
Employer contributions	\$ 1,904,487	\$ 1,905,569	\$ 1,911,342	\$ 2,176,385	\$ 2,304,265	\$ 2,290,246
Employee contributions	457,701	478,570	328,920	562,401	492,620	498,580
Net investment income	1,562,177	(320,256)	750,015	3,723,725	(1,554,258)	6,547,762
Benefit payments, including refunds of member contributions	(611,825)	(901,657)	(550,340)	(1,072,050)	(1,350,851)	(1,967,507)
Administration	(54,703)	(61,615)	(63,270)	(84,741)	(52,151)	(45,936)
Net change in plan fiduciary net position	3,257,837	1,100,611	2,376,667	5,305,720	(160,375)	7,323,145
Plan fiduciary net position - beginning	22,304,144	25,561,981	26,662,592	29,039,259	34,344,979	34,184,604
Plan fiduciary net position - ending (b)	\$ 25,561,981	\$ 26,662,592	\$ 29,039,259	\$ 34,344,979	\$ 34,184,604	\$ 41,507,749
Village's net pension liability - ending (a) - (b)	\$ 19,040,149	\$ 24,283,870	\$ 21,074,313	\$ 18,387,996	\$ 24,571,955	\$ 20,982,312
Plan fiduciary net position as a percentage of the total pension liability	57.31%	52.33%	57.95%	65.13%	58.18%	66.42%
Covered payroll	\$ 5,140,563	\$ 5,130,269	\$ 5,322,548	\$ 5,208,600	\$ 5,214,441	\$ 5,324,271
Village's net pension liability as a percentage of covered payroll	370.39%	473.34%	395.94%	353.03%	471.23%	394.09%

Notes to Schedule:

The pension implemented GASB Statement No. 67 in fiscal year 2015. Information prior to fiscal year 2015 is not available.

VILLAGE OF LAKE ZURICH

FIREFIGHTERS' PENSION FUND
SCHEDULE OF EMPLOYER CONTRIBUTIONS
 Last Six Fiscal Years

	April 30, 2015	April 30, 2016	December 31, 2016*	December 31, 2017	December 31, 2018	December 31, 2019
Actuarially determined contribution	\$ 1,905,372	\$ 1,815,433	\$ 1,911,342	\$ 2,198,557	\$ 2,278,591	\$ 2,153,131
Contributions in relation to the actuarially determined contribution	1,931,966	1,905,569	1,911,342	2,176,385	2,304,265	2,290,246
Contribution deficiency (excess)	<u>\$ (26,594)</u>	<u>\$ (90,136)</u>	<u>\$ -</u>	<u>\$ 22,172</u>	<u>\$ (25,674)</u>	<u>\$ (137,115)</u>
Covered payroll	\$ 5,140,563	\$ 5,130,269	\$ 5,322,548	\$ 5,208,600	\$ 5,214,441	\$ 5,324,271
Contributions as a percentage of covered payroll	37.58%	37.14%	35.91%	41.78%	44.19%	43.02%

* The village changed its fiscal year end from April 30 to December 31 for the period December 31, 2016.

Notes to Schedule:

- 1) The plan implemented GASB Statement No. 67 in fiscal year 2015. Information prior to fiscal year 2015 is not available
- 2) Valuation date: Actuarially determined contributions are calculated as of December 31 of the current fiscal year.
- 3) Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	21 years
Asset valuation method	5 year smoothed market
Inflation	2.50%
Salary increases	3.50% per year
Investment rate of return	6.75%
Mortality	Healthy - RP-2014 Mortality Table with a blue collar adjustment, with generational improvement Scale MP-2015
	Disabled - RP-2014 Disabled Mortality Table, with generational improvement scale MP-2015

See independent auditors' report and accompanying notes to required supplementary information
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VILLAGE OF LAKE ZURICH

FIREFIGHTERS' PENSION FUND
SCHEDULE OF INVESTMENT RETURNS
Last Six Fiscal Years

	<u>April 30,</u> <u>2015</u>	<u>April 30,</u> <u>2016</u>	<u>December 31,</u> <u>2016*</u>	<u>December 31,</u> <u>2017</u>	<u>December 31,</u> <u>2018</u>	<u>December 31,</u> <u>2019</u>
Annual money-weighted rate of return, net of investment expense	6.53%	-1.18%	5.05%	12.59%	-4.41%	19.12%

*The village changed its fiscal year end from April 30 to December 31 for the period December 31, 2016.

Notes to Schedule:

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 auditors' report and accompanying notes to required supplementary information

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VILLAGE OF LAKE ZURICH
RETIREE HEALTH INSURANCE PLAN
 SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY
 AND RELATED RATIOS
 Two Most Recent Fiscal Years

	<u>2018</u>	<u>2019</u>
Total OPEB liability		
Service cost	\$ 43,217	\$ 48,030
Interest	118,607	118,055
Changes of assumptions	(164,052)	122,226
Benefit payments, including refunds of member contributions	(173,514)	(192,924)
Other changes	(111,794)	(525)
Net change in total OPEB liability	(287,536)	94,862
Total OPEB liability - beginning	<u>3,627,263</u>	<u>3,339,727</u>
Total OPEB liability - ending (a)	<u>\$ 3,339,727</u>	<u>\$ 3,434,589</u>
 Plan fiduciary net position as a percentage of the total OPEB liability	 0.00%	 0.00%
 Covered payroll	 \$ 13,156,588	 \$ 13,156,588
 District's net pension liability as a percentage of covered payroll	 25.38%	 26.11%

Notes to Schedule:

The District implemented GASB Statement No. 75 in fiscal year 2018. Information prior to fiscal year 2018 is not available.

See independent auditors' report and accompanying notes to required supplementary information

VILLAGE OF LAKE ZURICH

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION For the Year Ended December 31, 2019

BUDGETARY INFORMATION

Budgets are adopted on a basis consistent with GAAP. Annual appropriated budgets are adopted (at the fund level) for the General, Special Revenue (except the Foreign Fire Insurance Tax), Debt Service, Capital Projects (except Downtown TIF), Enterprise, Internal Service and Pension Trust Funds. The annual appropriated budget is legally enacted and provides for a legal level of control at the department level, or, where no departmental segregation of a fund exists, the fund level. All annual appropriations lapse at fiscal year end.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to restrict that portion of the applicable appropriation - is utilized in the governmental funds. Material encumbrances outstanding at year end, if any, are reported as restrictions of fund balances and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

All departments of the village submit requests for appropriation to the village's manager so that a budget may be prepared. The budget is prepared by fund and includes information on the past year, current year estimates and requested appropriations for the next fiscal year.

The proposed budget is presented to the governing body for review. The governing body holds public hearings and can add to, subtract from or change appropriations; but cannot change the form of the budget.

Management cannot amend the budget for individual funds without seeking the approval of the governing body.

Expenditures cannot legally exceed budgeted appropriations at the fund or department (General Fund) level and the Board of Trustees must approve any over expenditures of appropriation or transfers of appropriated amounts. During the year, three supplementary appropriations were necessary.

Excess Expenditures Over Appropriations

Excess expenditures over appropriations are as follows:

	<u>Final Budget</u>	<u>Expenditures</u>	<u>Excess</u>
<u>Motor Fuel Tax Fund</u>			
Highway and Streets	\$ 508,306	\$ 517,600	\$ 9,294

See independent auditors' report.
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S U P P L E M E N T A R Y I N F O R M A T I O N

VILLAGE OF LAKE ZURICH

GENERAL FUND DETAILED SCHEDULE OF REVENUES - BUDGET AND ACTUAL For the Year Ended December 31, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
Revenues			
Taxes			
Property			
Corporate	\$ -	\$ -	\$ -
Police protection	1,766,850	1,766,850	1,761,214
Fire protection	1,766,850	1,766,850	1,760,415
Ambulance	1,000	1,000	998
Pension	60,000	60,000	59,909
Police pension	1,804,000	1,804,000	1,807,090
Fire pension	2,294,000	2,294,000	2,297,929
SRA	180,000	180,000	179,727
Road and bridge	11,000	11,000	11,810
Utility			
Electric tax	1,022,156	897,160	970,395
Gas tax	269,156	310,309	306,104
Telecommunication taxes	567,465	573,151	592,676
Television franchise tax	350,937	331,385	326,308
Total Taxes	<u>10,093,414</u>	<u>9,995,705</u>	<u>10,074,575</u>
Licenses and Permits			
Licenses			
Liquor	163,000	166,000	165,371
Contractor registration	55,800	66,610	67,410
Other business	104,925	106,800	104,303
Permits			
Administrative plan review	105,000	85,905	80,827
Building	65,000	179,158	205,491
Electrical	28,000	28,000	32,453
Plumbing	25,000	25,000	27,125
Occupancy certificates	30,000	30,000	22,880
Truck permits	1,500	7,225	7,225
Other	138,500	39,084	45,152
Total licenses and permits	<u>716,725</u>	<u>733,782</u>	<u>758,237</u>

VILLAGE OF LAKE ZURICH

GENERAL FUND DETAILED SCHEDULE OF REVENUES - BUDGET AND ACTUAL For the Year Ended December 31, 2019

	Original Budget	Final Budget	Actual
Intergovernmental			
State income tax	\$ 1,851,898	\$ 2,089,504	\$ 2,089,504
Municipal sales	7,355,259	7,104,140	7,096,963
Personal property replacement tax	53,214	72,562	70,716
Street maintenance reimbursement	16,216	16,216	16,223
Local use tax	555,459	641,741	662,382
Auto rental tax	6,000	8,009	7,981
Pull tax	232,840	236,255	237,082
Fire/rescue service contract	5,440,522	5,619,651	5,619,651
Vehicle maintenance charge	28,000	28,000	24,737
Licenses			
Grants	30,000	70,194	81,773
Governmental agency	165,000	165,000	164,454
Total intergovernmental	<u>15,734,408</u>	<u>16,051,272</u>	<u>16,071,466</u>
Charges for services			
Police fees			
Police alarm fees	4,500	4,500	6,700
Public safety special detail	25,000	42,709	42,709
Police administration tow fees	65,000	65,000	58,000
Police lock out fees	7,500	7,500	8,250
Police contracted services	2,250	2,250	2,850
Fire/rescue fees			
Special detail	7,000	7,000	38,042
Ambulance fees	800,000	651,110	716,172
Spillage fees	-	2,200	2,200
Inspection fees	34,000	50,482	50,482
Public education	-	12,152	12,152
Site plan review	53,700	76,391	76,208
Elevator inspections	21,500	21,500	14,305
Planned unit development review	-	-	-
Printing and reproduction fees	6,000	6,000	6,873
Engineering review	40,000	175,639	175,639
Watershed development	7,500	7,500	-
Reimbursements	21,200	5,000	7,981
Park fees	85,000	85,000	115,587
Park program fees	655,270	655,270	704,323
Beach Fees	29,500	29,500	33,786
Other	500	500	897
Total charges for services	<u>1,865,420</u>	<u>1,907,203</u>	<u>2,073,156</u>

VILLAGE OF LAKE ZURICH

GENERAL FUND DETAILED SCHEDULE OF REVENUES - BUDGET AND ACTUAL For the Year Ended December 31, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
Fines, forfeitures and penalties			
Circuit court fines	\$ 267,000	\$ 273,555	\$ 280,304
Other fines	<u>350,000</u>	<u>310,205</u>	<u>311,592</u>
Total fines, forfeitures and penalties	<u>617,000</u>	<u>583,760</u>	<u>591,896</u>
Investment Income	<u>150,000</u>	<u>165,470</u>	<u>206,650</u>
Miscellaneous			
Miscellaneous revenues	33,170	102,193	115,029
Donations	-	5,420	8,770
Rent	<u>29,500</u>	<u>58,900</u>	<u>57,375</u>
Total miscellaneous	<u>62,670</u>	<u>166,513</u>	<u>181,174</u>
Total Revenues	<u>\$ 29,239,637</u>	<u>\$ 29,603,705</u>	<u>\$ 29,957,154</u>

VILLAGE OF LAKE ZURICH

GENERAL FUND SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL For the Year Ended December 31, 2019

	Original Budget	Final Budget	Actual
Expenditures			
General Government			
General administration	\$ 72,357	\$ 73,521	\$ 65,779
Village administration	707,304	706,370	685,252
Finance department	546,270	524,176	525,242
Technology department	<u>575,231</u>	<u>575,097</u>	<u>558,379</u>
Total general government	<u>1,901,162</u>	<u>1,879,164</u>	<u>1,834,652</u>
Public Safety			
Police	7,505,787	7,416,820	7,471,286
Fire	11,897,029	11,947,230	11,881,838
Community development	<u>815,687</u>	<u>884,168</u>	<u>903,009</u>
Total public safety	<u>20,218,503</u>	<u>20,248,218</u>	<u>20,256,133</u>
Highways and Streets			
Public works	<u>3,328,396</u>	<u>3,310,058</u>	<u>3,204,663</u>
Culture and Recreation			
Parks and recreation department	<u>1,057,129</u>	<u>1,286,832</u>	<u>1,276,301</u>
Economic Development	<u>843,686</u>	<u>791,344</u>	<u>746,021</u>
Total Expenditures	<u>\$ 27,348,876</u>	<u>\$ 27,515,616</u>	<u>\$ 27,317,770</u>

VILLAGE OF LAKE ZURICH

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS As of December 31, 2019

	Foreign Fire Tax	Hotel Tax	Motor Fuel Tax	Special Events	Dispatch Services
ASSETS					
Cash and investments	\$ 183,597	\$ 378,653	\$ 2,244,283	\$ 109,244	\$ 150,278
Property taxes receivable	-	-	-	-	-
Accounts receivable	-	8,542	86,174	3,000	71,032
Advances to other funds	-	-	-	-	-
Prepaid items	-	-	-	7,323	-
TOTAL ASSETS	<u>\$ 183,597</u>	<u>\$ 387,195</u>	<u>\$ 2,330,457</u>	<u>\$ 119,567</u>	<u>\$ 221,310</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ -	\$ -	\$ 38,388	\$ 3,117	\$ -
Accrued wages	-	131	-	2,897	32,360
Unearned revenues	-	-	1,972	-	114,588
Other liabilities	-	-	-	-	-
Due to other funds	-	-	-	-	42
Advances from other funds	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>131</u>	<u>40,360</u>	<u>6,014</u>	<u>146,990</u>
Fund Balances					
Nonspendable	-	-	-	7,323	-
Restricted	183,597	387,064	2,290,097	-	-
Assigned	-	-	-	106,230	74,320
Unassigned	-	-	-	-	-
Total Fund Balances (Deficit)	<u>183,597</u>	<u>387,064</u>	<u>2,290,097</u>	<u>113,553</u>	<u>74,320</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 183,597</u>	<u>\$ 387,195</u>	<u>\$ 2,330,457</u>	<u>\$ 119,567</u>	<u>\$ 221,310</u>

<u>TIF #3</u>	<u>Park Improvements</u>	<u>Non-Home Rule Sales Tax Capital Projects</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 8,776	\$ 21,184	\$ 2,208,880	\$ 5,304,895
8	-	-	8
-	-	573,611	742,359
-	-	200,000	200,000
-	-	-	7,323
<u>\$ 8,784</u>	<u>\$ 21,184</u>	<u>\$ 2,982,491</u>	<u>\$ 6,254,585</u>
\$ -	\$ -	\$ 102,211	\$ 143,716
-	-	-	35,388
-	-	-	116,560
-	-	21,849	21,849
-	-	-	42
<u>50,000</u>	<u>-</u>	<u>-</u>	<u>50,000</u>
<u>50,000</u>	<u>-</u>	<u>124,060</u>	<u>367,555</u>
-	-	-	7,323
-	-	2,858,431	5,719,189
-	21,184	-	201,734
<u>(41,216)</u>	<u>-</u>	<u>-</u>	<u>(41,216)</u>
<u>(41,216)</u>	<u>21,184</u>	<u>2,858,431</u>	<u>5,887,030</u>
<u>\$ 8,784</u>	<u>\$ 21,184</u>	<u>\$ 2,982,491</u>	<u>\$ 6,254,585</u>

VILLAGE OF LAKE ZURICH

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS For the Year Ended December 31, 2019

	Foreign Fire Tax	Hotel Tax	Motor Fuel Tax	Special Events	Dispatch Services
REVENUES					
Taxes	\$ 39,084	\$ 107,624	\$ -	\$ -	\$ -
Intergovernmental	-	-	653,900	-	-
Charges for services	-	-	-	-	953,354
Special events	-	-	-	158,575	-
Investment income	-	4,541	44,425	1,228	1,676
Total Revenues	<u>39,084</u>	<u>112,165</u>	<u>698,325</u>	<u>159,803</u>	<u>955,030</u>
EXPENDITURES					
Current					
General government	-	17,059	-	-	-
Public safety	78,976	-	-	-	1,624,324
Highways and streets	-	-	517,600	-	-
Culture and recreation	-	-	-	354,582	-
Capital Outlay	-	-	-	-	-
Total Expenditures	<u>78,976</u>	<u>17,059</u>	<u>517,600</u>	<u>354,582</u>	<u>1,624,324</u>
Excess (deficiency) of revenues over expenditures	<u>(39,892)</u>	<u>95,106</u>	<u>180,725</u>	<u>(194,779)</u>	<u>(669,294)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	207,430	775,000
Transfers out	-	(89,580)	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(89,580)</u>	<u>-</u>	<u>207,430</u>	<u>775,000</u>
Net Change in Fund Balances	(39,892)	5,526	180,725	12,651	105,706
FUND BALANCES (DEFICIT)					
- Beginning of Year	<u>223,489</u>	<u>381,538</u>	<u>2,109,372</u>	<u>100,902</u>	<u>(31,386)</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ 183,597</u>	<u>\$ 387,064</u>	<u>\$ 2,290,097</u>	<u>\$ 113,553</u>	<u>\$ 74,320</u>

<u>TIF #3</u>	<u>Park Improvements</u>	<u>Non-Home Rule Sales Tax Capital Projects</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 10,935	\$ -	\$ 2,133,598	\$ 2,291,241
-	-	-	653,900
-	45,129	-	998,483
-	-	-	158,575
-	231	56,578	108,679
<u>10,935</u>	<u>45,360</u>	<u>2,190,176</u>	<u>4,210,878</u>
-	-	-	17,059
-	-	-	1,703,300
-	-	1,853,610	2,371,210
-	-	-	354,582
-	<u>33,793</u>	-	<u>33,793</u>
-	<u>33,793</u>	<u>1,853,610</u>	<u>4,479,944</u>
<u>10,935</u>	<u>11,567</u>	<u>336,566</u>	<u>(269,066)</u>
-	-	-	982,430
-	-	-	<u>(89,580)</u>
-	-	-	<u>892,850</u>
10,935	11,567	336,566	623,784
<u>(52,151)</u>	<u>9,617</u>	<u>2,521,865</u>	<u>5,263,246</u>
<u>\$ (41,216)</u>	<u>\$ 21,184</u>	<u>\$ 2,858,431</u>	<u>\$ 5,887,030</u>

VILLAGE OF LAKE ZURICH

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - HOTEL TAX For the Year Ended December 31, 2019

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Hotel/Motel tax	\$ 112,055	\$ 112,055	\$ 107,624
Investment income	400	400	4,541
Total Revenues	<u>112,455</u>	<u>112,455</u>	<u>112,165</u>
EXPENDITURES			
General government	<u>17,843</u>	<u>17,843</u>	<u>17,059</u>
Total Expenditures	<u>17,843</u>	<u>17,843</u>	<u>17,059</u>
Excess (deficiency) of revenues over (under) expenditures	<u>94,612</u>	<u>94,612</u>	<u>95,106</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(89,580)</u>	<u>(89,580)</u>	<u>(89,580)</u>
Total Other Financing Sources (Uses)	<u>(89,580)</u>	<u>(89,580)</u>	<u>(89,580)</u>
Net Change in Fund Balance	<u>\$ 5,032</u>	<u>\$ 5,032</u>	5,526
FUND BALANCE - Beginning of Year			<u>381,538</u>
FUND BALANCE - END OF YEAR			<u>\$ 387,064</u>

VILLAGE OF LAKE ZURICH

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MOTOR FUEL TAX For the Year Ended December 31, 2019

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Reimbursements	\$ 493,911	\$ 493,911	\$ 653,900
Investment income	22,000	22,000	44,425
Total Revenues	<u>515,911</u>	<u>515,911</u>	<u>698,325</u>
EXPENDITURES			
Highways and streets	<u>559,496</u>	<u>508,306</u>	<u>517,600</u>
Total Expenditures	<u>559,496</u>	<u>508,306</u>	<u>517,600</u>
Net Change in Fund Balance	<u>\$ (43,585)</u>	<u>\$ 7,605</u>	180,725
FUND BALANCE - Beginning of Year			<u>2,109,372</u>
FUND BALANCE - END OF YEAR			<u>\$ 2,290,097</u>

VILLAGE OF LAKE ZURICH

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - SPECIAL EVENTS For the Year Ended December 31, 2019

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Special events	\$ 168,910	\$ 159,575	\$ 158,575
Investment income	120	120	1,228
Total Revenues	<u>169,030</u>	<u>159,695</u>	<u>159,803</u>
EXPENDITURES			
Culture and recreation	<u>371,020</u>	<u>368,604</u>	<u>354,582</u>
Total Expenditures	<u>371,020</u>	<u>368,604</u>	<u>354,582</u>
 Excess (deficiency) of revenues over (under) expenditures	 <u>(201,990)</u>	 <u>(208,909)</u>	 <u>(194,779)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>215,700</u>	<u>215,700</u>	<u>207,430</u>
Total Other Financing Sources (Uses)	<u>215,700</u>	<u>215,700</u>	<u>207,430</u>
 Net Change in Fund Balance	 <u><u>\$ 13,710</u></u>	 <u><u>\$ 6,791</u></u>	 12,651
 FUND BALANCE - Beginning of Year			<u>100,902</u>
 FUND BALANCE - END OF YEAR			<u><u>\$ 113,553</u></u>

VILLAGE OF LAKE ZURICH

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - DISPATCH SERVICES For the Year Ended December 31, 2019

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Charges for services	\$ 972,516	\$ 972,516	\$ 953,354
Investment income	200	1,413	1,676
Total Revenues	<u>972,716</u>	<u>973,929</u>	<u>955,030</u>
EXPENDITURES			
Public safety	<u>1,727,787</u>	<u>1,637,678</u>	<u>1,624,324</u>
Total Expenditures	<u>1,727,787</u>	<u>1,637,678</u>	<u>1,624,324</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(755,071)</u>	<u>(663,749)</u>	<u>(669,294)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>760,000</u>	<u>775,000</u>	<u>775,000</u>
Total Other Financing Sources (Uses)	<u>760,000</u>	<u>775,000</u>	<u>775,000</u>
Net Change in Fund Balance	<u>\$ 4,929</u>	<u>\$ 111,251</u>	105,706
FUND BALANCE (DEFICIT) - Beginning of Year			<u>(31,386)</u>
FUND BALANCE - END OF YEAR			<u>\$ 74,320</u>

VILLAGE OF LAKE ZURICH

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - TIF #3 For the Year Ended December 31, 2019

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Property tax	\$ -	\$ 10,927	\$ 10,935
Total Revenues	-	10,927	10,935
EXPENDITURES			
Economic development	6,400	400	-
Total Expenditures	6,400	400	-
Net Change in Fund Balance	<u>\$ (6,400)</u>	<u>\$ 10,527</u>	10,935
FUND BALANCE (DEFICIT) - Beginning of Year			(52,151)
FUND BALANCE (DEFICIT) - END OF YEAR			<u>\$ (41,216)</u>

VILLAGE OF LAKE ZURICH

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - PARK IMPROVEMENTS For the Year Ended December 31, 2019

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Charges for services	\$ -	\$ 45,129	\$ 45,129
Investment income	450	450	231
Total Revenues	<u>450</u>	<u>45,579</u>	<u>45,360</u>
EXPENDITURES			
Park improvements	<u>48,895</u>	<u>33,793</u>	<u>33,793</u>
Total Expenditures	<u>48,895</u>	<u>33,793</u>	<u>33,793</u>
Net Change in Fund Balance	<u>\$ (48,445)</u>	<u>\$ 11,786</u>	11,567
FUND BALANCE - Beginning of Year			<u>9,617</u>
FUND BALANCE - END OF YEAR			<u>\$ 21,184</u>

VILLAGE OF LAKE ZURICH

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - NON-HOME RULE SALES TAX CAPITAL PROJECTS For the Year Ended December 31, 2019

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Sales tax	\$ 2,129,201	\$ 2,129,201	\$ 2,133,598
Investment income	20,000	52,138	56,578
Total Revenues	<u>2,149,201</u>	<u>2,181,339</u>	<u>2,190,176</u>
EXPENDITURES			
Highways and streets	<u>2,062,000</u>	<u>1,872,200</u>	<u>1,853,610</u>
Total Expenditures	<u>2,062,000</u>	<u>1,872,200</u>	<u>1,853,610</u>
Net Change in Fund Balance	<u>\$ 87,201</u>	<u>\$ 309,139</u>	336,566
FUND BALANCE - Beginning of Year			<u>2,521,865</u>
FUND BALANCE - END OF YEAR			<u>\$ 2,858,431</u>

VILLAGE OF LAKE ZURICH

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - DEBT SERVICE For the Year Ended December 31, 2019

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Property tax	\$ 1,673,110	\$ 1,673,110	\$ 1,670,571
Investment income	8,100	15,898	22,990
Total Revenues	<u>1,681,210</u>	<u>1,689,008</u>	<u>1,693,561</u>
EXPENDITURES			
Debt Service			
Principal	1,609,000	1,609,000	485,000
Interest and fiscal charges	47,941	47,941	47,708
Total Expenditures	<u>1,656,941</u>	<u>1,656,941</u>	<u>532,708</u>
Excess (deficiency) of revenues over (under) expenditures	<u>24,269</u>	<u>32,067</u>	<u>1,160,853</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	-	-	(1,124,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(1,124,000)</u>
Net Change in Fund Balance	<u>\$ 24,269</u>	<u>\$ 32,067</u>	36,853
FUND BALANCE - Beginning of Year			<u>1,371,416</u>
FUND BALANCE - END OF YEAR			<u>\$ 1,408,269</u>

VILLAGE OF LAKE ZURICH

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - TIF DEBT SERVICE For the Year Ended December 31, 2019

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Investment income	\$ 2,800	\$ 9,527	\$ 11,950
Total Revenues	<u>2,800</u>	<u>9,527</u>	<u>11,950</u>
EXPENDITURES			
Debt Service			
Principal	1,140,000	1,140,000	1,140,000
Interest and fiscal charges	<u>755,976</u>	<u>751,499</u>	<u>751,386</u>
Total Expenditures	<u>1,895,976</u>	<u>1,891,499</u>	<u>1,891,386</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,893,176)</u>	<u>(1,881,972)</u>	<u>(1,879,436)</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from bond issuance	1,124,000	1,124,000	-
Transfers in	<u>795,000</u>	<u>795,000</u>	<u>1,919,000</u>
Total Other Financing Sources (Uses)	<u>1,919,000</u>	<u>1,919,000</u>	<u>1,919,000</u>
Net Change in Fund Balance	<u>\$ 25,824</u>	<u>\$ 37,028</u>	39,564
FUND BALANCE (DEFICIT) - Beginning of Year			<u>(867,749)</u>
FUND BALANCE (DEFICIT) - END OF YEAR			<u>\$ (828,185)</u>

VILLAGE OF LAKE ZURICH

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CAPITAL IMPROVEMENTS For the Year Ended December 31, 2019

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Grants	\$ -	\$ 9,000	\$ 3,010
Investment income	18,000	64,225	86,541
Miscellaneous revenues	2,000	8,567	11,542
Total Revenues	<u>20,000</u>	<u>81,792</u>	<u>101,093</u>
EXPENDITURES			
Capital Outlay			
Infrastructure improvements	183,250	213,250	37,728
Capital project improvements	<u>1,238,060</u>	<u>1,185,060</u>	<u>708,581</u>
Total Expenditures	<u>1,421,310</u>	<u>1,398,310</u>	<u>746,309</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,401,310)</u>	<u>(1,316,518)</u>	<u>(645,216)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>799,500</u>	<u>799,500</u>	<u>799,500</u>
Total Other Financing Sources (Uses)	<u>799,500</u>	<u>799,500</u>	<u>799,500</u>
Net Change in Fund Balance	<u>\$ (601,810)</u>	<u>\$ (517,018)</u>	154,284
FUND BALANCE - Beginning of Year			<u>2,869,851</u>
FUND BALANCE - END OF YEAR			<u>\$ 3,024,135</u>

VILLAGE OF LAKE ZURICH

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET TO ACTUAL WATERWORKS AND SEWERAGE FUND For the Year Ended December 31, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
Operating Revenues			
Charges for services	<u>\$ 6,752,878</u>	<u>\$ 7,188,663</u>	<u>\$ 7,228,107</u>
Total operating revenues	<u>6,752,878</u>	<u>7,188,663</u>	<u>7,228,107</u>
Operating Expenses			
Administration	946,580	842,467	812,785
Operations	5,760,113	5,170,965	2,743,321
Depreciation	<u>1,800,000</u>	<u>1,900,000</u>	<u>1,866,142</u>
Total operating expenses	<u>8,506,693</u>	<u>7,913,432</u>	<u>5,422,248</u>
Operating Income (Loss)	<u>(1,753,815)</u>	<u>(724,769)</u>	<u>1,805,859</u>
Non-Operating Revenues (Expenses)			
Connection fees	150,000	196,671	203,171
Investment income	90,000	136,516	162,361
Miscellaneous revenues	-	1,500	1,500
Gain on sale of capital assets	-	-	8,104
Interest and fiscal charges	<u>(216,545)</u>	<u>(227,717)</u>	<u>(196,129)</u>
Total non-operating revenues (expenses)	<u>23,455</u>	<u>106,970</u>	<u>179,007</u>
Change in Net Position	<u>\$ (1,730,360)</u>	<u>\$ (617,799)</u>	<u>1,984,866</u>
Net Position, Beginning of Year			<u>41,195,063</u>
Net Position, End of Year			<u>\$ 43,179,929</u>

VILLAGE OF LAKE ZURICH

SCHEDULE OF OPERATING REVENUES - BUDGET TO ACTUAL WATERWORKS AND SEWERAGE FUND For the Year Ended December 31, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
Charges for Services			
Water charges	\$ 3,295,188	\$ 3,137,168	\$ 3,150,712
Sewer charges	984,658	984,658	994,337
Capital Charge	2,297,532	2,297,532	2,312,179
Meter sales	6,000	6,000	8,180
Late fees	119,500	119,500	112,617
Wastewater service agreements	50,000	641,555	641,808
Inspection fees	-	2,250	2,250
Other	<u>-</u>	<u>-</u>	<u>6,024</u>
Total operating revenues	<u>\$ 6,752,878</u>	<u>\$ 7,188,663</u>	<u>\$ 7,228,107</u>

VILLAGE OF LAKE ZURICH

SCHEDULE OF OPERATING EXPENSES - BUDGET TO ACTUAL WATERWORKS AND SEWERAGE FUND For the Year Ended December 31, 2019

	Original Budget	Final Budget	Actual
Administration			
Personnel services	\$ 423,424	\$ 395,311	\$ 436,580
Contractual services	463,036	387,036	322,532
Commodities	60,120	60,120	53,673
Total Administration	<u>\$ 946,580</u>	<u>\$ 842,467</u>	<u>\$ 812,785</u>
Operations			
Water Service			
Water service - personnel services	\$ 675,356	\$ 669,382	\$ 676,896
Water service - contractual services	370,654	355,682	234,864
Water service - commodities	546,990	525,390	444,002
Total water service	<u>1,593,000</u>	<u>1,550,454</u>	<u>1,355,762</u>
Sewer Service			
Sewer service - personnel services	626,863	626,863	633,180
Sewer service - contractual services	568,450	474,848	443,032
Sewer service - commodities	87,950	87,950	86,994
Total sewer service	<u>1,283,263</u>	<u>1,189,661</u>	<u>1,163,206</u>
Capital outlay	<u>2,883,850</u>	<u>2,430,850</u>	<u>2,178,017</u>
Less non-operating items			
Capital assets capitalized	<u>-</u>	<u>-</u>	<u>(1,953,664)</u>
Total Operations	<u>\$ 5,760,113</u>	<u>\$ 5,170,965</u>	<u>\$ 2,743,321</u>
Depreciation	<u>\$ 1,800,000</u>	<u>\$ 1,900,000</u>	<u>\$ 1,866,142</u>

VILLAGE OF LAKE ZURICH

COMBINING STATEMENT OF NET POSITION INTERNAL SERVICE FUNDS As of December 31, 2019

	Medical Self- Insurance	Risk Management	Equipment Replacement	Totals
ASSETS				
Current Assets				
Cash and investments	\$ 1,192,168	\$ 1,119,087	\$ 2,459,723	\$ 4,770,978
Receivables				
Accounts receivable	2,258	-	1,956	4,214
Prepaid items	438,600	538,612	-	977,212
Total Current Assets	<u>1,633,026</u>	<u>1,657,699</u>	<u>2,461,679</u>	<u>5,752,404</u>
Noncurrent Assets				
Capital assets (net of accumulated depreciation)				
Property and equipment	-	-	4,101,191	4,101,191
Accumulated depreciation	-	-	(1,032,910)	(1,032,910)
Total Noncurrent Assets	<u>-</u>	<u>-</u>	<u>3,068,281</u>	<u>3,068,281</u>
Total Assets	<u>1,633,026</u>	<u>1,657,699</u>	<u>5,529,960</u>	<u>8,820,685</u>
LIABILITIES				
Current Liabilities				
Accounts payable	10,043	43,475	17	53,535
Accrued wages	-	3,131	-	3,131
Total Current Liabilities	<u>10,043</u>	<u>46,606</u>	<u>17</u>	<u>56,666</u>
Total Liabilities	<u>10,043</u>	<u>46,606</u>	<u>17</u>	<u>56,666</u>
NET POSITION				
Net investment in capital assets	-	-	3,068,281	3,068,281
Unrestricted net position	<u>1,622,983</u>	<u>1,611,093</u>	<u>2,461,662</u>	<u>5,695,738</u>
TOTAL NET POSITION	<u>\$ 1,622,983</u>	<u>\$ 1,611,093</u>	<u>\$ 5,529,943</u>	<u>\$ 8,764,019</u>

VILLAGE OF LAKE ZURICH

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION INTERNAL SERVICE FUNDS For the Year Ended December 31, 2019

	<u>Medical Self- Insurance</u>	<u>Risk Management</u>	<u>Equipment Replacement</u>	<u>Totals</u>
OPERATING REVENUES				
Contributions				
Employer	\$ 2,499,120	\$ 936,000	\$ 1,471,940	\$ 4,907,060
Employee	190,554	-	-	190,554
Pensioner	249,680	-	-	249,680
Total Operating Revenues	<u>2,939,354</u>	<u>936,000</u>	<u>1,471,940</u>	<u>5,347,294</u>
OPERATING EXPENSES				
Insurance and claims				
Personnel services	18,087	202,339	-	220,426
Claims	10	-	-	10
Contractual services	2,703,623	865,324	-	3,568,947
Less reimbursements	(1,662)	(133,834)	-	(135,496)
Operations				
Commodities	-	-	88,619	88,619
Depreciation	-	-	325,793	325,793
Total Operating Expenses	<u>2,720,058</u>	<u>933,829</u>	<u>414,412</u>	<u>4,068,299</u>
Operating Income (Loss)	<u>219,296</u>	<u>2,171</u>	<u>1,057,528</u>	<u>1,278,995</u>
NONOPERATING REVENUES (EXPENSES)				
Investment income	15,704	14,198	33,766	63,668
Miscellaneous revenues	-	787	1,956	2,743
Total Nonoperating Revenues (Expenses)	<u>15,704</u>	<u>14,985</u>	<u>35,722</u>	<u>66,411</u>
Income (Loss) Before Transfers	<u>235,000</u>	<u>17,156</u>	<u>1,093,250</u>	<u>1,345,406</u>
TRANSFERS				
Transfers in	-	-	350,000	350,000
Total Transfers	<u>-</u>	<u>-</u>	<u>350,000</u>	<u>350,000</u>
Change in net position	235,000	17,156	1,443,250	1,695,406
NET POSITION - Beginning of Year	<u>1,387,983</u>	<u>1,593,937</u>	<u>4,086,693</u>	<u>7,068,613</u>
NET POSITION - END OF YEAR	<u>\$ 1,622,983</u>	<u>\$ 1,611,093</u>	<u>\$ 5,529,943</u>	<u>\$ 8,764,019</u>

VILLAGE OF LAKE ZURICH

COMBINING STATEMENT OF CASH FLOWS INTERNAL SERVICE FUNDS For the Year Ended December 31, 2019

	Medical Self- Insurance	Risk Management	Equipment Replacement	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Received from customers	\$ 2,944,077	\$ 936,000	\$ 1,471,940	\$ 5,352,017
Paid to suppliers for goods and services	26,108	(788,361)	(176,568)	(938,821)
Paid to employees for services	(2,703,623)	(199,208)	-	(2,902,831)
Net Cash Flows From Operating Activities	<u>266,562</u>	<u>(51,569)</u>	<u>1,295,372</u>	<u>1,510,365</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	<u>15,704</u>	<u>14,198</u>	<u>33,766</u>	<u>63,668</u>
Net Cash Flows From Investing Activities	<u>15,704</u>	<u>14,198</u>	<u>33,766</u>	<u>63,668</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Receipt (payment) on interfund loan	(3,122)	-	122,221	119,099
Receipt of operating transfer	-	-	350,000	350,000
Miscellaneous	-	787	-	787
Due to / from other funds	-	20,000	-	20,000
Net Cash Flows From Noncapital Financing Activities	<u>(3,122)</u>	<u>20,787</u>	<u>472,221</u>	<u>489,886</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	-	-	(1,151,196)	(1,151,196)
Net Cash Flows From Capital and Related Financing Activities	-	-	(1,151,196)	(1,151,196)
Net Change in Cash and Cash Equivalents	279,144	(16,584)	650,163	912,723
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>913,024</u>	<u>1,135,671</u>	<u>1,809,560</u>	<u>3,858,255</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 1,192,168</u>	<u>\$ 1,119,087</u>	<u>\$ 2,459,723</u>	<u>\$ 4,770,978</u>

VILLAGE OF LAKE ZURICH

COMBINING STATEMENT OF CASH FLOWS INTERNAL SERVICE FUNDS For the Year Ended December 21, 2019

	<u>Medical Self- Insurance</u>	<u>Risk Management</u>	<u>Equipment Replacement</u>	<u>Totals</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	\$ 219,296	\$ 2,171	\$ 1,057,528	\$ 1,278,995
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows From Operating Activities				
Depreciation	-	-	325,793	325,793
Changes in assets and liabilities				
Accounts receivable	4,723	-	-	4,723
Prepaid items	44,200	(93,682)	-	(49,482)
Accounts payable	(1,657)	36,811	(87,949)	(52,795)
Accrued wages	-	3,131	-	3,131
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>\$ 266,562</u>	<u>\$ (51,569)</u>	<u>\$ 1,295,372</u>	<u>\$ 1,510,365</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES				
None				

VILLAGE OF LAKE ZURICH

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET AND ACTUAL MEDICAL SELF-INSURANCE For the Year Ended December 31, 2019

	Budgeted Amounts		
	Original	Final	Actual
OPERATING REVENUES			
Contributions			
Employer	\$ 2,499,120	\$ 2,499,120	\$ 2,499,120
Employee	187,900	187,900	190,554
Pensioner	<u>243,900</u>	<u>257,674</u>	<u>249,680</u>
Total Operating Revenues	<u>2,930,920</u>	<u>2,944,694</u>	<u>2,939,354</u>
OPERATING EXPENSES			
Insurance and claims			
Personnel services	15,000	20,700	18,087
Claims	1,000	1,000	10
Contractual services	2,899,910	2,765,302	2,703,623
Less reimbursements	<u>-</u>	<u>-</u>	<u>(1,662)</u>
Total Operating Expenses	<u>2,915,910</u>	<u>2,787,002</u>	<u>2,720,058</u>
Operating Income	<u>15,010</u>	<u>157,692</u>	<u>219,296</u>
NON-OPERATING REVENUES			
Investment income	<u>4,000</u>	<u>14,160</u>	<u>15,704</u>
Total Non-Operating Revenues	<u>4,000</u>	<u>14,160</u>	<u>15,704</u>
Change in net position	\$ <u>19,010</u>	\$ <u>171,852</u>	235,000
NET POSITION - Beginning of Year			<u>1,387,983</u>
NET POSITION - END OF YEAR			\$ <u><u>1,622,983</u></u>

VILLAGE OF LAKE ZURICH

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET AND ACTUAL RISK MANAGEMENT For the Year Ended December 31, 2019

	Budgeted Amounts		
	Original	Final	Actual
OPERATING REVENUES			
Contributions			
Employer	\$ 936,000	\$ 936,000	\$ 936,000
Total Operating Revenues	936,000	936,000	936,000
OPERATING EXPENSES			
Insurance and claims			
Personnel services	110,296	194,334	202,339
Contractual services	957,000	924,035	865,324
Less reimbursements	(40,000)	(134,853)	(133,834)
Total Operating Expenses	1,027,296	983,516	933,829
Operating Income	(91,296)	(47,516)	2,171
NON-OPERATING REVENUES			
Investment income	6,000	12,708	14,198
Miscellaneous revenues	-	-	787
Total Non-Operating Revenues	6,000	12,708	14,985
Change in net position	\$ (85,296)	\$ (34,808)	17,156
NET POSITION - Beginning of Year			1,593,937
NET POSITION - END OF YEAR			\$ 1,611,093

VILLAGE OF LAKE ZURICH

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET AND ACTUAL EQUIPMENT REPLACEMENT For the Year Ended December 31, 2019

	Budgeted Amounts		
	Original	Final	Actual
OPERATING REVENUES			
Contributions			
Employer	\$ <u>1,487,240</u>	\$ <u>1,471,940</u>	\$ <u>1,471,940</u>
Total Operating Revenues	<u>1,487,240</u>	<u>1,471,940</u>	<u>1,471,940</u>
OPERATING EXPENSES			
Operations			
Vehicles	879,000	892,335	874,125
Equipment	383,000	427,282	365,690
Depreciation	<u>342,000</u>	<u>397,000</u>	<u>325,793</u>
Total Operating Expenses	<u>1,604,000</u>	<u>1,716,617</u>	<u>1,565,608</u>
Operating Loss	<u>(116,760)</u>	<u>(244,677)</u>	<u>(93,668)</u>
NON-OPERATING REVENUES			
Investment income	14,400	30,137	33,766
Miscellaneous revenues	<u>-</u>	<u>1,956</u>	<u>1,956</u>
Total Non-Operating Revenues	<u>14,400</u>	<u>32,093</u>	<u>35,722</u>
Net Loss Before Transfers	<u>(102,360)</u>	<u>(212,584)</u>	<u>(57,946)</u>
TRANSFERS			
Transfers in	<u>200,000</u>	<u>350,000</u>	<u>350,000</u>
Net Transfers	<u>200,000</u>	<u>350,000</u>	<u>350,000</u>
Change in net position - Budgetary Basis	\$ <u><u>97,640</u></u>	\$ <u><u>137,416</u></u>	292,054
Adjustments to GAAP Basis			
Capital assets capitalized			<u>1,151,196</u>
Change in net position - GAAP basis			1,443,250
NET POSITION - Beginning of Year			<u>4,086,693</u>
NET POSITION - END OF YEAR			\$ <u><u>5,529,943</u></u>

VILLAGE OF LAKE ZURICH

COMBINING STATEMENT OF FIDUCIARY NET POSITION PENSION TRUST FUNDS As of December 31, 2019

	Police Pension	Firefighters' Pension	Totals
ASSETS			
Cash and investments	\$ 10,000	\$ 4,547	\$ 14,547
Investments			
U.S. treasuries	835,047	1,123,750	1,958,797
U.S. agencies	6,539,650	9,203,136	15,742,786
Mutual funds	16,285,470	25,522,969	41,808,439
Corporate bonds	1,385,254	3,258,567	4,643,821
State and local obligations	1,261,088	1,614,650	2,875,738
Money markets	39,120	142,578	181,698
Certificates of deposit	-	49,999	49,999
Insurance contracts	-	495,990	495,990
Receivables			
Accrued interest	62,503	112,244	174,747
Prepaid items	<u>2,646</u>	<u>2,558</u>	<u>5,204</u>
Total Assets	<u>26,420,778</u>	<u>41,530,988</u>	<u>67,951,766</u>
LIABILITIES			
Accounts payable	<u>13,387</u>	<u>23,239</u>	<u>36,626</u>
Total Liabilities	<u>13,387</u>	<u>23,239</u>	<u>36,626</u>
NET POSITION			
Restricted for retirement benefits	<u>\$ 26,407,391</u>	<u>\$ 41,507,749</u>	<u>\$ 67,915,140</u>

VILLAGE OF LAKE ZURICH

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION PENSION TRUST FUNDS For the Year Ended December 31, 2019

	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Employer	\$ 1,801,045	\$ 2,290,246	\$ 4,091,291
Employee	<u>322,606</u>	<u>498,580</u>	<u>821,186</u>
Total Contributions	<u>2,123,651</u>	<u>2,788,826</u>	<u>4,912,477</u>
Investment income			
Net appreciation (depreciation) in fair value of investments	3,528,877	5,418,149	8,947,026
Interest on investments	<u>709,071</u>	<u>1,206,970</u>	<u>1,916,041</u>
Total Investment Income	<u>4,237,948</u>	<u>6,625,119</u>	<u>10,863,067</u>
Less Investment expense	<u>49,648</u>	<u>77,357</u>	<u>127,005</u>
Net Investment Income	<u>4,188,300</u>	<u>6,547,762</u>	<u>10,736,062</u>
Total Additions	<u>6,311,951</u>	<u>9,336,588</u>	<u>15,648,539</u>
DEDUCTIONS			
Pension payments and refunds	1,844,333	1,967,506	3,811,839
Administration	<u>31,098</u>	<u>45,936</u>	<u>77,034</u>
Total Deductions	<u>1,875,431</u>	<u>2,013,442</u>	<u>3,888,873</u>
Change in Net Position	4,436,520	7,323,146	11,759,666
NET POSITION - Beginning of Year	<u>21,970,871</u>	<u>34,184,603</u>	<u>56,155,474</u>
NET POSITION, END OF YEAR	<u>\$ 26,407,391</u>	<u>\$ 41,507,749</u>	<u>\$ 67,915,140</u>

VILLAGE OF LAKE ZURICH

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES AGENCY FUNDS

For the Year Ended December 31, 2019

	Balance December 31, 2018	Additions	Deletions	Balance December 31, 2019
Total All Agency Funds				
Assets				
Cash and cash equivalents	\$ 1,822,998	\$ 1,404,482	\$ 1,552,377	\$ 1,675,103
Receivables				
Other	60,582	93,968	80,252	74,298
Due from other funds	20,117	42,694	44,580	18,231
Total assets	<u>\$ 1,903,697</u>	<u>\$ 1,541,144</u>	<u>\$ 1,677,209</u>	<u>\$ 1,767,632</u>
Liabilities				
Accounts payable	\$ 633,341	\$ 679,223	\$ 722,106	\$ 590,458
Due to other funds	157,437	-	151,800	5,637
Deposits payable	1,112,919	468,771	410,153	1,171,537
Total liabilities	<u>\$ 1,903,697</u>	<u>\$ 1,147,994</u>	<u>\$ 1,284,059</u>	<u>\$ 1,767,632</u>
1. Escrow Performance				
Assets				
Cash and cash equivalents	\$ 1,192,817	\$ 1,345,622	\$ 1,443,584	\$ 1,094,855
Receivables				
Other	53,258	93,968	78,491	68,735
Due from other funds	20,117	42,694	44,580	18,231
Total assets	<u>\$ 1,266,192</u>	<u>\$ 1,482,284</u>	<u>\$ 1,566,655</u>	<u>\$ 1,181,821</u>
Liabilities				
Accounts payable	\$ 3,273	\$ 639,196	\$ 632,185	\$ 10,284
Due to other funds	150,000	-	150,000	-
Deposits payable	1,112,919	468,771	410,153	1,171,537
Total liabilities	<u>\$ 1,266,192</u>	<u>\$ 1,107,967</u>	<u>\$ 1,192,338</u>	<u>\$ 1,181,821</u>
2. Special Service Areas				
Assets				
Cash and cash equivalents	\$ 630,181	\$ 58,860	\$ 108,793	\$ 580,248
Receivables				
Other	7,324	-	1,761	5,563
Total assets	<u>\$ 637,505</u>	<u>\$ 58,860</u>	<u>\$ 110,554</u>	<u>\$ 585,811</u>
Liabilities				
Accounts payable	\$ 630,068	\$ 40,027	\$ 89,921	\$ 580,174
Due to other funds	7,437	-	1,800	5,637
Total liabilities	<u>\$ 637,505</u>	<u>\$ 40,027</u>	<u>\$ 91,721</u>	<u>\$ 585,811</u>

LONG-TERM DEBT REQUIREMENTS

VILLAGE OF LAKE ZURICH

LONG-TERM DEBT REQUIREMENTS GENERAL OBLIGATION REFUNDING BONDS SERIES OF 2008A As of December 31, 2019

Date of Issue	August 1, 2008
Date of Maturity	January 1, 2020
Authorized Issue	\$4,265,000
Denomination of Bonds	\$5,000
Interest Rates	3.5% to 5.0%
Principal Maturity Date	January 1

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Total	January 1	Amount	July 1	Amount
2019	\$ 505,000	\$ 10,100	\$ 515,100	2020	\$ 10,100		\$ -
	\$ 505,000	\$ 10,100	\$ 515,100		\$ 10,100		\$ -

VILLAGE OF LAKE ZURICH

LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION TIF ALTERNATE REVENUE BONDS SERIES OF 2009A
As of December 31, 2019

Date of Issue April 1, 2009
Date of Maturity February 1, 2020
Authorized Issue \$7,830,000
Denomination of Bonds \$5,000
Interest Rates 3.30% to 6.15%
Principal Maturity Date February 1

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Total	February 1	Amount	August 1	Amount
2019	\$ 405,000	\$ 10,226	\$ 415,226	2020	\$ 10,226	2020	\$ -
	<u>\$ 405,000</u>	<u>\$ 10,226</u>	<u>\$ 415,226</u>		<u>\$ 10,226</u>		<u>\$ -</u>

VILLAGE OF LAKE ZURICH

LONG-TERM DEBT REQUIREMENTS GENERAL OBLIGATION BONDS (ALTERNATIVE REVENUE SOURCE) SERIES OF 2014A As of December 31, 2019

Date of Issue September 8, 2014
 Date of Maturity December 15, 2024
 Authorized Issue \$6,325,000
 Interest Rates 2% to 3 %
 Principal Maturity Date December 15

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Total	June 15	Amount	December 15	Amount
2019	\$ 685,000	\$ 111,600	\$ 796,600	2020	\$ 55,800	2020	\$ 55,800
2020	725,000	91,050	816,050	2021	45,525	2021	45,525
2021	745,000	69,300	814,300	2022	34,650	2022	34,650
2022	760,000	46,950	806,950	2023	23,475	2023	23,475
2023	805,000	24,150	829,150	2024	12,075	2024	12,075
	<u>\$ 3,720,000</u>	<u>\$ 343,050</u>	<u>\$ 4,063,050</u>		<u>\$ 171,525</u>		<u>\$ 171,525</u>

VILLAGE OF LAKE ZURICH

LONG-TERM DEBT REQUIREMENTS GENERAL OBLIGATION REFUNDING BONDS (ALTERNATE REVENUE SOURCE) SERIES OF 2015A As of December 31, 2019

Date of Issue April 23, 2015
 Date of Maturity December 15, 2034
 Authorized Issue \$11,775,000
 Interest Rates 3.25% to 3.75%
 Principal Maturity Date December 15

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Total	June 15	Amount	December 15	Amount
2019	\$ -	\$ 413,685	\$ 413,685	2020	\$ 206,842	2020	\$ 206,843
2020	-	413,685	413,685	2021	206,842	2021	206,843
2021	-	413,685	413,685	2022	206,842	2022	206,843
2022	-	413,685	413,685	2023	206,842	2023	206,843
2023	-	413,685	413,685	2024	206,842	2024	206,843
2024	810,000	413,685	1,223,685	2025	206,842	2025	206,843
2025	840,000	387,360	1,227,360	2026	193,680	2026	193,680
2026	875,000	360,060	1,235,060	2027	180,030	2027	180,030
2027	915,000	331,622	1,246,622	2028	165,811	2028	165,811
2028	955,000	301,428	1,256,428	2029	150,714	2029	150,714
2029	1,370,000	268,956	1,638,956	2030	134,478	2030	134,478
2030	1,415,000	221,008	1,636,008	2031	110,504	2031	110,504
2031	1,480,000	170,066	1,650,066	2032	85,033	2032	85,033
2032	1,530,000	116,048	1,646,048	2033	58,024	2033	58,024
2033	1,585,000	59,438	1,644,438	2034	29,719	2034	29,719
	<u>\$ 11,775,000</u>	<u>\$ 4,698,096</u>	<u>\$ 16,473,096</u>		<u>\$ 2,349,045</u>		<u>\$ 2,349,051</u>

VILLAGE OF LAKE ZURICH

LONG-TERM DEBT REQUIREMENTS GENERAL OBLIGATION WATERWORKS AND SEWERAGE BONDS (ALTERNATE REVENUE SOURCE) SERIES OF 2013A December 31, 2019

Date of Issue	September 4, 2013
Date of Maturity	December 15, 2023
Authorized Issue	\$3,800,000
Denomination of Bonds	\$5,000
Interest Rates	3.00% to 4.00%
Principal Maturity Date	December 15

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Total	June 15	Amount	December 15	Amount
2019	\$ 450,000	\$ 64,825	\$ 514,825	2020	\$ 32,412	2020	\$ 32,413
2020	450,000	49,075	499,075	2021	24,537	2021	24,538
2021	405,000	32,200	437,200	2022	16,100	2022	16,100
2022	400,000	16,000	416,000	2023	8,000	2023	8,000
	<u>\$ 1,705,000</u>	<u>\$ 162,100</u>	<u>\$ 1,867,100</u>		<u>\$ 81,049</u>		<u>\$ 81,051</u>

VILLAGE OF LAKE ZURICH

LONG-TERM DEBT REQUIREMENTS

IEPA LOAN OF 2006

As of December 31, 2019

Date of Issue	October 15, 2005
Date of Maturity	December 16, 2026
Authorized Issue	\$2,000,000
Interest Rates	2.50%
Principal Maturity Date	June 16 and December 16
Payable at	Illinois Environmental Protection Agency

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Total	June 16	Amount	December 16	Amount
2019	\$ 110,393	\$ 19,822	\$ 130,215	2020	\$ 10,254	2020	\$ 9,568
2020	113,170	17,045	130,215	2021	8,874	2021	8,171
2021	116,017	14,197	130,214	2022	7,459	2022	6,738
2022	118,935	11,279	130,214	2023	6,009	2023	5,270
2023	121,927	8,287	130,214	2024	4,522	2024	3,765
2024	124,994	5,220	130,214	2025	2,998	2025	2,222
2025	114,854	2,076	116,930	2026	1,436	2026	640
	<u>\$ 820,290</u>	<u>\$ 77,926</u>	<u>\$ 898,216</u>		<u>\$ 41,552</u>		<u>\$ 36,374</u>

VILLAGE OF LAKE ZURICH

LONG-TERM DEBT REQUIREMENTS IEPA LOAN OF 2008 As of December 31, 2019

Date of Issue September 27, 2007
 Date of Maturity August 11, 2028
 Authorized Issue \$1,673,182
 Interest Rates 1.25%
 Principal Maturity Date August 11 and February 11
 Payable at Illinois Environmental Protection Agency

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Total	February 11	Amount	August 11	Amount
2019	\$ 91,083	\$ 22,116	\$ 113,199	2020	\$ 11,341	2020	\$ 10,775
2020	93,375	19,824	113,199	2021	10,202	2021	9,622
2021	95,724	17,476	113,200	2022	9,035	2022	8,441
2022	98,132	15,068	113,200	2023	7,839	2023	7,229
2023	100,600	12,599	113,199	2024	6,612	2024	5,987
2024	103,131	10,068	113,199	2025	5,354	2025	4,714
2025	105,725	7,474	113,199	2026	4,065	2026	3,409
2026	108,385	4,814	113,199	2027	2,744	2027	2,070
2027	111,112	2,088	113,200	2028	1,389	2028	699
	<u>\$ 907,267</u>	<u>\$ 111,527</u>	<u>\$ 1,018,794</u>		<u>\$ 58,581</u>		<u>\$ 52,946</u>

VILLAGE OF LAKE ZURICH

LONG-TERM DEBT REQUIREMENTS GENERAL OBLIGATION REFUNDING BONDS (ALTERNATE REVENUE SOURCE) SERIES OF 2016A As of December 31, 2019

Date of Issue	May 16, 2016
Date of Maturity	February 1, 2029
Authorized Issue	\$6,785,000
Interest Rates	1.10% to 3.05%
Principal Maturity Date	February 1 and August 1

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Total	February 1	Amount	August 1	Amount
2019	\$ 120,000	\$ 164,493	\$ 284,493	2020	\$ 82,726	2020	\$ 81,767
2020	635,000	157,976	792,976	2021	81,766	2021	76,210
2021	655,000	145,706	800,706	2022	76,210	2022	69,496
2022	680,000	131,343	811,343	2023	69,496	2023	61,847
2023	695,000	115,353	810,353	2024	61,846	2024	53,507
2024	715,000	97,717	812,717	2025	53,506	2025	44,211
2025	725,000	78,453	803,453	2026	44,211	2026	34,242
2026	750,000	57,797	807,797	2027	34,242	2027	23,555
2027	775,000	35,679	810,679	2028	23,555	2028	12,124
2028	795,000	12,124	807,124	2029	12,124	2029	-
	<u>\$ 6,545,000</u>	<u>\$ 996,641</u>	<u>\$ 7,541,641</u>		<u>\$ 539,682</u>		<u>\$ 456,959</u>

VILLAGE OF LAKE ZURICH

LONG-TERM DEBT REQUIREMENTS GENERAL OBLIGATION WATERWORKS AND SEWERAGE BONDS (ALTERNATE REVENUE SOURCE) SERIES OF 2016B As of December 31, 2019

Date of Issue	August 1, 2016
Date of Maturity	December 15, 2026
Authorized Issue	\$1,000,000
Denomination of Bonds	\$5,000
Interest Rates	2%
Principal Maturity Date	December 15

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Total	June 15	Amount	December 15	Amount
2019	\$ 100,000	\$ 14,400	\$ 114,400	2020	\$ 7,200	2020	\$ 7,200
2020	100,000	12,400	112,400	2021	6,200	2021	6,200
2021	100,000	10,400	110,400	2022	5,200	2022	5,200
2022	100,000	8,400	108,400	2023	4,200	2023	4,200
2023	105,000	6,400	111,400	2024	3,200	2024	3,200
2024	105,000	4,300	109,300	2025	2,150	2025	2,150
2025	110,000	2,200	112,200	2026	1,100	2026	1,100
	<u>\$ 720,000</u>	<u>\$ 58,500</u>	<u>\$ 778,500</u>		<u>\$ 29,250</u>		<u>\$ 29,250</u>

Statistical Section

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

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.	128 - 138
Revenue Capacity These schedules contain information to help the reader assess the Village's most significant local revenue source, the sales tax.	139 - 142
Debt Capacity These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future.	143 - 147
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within the Village's financial activities take place.	148 - 149
Operating Information These schedules contain service and infrastructure data to help the reader understand how the Village's financial report relates to the services the Village provides and the activities it performs.	150 - 153

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

VILLAGE OF LAKE ZURICH

NET POSITION BY COMPONENT Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>April 30, 2011</u>	<u>April 30, 2012</u>	<u>April 30, 2013</u>	<u>April 30, 2014</u>
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	\$ 80,013,336	\$ 76,652,153	\$ 76,983,201	\$ 79,846,136
Restricted	322,374	17,592,724	18,839,037	10,192,895
Unrestricted	<u>(16,028,682)</u>	<u>(24,640,955)</u>	<u>(22,946,143)</u>	<u>(22,692,562)</u>
TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 64,307,028</u>	<u>\$ 69,603,922</u>	<u>\$ 72,876,095</u>	<u>\$ 67,346,469</u>
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	\$ 40,968,949	\$ 41,753,593	\$ 41,029,978	\$ 41,321,810
Unrestricted	<u>1,261,950</u>	<u>593,365</u>	<u>1,228,483</u>	<u>1,406,104</u>
TOTAL BUSINESS-TYPE ACTIVITIES	<u>\$ 42,230,899</u>	<u>\$ 42,346,958</u>	<u>\$ 42,258,461</u>	<u>\$ 42,727,914</u>
PRIMARY GOVERNMENT				
Net investment in capital assets	\$ 120,982,285	\$ 118,405,746	\$ 118,013,179	\$ 121,167,946
Restricted	3,222,374	17,592,724	18,839,037	10,192,895
Unrestricted	<u>(14,766,732)</u>	<u>(24,047,590)</u>	<u>(21,717,660)</u>	<u>(21,286,458)</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 109,437,927</u>	<u>\$ 111,950,880</u>	<u>\$ 115,134,556</u>	<u>\$ 110,074,383</u>

* The Village implemented GASB Statement No.68 in 2016, causing a reduction in unrestricted net position.

** The Village changed its fiscal year end from April 30 to December 31 for the period December 31, 2016.

Data Source

Audited Financial Statements

<u>April 30, 2015</u>	<u>April 30, 2016*</u>	<u>December 31, 2016**</u>	<u>December 31, 2017</u>	<u>December 31, 2018</u>	<u>December 31, 2019</u>
\$ 80,503,360	\$ 82,125,245	\$ 82,623,774	\$ 83,071,165	\$ 83,682,136	\$ 88,305,543
10,960,283	10,779,838	12,026,955	11,260,966	10,713,751	11,057,528
<u>(21,489,679)</u>	<u>(58,319,684)</u>	<u>(56,718,186)</u>	<u>(54,079,782)</u>	<u>(54,801,370)</u>	<u>(56,147,503)</u>
<u>\$ 69,973,964</u>	<u>\$ 34,585,399</u>	<u>\$ 37,932,543</u>	<u>\$ 40,252,349</u>	<u>\$ 39,594,517</u>	<u>\$ 43,215,568</u>
\$ 39,678,649	\$ 39,130,472	\$ 39,849,034	\$ 38,774,738	\$ 36,769,636	\$ 37,783,758
<u>3,440,249</u>	<u>4,078,672</u>	<u>3,147,564</u>	<u>4,700,206</u>	<u>4,885,210</u>	<u>5,881,004</u>
<u>\$ 43,118,898</u>	<u>\$ 43,209,144</u>	<u>\$ 42,996,598</u>	<u>\$ 43,474,944</u>	<u>\$ 41,654,846</u>	<u>\$ 43,664,762</u>
\$ 120,182,009	\$ 121,255,717	\$ 122,472,808	\$ 121,845,903	\$ 120,451,772	\$ 126,089,301
10,960,283	10,779,838	12,026,955	11,260,966	10,713,751	11,057,528
<u>(18,049,430)</u>	<u>(54,241,012)</u>	<u>(53,570,622)</u>	<u>(49,379,576)</u>	<u>(49,916,160)</u>	<u>(50,266,499)</u>
<u>\$ 113,092,862</u>	<u>\$ 77,794,543</u>	<u>\$ 80,929,141</u>	<u>\$ 83,727,293</u>	<u>\$ 81,249,363</u>	<u>\$ 86,880,330</u>

VILLAGE OF LAKE ZURICH

CHANGE IN NET POSITION Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>April 30, 2011</u>	<u>April 30, 2012</u>	<u>April 30, 2013</u>	<u>April 30, 2014</u>
EXPENSES				
Governmental Activities				
General government	\$ 3,396,022	\$ 3,074,208	\$ 3,140,972	\$ 1,613,068
Public safety	16,529,348	17,950,169	18,486,450	18,582,961
Highways and streets	4,021,341	4,439,375	4,290,953	4,647,467
Culture and recreation	1,332,039	1,347,279	1,205,021	1,109,942
Economic development	1,098,934	926,436	479,102	940,077
Interest on long-term debt	1,233,206	1,045,608	1,254,435	1,409,508
Total governmental activities expenses	<u>27,610,890</u>	<u>28,783,075</u>	<u>28,856,933</u>	<u>28,303,023</u>
Business-Type Activities				
Waterworks and sewerage	<u>4,753,896</u>	<u>4,673,670</u>	<u>4,986,492</u>	<u>4,871,170</u>
Total Business-type Activities Expenses	<u>4,753,896</u>	<u>4,673,670</u>	<u>4,986,492</u>	<u>4,871,170</u>
TOTAL PRIMARY GOVERNMENT EXPENSES	<u>\$ 32,364,786</u>	<u>\$ 33,456,745</u>	<u>\$ 33,843,425</u>	<u>\$ 33,174,193</u>
PROGRAM REVENUES				
Governmental Activities				
Charges for Services				
General government	\$ 1,967,590	\$ 838,464	\$ 1,965,735	\$ 535,567
Public Safety	5,643,674	6,844,127	7,205,320	7,086,380
Highways and streets	-	439,467	520,172	469,234
Culture and recreation	642,923	676,449	599,609	529,221
Economic development	-	-	-	-
Operating grants	-	835,918	1,165,632	688,520
Capital Grants	<u>1,718,995</u>	<u>537,892</u>	<u>516</u>	<u>-</u>
Total Governmental Activities Program Revenues	<u>9,973,182</u>	<u>10,172,317</u>	<u>11,456,984</u>	<u>9,308,922</u>
Business-Type Activities				
Charges for Services				
Waterworks and sewerage	3,716,174	3,682,437	4,784,199	4,782,300
Capital grants and contributions	<u>-</u>	<u>989,110</u>	<u>110,136</u>	<u>530,814</u>
Total Business-Type Activities Program Revenues	<u>3,716,174</u>	<u>4,671,547</u>	<u>4,894,335</u>	<u>5,313,114</u>
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	<u>\$ 13,689,356</u>	<u>\$ 14,843,864</u>	<u>\$ 16,351,319</u>	<u>\$ 14,622,036</u>
NET REVENUE (EXPENSE)				
Governmental Activities	\$ (17,637,708)	\$ (18,610,758)	\$ (17,399,949)	\$ (18,994,101)
Business-Type Activities	<u>(1,037,722)</u>	<u>(2,123)</u>	<u>(92,157)</u>	<u>441,944</u>
TOTAL PRIMARY GOVERNMENT NET REVENUE (EXPENSE)	<u>\$ (18,675,430)</u>	<u>\$ (18,612,881)</u>	<u>\$ (17,492,106)</u>	<u>\$ (18,552,157)</u>

<u>April 30, 2015</u>	<u>December 31, 2016</u>	<u>December 31, 2016*</u>	<u>December 31, 2017</u>	<u>December 31, 2018</u>	<u>December 31, 2019</u>
\$ 1,802,610	\$ 1,522,322	\$ 772,641	\$ 1,769,844	\$ 2,188,126	\$ 2,003,371
19,438,857	20,687,223	16,155,251	22,066,110	22,341,200	22,631,359
4,969,501	4,855,446	3,518,270	4,522,520	5,281,131	5,281,079
1,143,280	1,147,881	920,054	1,526,825	1,803,515	1,878,294
1,128,755	1,515,262	1,231,598	2,186,755	1,071,579	1,408,997
<u>1,738,490</u>	<u>1,475,911</u>	<u>1,088,971</u>	<u>967,636</u>	<u>1,045,097</u>	<u>1,000,955</u>
<u>30,221,493</u>	<u>31,204,045</u>	<u>23,686,785</u>	<u>33,039,690</u>	<u>33,730,648</u>	<u>34,204,055</u>
<u>4,901,767</u>	<u>4,679,952</u>	<u>3,772,676</u>	<u>5,235,787</u>	<u>7,912,780</u>	<u>5,593,327</u>
<u>4,901,767</u>	<u>4,679,952</u>	<u>3,772,676</u>	<u>5,235,787</u>	<u>7,912,780</u>	<u>5,593,327</u>
<u>\$ 35,123,260</u>	<u>\$ 35,883,997</u>	<u>\$ 27,459,461</u>	<u>\$ 38,275,477</u>	<u>\$ 41,643,428</u>	<u>\$ 39,797,382</u>
\$ 617,962	\$ 651,761	\$ 282,411	\$ 670,333	\$ 952,435	\$ 959,564
7,392,854	7,096,281	5,712,362	8,312,753	8,394,249	9,010,081
186,992	74,080	28,177	63,544	70,908	55,808
613,484	655,848	572,725	817,009	714,275	760,864
35,000	95,579	67,340	94,975	-	-
905,163	594,937	392,568	610,354	564,495	740,143
<u>-</u>	<u>47,133</u>	<u>-</u>	<u>66,442</u>	<u>17,636</u>	<u>19,233</u>
<u>9,751,455</u>	<u>9,215,619</u>	<u>7,055,583</u>	<u>10,635,410</u>	<u>10,713,998</u>	<u>11,545,693</u>
4,949,523	5,382,500	3,545,694	5,672,242	6,191,268	7,431,278
<u>336,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>5,285,523</u>	<u>5,382,500</u>	<u>3,545,694</u>	<u>5,672,242</u>	<u>6,191,268</u>	<u>7,431,278</u>
<u>\$ 15,036,978</u>	<u>\$ 14,598,119</u>	<u>\$ 10,601,277</u>	<u>\$ 16,307,652</u>	<u>\$ 16,905,266</u>	<u>\$ 18,976,971</u>
\$ (20,470,038)	\$ (21,988,426)	\$ (16,631,202)	\$ (22,404,280)	\$ (23,016,650)	\$ (22,658,362)
<u>383,756</u>	<u>702,548</u>	<u>(226,982)</u>	<u>436,455</u>	<u>(1,721,512)</u>	<u>1,837,951</u>
<u>\$ (20,086,282)</u>	<u>\$ (21,285,878)</u>	<u>\$ (16,858,184)</u>	<u>\$ (21,967,825)</u>	<u>\$ (24,738,162)</u>	<u>\$ (20,820,411)</u>

VILLAGE OF LAKE ZURICH

CHANGE IN NET POSITION Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>April 30, 2011</u>	<u>April 30, 2012</u>	<u>April 30, 2013</u>	<u>April 30, 2014</u>
GENERAL REVENUES AND OTHER				
CHANGES IN NET POSITION				
Governmental Activities				
Taxes				
Property	\$ 8,841,223	\$ 9,060,819	\$ 9,096,330	\$ 9,342,465
Intergovernmental				
Sales	5,793,566	7,375,471	7,940,113	8,145,378
State income	1,541,627	1,601,915	1,769,156	1,912,965
Other	734,484	2,045,202	1,445,829	1,336,144
Special events	-	-	-	-
Investment Income	48,447	86,173	69,478	17,587
Miscellaneous	785,058	236,987	654,381	247,071
Transfers in (out)	500,000	-	-	(26,291)
Total Governmental Activities	<u>18,244,405</u>	<u>20,406,567</u>	<u>20,975,287</u>	<u>20,975,319</u>
Business-Type Activities				
Property taxes	(11,706)	-	-	-
Investment Income	3,859	10,873	3,660	1,218
Gain on sale of capital assets	-	-	-	-
Miscellaneous	-	-	-	-
Transfers in (out)	(500,000)	-	-	26,291
Total Business-Type Activities	<u>(507,847)</u>	<u>10,873</u>	<u>3,660</u>	<u>27,509</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 17,736,558</u>	<u>\$ 20,417,440</u>	<u>\$ 20,978,947</u>	<u>\$ 21,002,828</u>
SPECIAL ITEM				
Governmental Activities	\$ -	\$ -	\$ -	\$ (7,018,317)
CHANGE IN NET POSITION				
Governmental Activities	\$ 606,697	\$ 1,795,809	\$ 3,575,338	\$ (5,037,099)
Business-Type Activities	(1,545,569)	8,750	(88,497)	469,453
TOTAL PRIMARY GOVERNMENT				
CHANGE IN NET POSITION	<u>\$ (938,872)</u>	<u>\$ 1,804,559</u>	<u>\$ 3,486,841</u>	<u>\$ (4,567,646)</u>

* The Village changed its fiscal year end from April 30 to December 31 for the period December 31, 2016.

Data Source

Audited Financial Statements

<u>April 30, 2015</u>	<u>April 30, 2016</u>	<u>December 31, 2016*</u>	<u>December 31, 2017</u>	<u>December 31, 2018</u>	<u>December 31, 2019</u>
\$ 9,927,632	\$ 10,134,009	\$ 10,413,933	\$ 10,521,260	\$ 10,715,277	\$ 11,006,718
8,640,078	8,767,277	6,093,965	9,143,132	9,235,646	9,230,561
1,922,554	2,092,124	1,192,340	1,803,091	1,879,984	2,089,504
2,296,792	2,748,646	1,838,240	2,752,753	2,942,335	2,993,025
-	108,533	118,252	193,260	140,970	158,575
69,306	76,417	35,346	143,796	353,593	510,432
241,171	241,191	286,270	166,794	269,904	290,598
-	-	-	-	-	-
<u>23,097,533</u>	<u>24,168,197</u>	<u>19,978,346</u>	<u>24,724,086</u>	<u>25,537,709</u>	<u>26,279,413</u>
-	-	-	-	-	-
7,228	12,191	14,436	41,891	122,645	162,361
-	5,044	-	-	-	-
-	-	-	-	19,995	9,604
-	-	-	-	-	-
<u>7,228</u>	<u>17,235</u>	<u>14,436</u>	<u>41,891</u>	<u>142,640</u>	<u>171,965</u>
<u>\$ 23,104,761</u>	<u>\$ 24,185,432</u>	<u>\$ 19,992,782</u>	<u>\$ 24,765,977</u>	<u>\$ 25,680,349</u>	<u>\$ 26,451,378</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 2,627,495	\$ 2,179,771	\$ 3,347,144	\$ 2,319,806	\$ 2,521,059	\$ 3,621,051
390,984	719,783	(212,546)	478,346	(1,578,872)	2,009,916
<u>\$ 3,018,479</u>	<u>\$ 2,899,554</u>	<u>\$ 3,134,598</u>	<u>\$ 2,798,152</u>	<u>\$ 942,187</u>	<u>\$ 5,630,967</u>

VILLAGE OF LAKE ZURICH

FUND BALANCES OF GOVERNMENTAL FUNDS Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>April 30, 2011</u>	<u>April 30, 2012</u>	<u>April 30, 2013</u>	<u>April 30, 2014</u>
GENERAL FUND				
Reserved	\$ 1,137,365	\$ -	\$ -	\$ -
Unreserved	4,024,311	-	-	-
Nonspendable	-	-	1,888,744	1,552,148
Restricted	-	339,445	328,685	348,816
Unrestricted	-	5,382,483	7,368,345	7,667,560
TOTAL GENERAL FUND	\$ 5,161,676	\$ 5,721,928	\$ 9,585,774	\$ 9,568,524
ALL OTHER GOVERNMENTAL FUNDS				
Reserved	\$ 15,710,939	\$ -	\$ -	\$ -
Unreserved, reported in				
Special Revenue Funds	259,001	-	-	-
Capital Project Funds	1,490,591	-	-	-
Nonspendable	-	-	-	2,187
Restricted	-	17,631,245	18,510,352	9,844,079
Assigned	-	-	-	-
Unrestricted	-	(381,557)	-	-
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 17,460,531	\$ 17,249,688	\$ 18,510,352	\$ 9,846,266

* The Village changed its fiscal year end from April 30 to December 31 for the period December 31, 2016.

Note: The Village implemented GASB Statement No. 54 for the year ended April 30, 2012.

Data Source

Audited Financial Statements

<u>April 30, 2015</u>	<u>April 30, 2016</u>	<u>December 31, 2016*</u>	<u>December 31, 2017</u>	<u>December 31, 2018</u>	<u>December 31, 2019</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
1,874,738	1,802,987	1,679,491	1,705,230	1,572,766	1,607,125
434,061	363,308	344,337	411,917	406,251	185,151
<u>7,329,746</u>	<u>7,931,993</u>	<u>8,439,557</u>	<u>8,441,987</u>	<u>8,755,112</u>	<u>9,582,847</u>
<u>\$ 9,638,545</u>	<u>\$ 10,098,288</u>	<u>\$ 10,463,385</u>	<u>\$ 10,559,134</u>	<u>\$ 10,734,129</u>	<u>\$ 11,375,123</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
4,013	30,581	6,597	14,197	18,834	7,323
10,526,222	10,416,530	11,682,618	10,849,049	10,307,500	10,872,377
258,605	170,808	120,860	1,269,808	2,710,282	2,986,339
<u>(1,336,239)</u>	<u>(1,494,225)</u>	<u>(1,291,801)</u>	<u>(1,143,367)</u>	<u>(1,133,627)</u>	<u>(963,168)</u>
<u>\$ 9,452,601</u>	<u>\$ 9,123,694</u>	<u>\$ 10,518,274</u>	<u>\$ 10,989,687</u>	<u>\$ 11,902,989</u>	<u>\$ 12,902,871</u>

VILLAGE OF LAKE ZURICH

GENERAL GOVERNMENTAL REVENUES BY SOURCE Last Ten Fiscal Years

Fiscal Year	April 30, 2011	April 30, 2012	April 30, 2013	April 30, 2014	April 30, 2015	April 30, 2016	December 31, 2016*	December 31, 2017	December 31, 2018	December 31, 2019
Taxes	\$ 10,667,029	\$ 12,020,367	\$ 12,249,275	\$ 12,462,615	\$ 14,047,185	\$ 14,575,401	\$ 13,415,421	\$ 14,897,858	\$ 15,224,671	\$ 15,482,507
Licenses and permits	830,107	598,732	669,712	821,173	1,030,867	861,876	342,861	783,630	720,053	758,237
Intergovernmental	8,771,807	9,445,800	10,972,018	14,288,150	15,103,784	15,254,299	11,034,163	15,758,848	15,743,850	16,728,376
Charges for services	5,804,830	6,170,629	6,491,618	1,395,081	1,587,616	1,681,998	1,324,421	1,861,081	2,968,092	3,071,639
Fines and forfeitures	810,309	762,168	753,126	812,169	785,685	593,134	420,251	1,504,158	601,130	591,896
Special Events	-	-	-	-	-	108,533	118,247	193,667	140,970	158,575
Investment income	48,447	86,174	69,478	17,587	69,306	76,417	35,346	143,796	294,585	446,764
Miscellaneous	<u>785,058</u>	<u>1,045,451</u>	<u>1,227,043</u>	<u>513,757</u>	<u>224,545</u>	<u>189,008</u>	<u>343,219</u>	<u>216,458</u>	<u>232,302</u>	<u>372,740</u>
Total revenues	<u>\$ 27,717,587</u>	<u>\$ 30,129,321</u>	<u>\$ 32,432,270</u>	<u>\$ 30,310,532</u>	<u>\$ 32,848,988</u>	<u>\$ 33,340,666</u>	<u>\$ 27,033,929</u>	<u>\$ 35,359,496</u>	<u>\$ 35,925,653</u>	<u>\$ 37,610,734</u>

* The Village changed its fiscal year end from April 30 to December 31 for the period December 31, 2016.

Note: Includes all governmental funds.

Data Source

Audited Financial Statements

VILLAGE OF LAKE ZURICH

GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION Last Ten Fiscal Years

Fiscal Year	April 30, 2011	April 30, 2012	April 30, 2013	April 30, 2014	April 30, 2015	April 30, 2016	December 31, 2016*	December 31, 2017	December 31, 2018	December 31, 2019
General government	\$ 2,939,988	\$ 3,022,604	\$ 3,012,651	\$ 2,028,374	\$ 2,576,664	\$ 2,478,464	\$ 1,810,269	\$ 1,782,457	\$ 1,805,792	\$ 1,851,711
Public Safety	15,670,720	17,188,744	18,380,336	18,557,096	19,097,605	20,087,385	15,540,578	21,304,838	21,412,327	21,959,433
Highways and streets	2,778,043	2,886,662	3,837,520	4,328,310	4,668,487	4,986,161	3,790,189	4,341,341	5,068,175	5,575,873
Culture and recreation	1,115,371	1,086,760	952,048	879,566	885,710	888,270	717,928	1,310,582	1,427,470	1,630,883
Economic development	1,098,934	925,553	478,179	938,891	1,128,464	1,507,657	1,227,799	2,188,022	1,292,899	1,441,722
Capital Outlay	865,580	1,501,194	1,239,971	1,450,335	1,401,055	645,296	290,463	300,552	946,789	780,102
Debt Service										
Principal	905,000	520,000	1,105,000	2,162,000	2,790,000	1,460,000	1,701,000	1,320,000	1,535,000	1,625,000
Interest	<u>1,172,426</u>	<u>919,876</u>	<u>1,028,952</u>	<u>1,331,090</u>	<u>1,585,100</u>	<u>1,205,295</u>	<u>891,844</u>	<u>915,439</u>	<u>846,844</u>	<u>799,094</u>
Total expenditures	<u>\$ 26,546,062</u>	<u>\$ 28,051,393</u>	<u>\$ 30,034,657</u>	<u>\$ 31,675,662</u>	<u>\$ 34,133,085</u>	<u>\$ 33,258,528</u>	<u>\$ 25,970,070</u>	<u>\$ 33,463,231</u>	<u>\$ 34,335,296</u>	<u>\$ 35,663,818</u>

* The Village changed its fiscal year end from April 30 to December 31 for the period December 31, 2016.

Note: Includes all governmental funds.

Data Source

Audited Financial Statements

VILLAGE OF LAKE ZURICH

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>April 30, 2011</u>	<u>April 30, 2012</u>	<u>April 30, 2013</u>	<u>April 30, 2014</u>
REVENUES				
Taxes	\$ 10,667,029	\$ 12,020,367	\$ 12,249,275	\$ 12,462,615
Licenses and permits	830,107	598,732	669,712	821,173
Intergovernmental	8,771,807	9,445,800	10,972,018	14,288,150
Charges for services	5,804,830	6,170,629	6,491,618	1,395,081
Fines and forfeitures	810,309	762,168	753,126	812,169
Special Events	-	-	-	-
Investment income	48,447	86,174	69,478	17,587
Miscellaneous	785,058	1,045,451	1,227,043	513,757
Total revenues	<u>27,717,587</u>	<u>30,129,321</u>	<u>32,432,270</u>	<u>30,310,532</u>
EXPENDITURES				
General government	2,939,988	3,022,604	3,012,651	2,028,374
Public Safety	15,670,720	17,188,744	18,380,336	18,557,096
Highways and streets	2,778,043	2,886,662	3,837,520	4,328,310
Culture and recreation	1,115,371	1,086,760	952,048	879,566
Economic development	1,098,934	925,553	478,179	938,891
Capital Outlay	865,580	1,501,194	1,239,971	1,450,335
Debt Service				
Principal	905,000	520,000	1,105,000	2,162,000
Interest	1,172,426	919,876	1,028,952	1,331,090
Total expenditures	<u>26,546,062</u>	<u>28,051,393</u>	<u>30,034,657</u>	<u>31,675,662</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>1,171,525</u>	<u>2,077,928</u>	<u>2,397,613</u>	<u>(1,365,130)</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from bond issuance, at par	4,445,000	-	2,650,000	537,000
Premium on bonds issued	-	-	588,025	-
Payments to escrow agent	(3,875,000)	-	(2,674,286)	-
Proceeds from capital lease obligation	-	-	251,892	-
Proceeds from sale of capital assets	-	-	-	-
Loss on disposal of land held for resale	-	-	-	-
Transfers in	1,505,934	1,713,738	1,519,953	2,376,589
Transfers (out)	(1,005,934)	(1,713,738)	(1,519,953)	(2,725,982)
Total Other Financing Sources (Uses)	<u>1,070,000</u>	<u>-</u>	<u>815,631</u>	<u>187,607</u>
NET CHANGE IN FUND BALANCES	<u>\$ 2,241,525</u>	<u>\$ 2,077,928</u>	<u>\$ 3,213,244</u>	<u>\$ (1,177,523)</u>
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	8.14%	5.30%	7.42%	12.08%

* The Village changed its fiscal year end from April 30 to December 31 for the period December 31, 2016.

Data Source

Audited Financial Statements

<u>April 30, 2015</u>	<u>April 30, 2016</u>	<u>December 31, 2016*</u>	<u>December 31, 2017</u>	<u>December 31, 2018</u>	<u>December 31, 2019</u>
\$ 14,047,185	\$ 14,575,401	\$ 13,415,421	\$ 14,897,858	\$ 15,224,671	\$ 15,482,507
1,030,867	861,876	342,861	783,630	720,053	758,237
15,103,784	15,254,299	11,034,163	15,758,848	15,743,850	16,728,376
1,587,616	1,681,998	1,324,421	1,861,081	2,968,092	3,071,639
785,685	593,134	420,251	1,504,158	601,130	591,896
-	108,533	118,247	193,667	140,970	158,575
69,306	76,417	35,346	143,796	294,585	446,764
<u>224,545</u>	<u>189,008</u>	<u>343,219</u>	<u>216,458</u>	<u>232,302</u>	<u>372,740</u>
<u>32,848,988</u>	<u>33,340,666</u>	<u>27,033,929</u>	<u>35,359,496</u>	<u>35,925,653</u>	<u>37,610,734</u>
2,576,664	2,478,464	1,810,269	1,782,457	1,805,792	1,851,711
19,097,605	20,087,385	15,540,578	21,304,838	21,412,327	21,959,433
4,668,487	4,986,161	3,790,189	4,341,341	5,068,175	5,575,873
885,710	888,270	717,928	1,310,582	1,427,470	1,630,883
1,128,464	1,507,657	1,227,799	2,188,022	1,292,899	1,441,722
1,401,055	645,296	290,463	300,552	946,789	780,102
2,790,000	1,460,000	1,701,000	1,320,000	1,535,000	1,625,000
<u>1,585,100</u>	<u>1,205,295</u>	<u>891,844</u>	<u>915,439</u>	<u>846,844</u>	<u>799,094</u>
<u>34,133,085</u>	<u>33,258,528</u>	<u>25,970,070</u>	<u>33,463,231</u>	<u>34,335,296</u>	<u>35,663,818</u>
<u>(1,284,097)</u>	<u>82,138</u>	<u>1,063,859</u>	<u>1,896,265</u>	<u>1,590,357</u>	<u>1,946,916</u>
19,155,000	-	7,861,000	-	-	-
397,596	-	-	-	-	-
(18,746,704)	-	(6,890,182)	-	-	-
129,856	-	-	-	-	-
24,705	48,698	35,000	18,533	19,522	43,960
-	-	-	(1,047,636)	-	-
7,075,090	2,751,426	1,876,600	3,757,271	3,674,562	3,883,271
<u>(7,075,090)</u>	<u>(2,751,426)</u>	<u>(2,186,600)</u>	<u>(4,057,271)</u>	<u>(4,196,144)</u>	<u>(4,233,271)</u>
<u>960,453</u>	<u>48,698</u>	<u>695,818</u>	<u>(1,329,103)</u>	<u>(502,060)</u>	<u>(306,040)</u>
<u>\$ (323,644)</u>	<u>\$ 130,836</u>	<u>\$ 1,759,677</u>	<u>\$ 567,162</u>	<u>\$ 1,088,297</u>	<u>\$ 1,640,876</u>
12.10%	8.17%	10.65%	7.04%	7.38%	7.14%

VILLAGE OF LAKE ZURICH

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY Last Ten Levy Years

Levy Year	Residential Property	Commercial Property	Total	Railroad	Total Assessed Value	Total Direct Tax Rate
2009	692,693,597	205,270,180	897,963,777	70,478	898,034,255	0.804
2010	670,744,254	201,024,795	871,769,049	352,395	872,121,444	0.856
2011	632,208,141	207,333,243	839,541,384	321,748	839,863,132	0.907
2012	586,319,303	205,938,281	792,257,584	258,669	792,516,253	0.998
2013	554,924,634	201,393,741	756,318,375	573,654	756,892,029	1.132
2014	553,285,740	215,022,246	768,307,986	671,745	768,979,731	1.143
2015	579,562,017	213,818,454	793,380,471	810,109	794,190,580	1.131
2016	610,424,796	219,836,168	830,260,964	894,933	831,155,897	1.092
2017	630,620,612	230,592,071	861,212,683	739,186	861,951,869	1.079
2018	636,877,562	235,414,565	872,292,127	778,264	873,070,391	1.092

Data Source

Office of the County Clerk

VILLAGE OF LAKE ZURICH

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Levy Years

Tax Levy Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
TAX RATES										
Village of Lake Zurich										
Corporate	0.012	0.260	0.256	0.261	0.247	0.251	0.011	-	-	-
Police protection	0.097	0.078	0.078	0.080	0.084	0.088	0.196	0.191	0.193	0.202
Fire protection	0.088	0.077	0.078	0.080	0.084	0.088	0.196	0.191	0.193	0.202
Ambulance	0.083	0.015	0.016	0.018	0.019	0.020	0.020	0.000	0.000	0.000
Illinois municipal retirement	0.027	0.006	0.023	0.023	0.026	0.026	0.042	0.012	0.006	0.005
Debt service	0.109	0.116	0.124	0.136	0.211	0.211	0.204	0.197	0.192	0.193
Special recreation	0.020	0.021	0.022	0.023	0.024	0.023	0.023	0.022	0.021	0.021
Police pension	0.096	0.142	0.136	0.159	0.185	0.188	0.197	0.215	0.209	0.207
Firefighters' pension	0.104	0.141	0.174	0.218	0.252	0.248	0.241	0.265	0.264	0.263
Federal social security	0.094	-	-	-	-	-	-	-	-	-
Insurance	0.074	-	-	-	-	-	-	-	-	-
Total direct tax rate	0.804	0.856	0.907	0.998	1.132	1.143	1.131	1.092	1.079	1.092
OVERLAPPING RATES										
Lake County	0.464	0.505	0.554	0.608	0.663	0.682	0.663	0.632	0.622	0.612
Lake County Forest Preserve	0.200	0.198	0.201	0.212	0.218	0.210	0.208	0.193	0.187	0.182
Ela Area Library District	0.308	0.329	0.356	0.386	0.409	0.410	0.398	0.381	0.371	0.318
School District #95	3.901	4.136	4.446	4.914	5.242	5.291	5.191	5.021	4.960	5.021
School District #96	2.916	3.086	3.453	3.756	3.976	4.040	3.870	3.690	3.655	3.717
High School District #125	2.185	2.306	2.465	2.751	2.989	3.049	3.004	2.858	2.862	2.888
Community College #532	0.200	0.218	0.240	0.272	0.296	0.306	0.299	0.285	0.281	0.282
Ela Township - Corp. and GA	0.084	0.091	0.099	0.088	0.100	0.100	0.098	0.095	0.093	0.094
Ela Township - road and bridge	0.007	0.008	0.009	0.010	0.011	0.010	0.010	0.010	0.010	0.052
Ela Township - gravel or R.I.	0.036	0.039	0.042	0.030	0.046	0.045	0.045	0.043	0.042	-
Barrington Public Library District	0.161	0.170	0.185	0.213	0.228	0.231	0.225	0.220	0.217	0.218
TOTAL DIRECT AND OVERLAPPING										
TAX RATE	11.266	11.942	12.957	14.238	15.310	15.518	15.144	14.520	14.380	14.476

Data Source

Office of the County Clerk

VILLAGE OF LAKE ZURICH

PRINCIPAL PROPERTY TAXPAYERS Current Year and Nine Years Ago

Taxpayer	2019			2010		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation
Echo Incorporated	\$ 7,769,180	1	0.89%	\$ 4,869,817	5	0.54%
Landings Capital Partners, LLC	6,529,082	2	0.75%	6,219,109	2	0.69%
Suso North Lake LP (North Lake)	5,312,005	3	0.61%	5,669,103	3	0.63%
Deerpath Commons Retail Center	5,216,227	4	0.60%	5,599,440	4	0.62%
Village Square Retail Center LLC	4,626,137	5	0.53%	7,154,907	1	0.80%
Deerpath Court Retail Center LLC	4,293,958	6	0.49%	4,406,687	6	0.49%
Costco	4,166,755	7	0.48%	3,813,546	7	0.42%
Greenhill Company LLC	4,063,226	8	0.47%			
Roundys Supermarkets, Inc	3,511,791	9	0.40%			
Food Equipment Technologies (GPT)	3,384,025	10	0.39%			
Liberty Realty Lake Zurich LLC				3,474,034	8	0.39%
HD Development of Maryland LLC				2,996,648	9	0.33%
Target Corporation				2,857,330	10	0.32%
	<u>\$ 48,872,386</u>		<u>5.60%</u>	<u>\$ 47,060,621</u>		<u>5.24%</u>

Data Source

Office of the County Clerk and Elia Township Assessor

VILLAGE OF LAKE ZURICH

PROPERTY TAX LEVIES AND COLLECTIONS Last Ten Levy Years

Fiscal Year Ended	Tax Levy Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2010	2009	7,220,195	7,214,819	99.93%	\$ 2,602	7,217,421	99.96%
2011	2010	7,465,360	7,445,276	99.73%	3,904	7,449,180	99.78%
2012	2011	7,617,559	7,613,211	99.94%	1,298	7,614,509	99.96%
2013	2012	7,909,312	7,894,694	99.82%	1,243	7,895,936	99.83%
2014	2013	8,637,807	8,623,589	99.84%	2,301	8,625,891	99.86%
2015	2014	8,794,144	\$ 8,780,768	99.85%	8,382	8,789,150	99.94%
2016	2015	9,016,727	\$ 8,967,347	99.45%	-	8,967,347	99.45%
2017	2016	9,124,243	\$ 9,013,937	98.79%	1,325	9,015,262	98.81%
2018	2017	9,301,823	\$ 9,258,837	99.54%	97	9,258,934	99.54%
2019	2018	9,603,574	\$ 9,521,520	99.15%	2,606	9,524,126	99.17%

* To be collected in the subsequent fiscal year in accordance with Illinois Law.

Data Source

Office of the County Clerk

VILLAGE OF LAKE ZURICH

RATIOS OF OUTSTANDING DEBT BY TYPE Last Ten Fiscal Years

Fiscal Year Ended		Governmental Activities				Business-Type Activities			Total Equalized Assessed Value (EAV)
		General Obligation Bonds	General Obligation TIF Alternate Revenue Bonds	TIF Revenue Bonds	Capital Lease Obligation	Waterworks and Sewerage Alt Revenue Bonds	IEPA Loan	Capital Lease Obligation	Total Primary Government
30-Apr	2011	3,815,000	20,265,000	8,165,000	-	2,690,000	3,294,988	-	38,229,988
30-Apr	2012	3,455,000	20,235,000	7,915,000	-	1,665,000	3,132,971	-	36,402,971
30-Apr	2013	3,085,000	20,145,000	7,775,000	313,563	975,000	2,968,015	-	35,261,578
30-Apr	2014	2,700,000	19,405,000	7,275,000	243,559	4,075,000	2,797,744	-	36,496,303
30-Apr	2015	2,305,000	25,865,000	550,000	764,956	3,800,000	2,623,190	-	35,908,146
30-Apr	2016	1,885,000	25,375,000	-	599,590	3,390,000	2,444,244	-	33,693,834
31-Dec	2016	1,885,000	25,545,000	-	551,196	3,990,000	2,302,805	-	34,274,001
31-Dec	2017	1,450,000	24,660,000	-	378,767	3,500,000	2,115,799	3,411,582	35,516,148
31-Dec	2018	990,000	23,585,000	-	252,725	2,970,000	1,924,089	3,358,063	33,079,877
31-Dec	2019	505,000	22,445,000	-	146,878	2,425,000	1,727,557	3,202,216	30,451,651

* See the schedule of Demographic and Economic Information on page 148 for personal income and population data.

Note: Details of the Village's outstanding debt can be found in the notes to financial statements.

Data Source

Audited Financial Statements

VILLAGE OF LAKE ZURICH

RATIOS OF GENERAL BONDED DEBT OUTSTANDING Last Ten Fiscal Years

Fiscal Year Ended		Gross General Obligation Bonds	Less: Amounts Available In Debt Service Fund	Total	Percentage of Equalized Assessed Value
30-Apr	2011	3,815,000	778,594	3,036,406	0.34%
30-Apr	2012	3,455,000	791,581	2,663,419	0.31%
30-Apr	2013	3,085,000	796,995	2,288,005	0.27%
30-Apr	2014	2,700,000	796,996	1,903,004	0.24%
30-Apr	2015	2,305,000	826,062	1,478,938	0.20%
30-Apr	2016	1,885,000	841,020	1,043,980	0.14%
31-Dec	2016	1,885,000	1,326,294	558,706	0.07%
31-Dec	2017	1,450,000	1,336,531	113,469	0.01%
31-Dec	2018	990,000	990,000	-	0.00%
31-Dec	2019	505,000	505,000	-	0.00%

Data Source

Village records

VILLAGE OF LAKE ZURICH

DIRECT AND OVERLAPPING BONDED DEBT - GOVERNMENTAL ACTIVITIES December 31, 2019

Governmental Unit	Gross Debt	(1) Percentage of Debt Applicable to Government	* Village's Share of Debt
Village of Lake Zurich	\$ 23,303,273 (2)	100.00%	\$ 23,303,273
Lake County	157,790,000	3.28%	5,182,437
Lake County Forest Preserve	222,645,000	3.28%	7,312,527
Ela Area Library District	-	N/A	-
School District #95	41,852,093	51.88%	21,713,546
School District #96	-	N/A	-
High School District #125	45,750,000	24.14%	11,044,482
Community College #532	52,995,000	3.45%	1,830,675
	521,032,093		47,083,667
TOTAL DIRECT AND OVERLAPPING DEBT	\$ 544,335,366		\$ 70,386,940

(1) Determined by the ratio of assessed value of property in the Village subject to taxation by the governmental unit to the total assessed value of property of the governmental unit.

(2) Consists of total bonds payable and capital leases for governmental activities.

* Amount of column (2) multiplied by amount in column (1).

Data Source

Lake County Clerk

VILLAGE OF LAKE ZURICH

SCHEDULE OF LEGAL DEBT MARGIN INFORMATION December 31, 2019

EQUALIZED ASSESSED VALUATION - 2018	\$ 873,070,391
Legal debt limit - 8.625% of assessed valuation	\$ 75,302,321
Amount of debt applicable to debt limit:	
General obligation bonds	505,000
LEGAL DEBT MARGIN	\$ 74,797,321

* Most Recent EAV Available

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides, "...no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 8.625% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979.

VILLAGE OF LAKE ZURICH

PLEDGED-REVENUE COVERAGE Last Ten Fiscal Years

Fiscal Year End		SALES TAX		TIF DEBT		Coverage
		Revenues*		Principal	Interest	
30-Apr	2012	\$	5,878,258	\$	30,000	\$ 717,266 787%
30-Apr	2013		6,069,546		90,000	749,724 723%
30-Apr	2014		6,234,680		740,000	871,603 387%
30-Apr	2015		6,658,825		815,000	856,478 398%
30-Apr	2016		6,790,142		490,000	1,057,105 439%
31-Dec	2016		4,691,004		625,000	826,302 323%
31-Dec	2017		7,100,938		885,000	811,427 419%
31-Dec	2018		7,126,460		1,075,000	764,095 387%
31-Dec	2019		7,096,963		1,140,000	733,975 379%

*As defined in applicable bond indentures and governing laws. Amount shown represents Municipal Sales Tax received by the Village. Additional revenues have also been pledged, should sales tax ever fail to be sufficient.

Data Source

Village records

VILLAGE OF LAKE ZURICH

DEMOGRAPHIC AND ECONOMIC INFORMATION Last Ten Fiscal Years

Fiscal Year End		(1) Population	(1) Per Capita Personal Income	(1) Median Age	(2) School Enrollment	(3) Unemployment Rate
30-Apr	2010	20,427	36,682	34.7	6,207	10.3%
30-Apr	2011	19,631	37,547	38.6	6,023	8.5%
30-Apr	2012	19,813	40,641	39.8	5,944	8.8%
30-Apr	2013	19,917	37,008	36.8	5,913	4.4%
30-Apr	2014	20,043	39,128	41.1	5,892	6.7%
30-Apr	2015	19,993	39,271	39.9	5,716	4.5%
30-Apr	2016	19,993	41,168	38.8	5,769	5.5%
31-Dec	2016	19,993	42,397	40.0	5,666	5.3%
31-Dec	2017	19,993	46,202	39.6	5,677	4.9%
31-Dec	2018	19,903	44,486	38.9	5,590	4.2%
31-Dec	2019	20,054	45,895	38.9	5,616	4.2%

Data Source

- (1) Based on U.S. Census Bureau for Lake County, Illinois (Estimates in non-census years)
- (2) Annual School Census by Community Unit School District #95
- (3) Illinois Department of Employment Security

VILLAGE OF LAKE ZURICH

PRINCIPAL EMPLOYERS Current Year and Nine Years Ago

Employer	2019			2010		
	Employees	Rank	% of Total Village Population	Employees	Rank	% of Total Village Population
Lake Zurich Community School Dist. #95	863	1	4%	763	1	8%
Echo Inc.	800	2	4%	690	2	7%
Peapod	800	3	4%			
Smalley Steel Ring Co.	600	4	3%			
Termax Corp	400	5	2%			
CM Packaging, Inc.	200	6	1%	200	5	2%
Food Equipment Tech, Inc	130	7	1%	197	7	2%
Village of Lake Zurich	156	8	1%	182	8	2%
Lexington Health Care Lake Zurich	150	9	1%	182	9	2%
Tredegar Film Products	134	10	1%			
B&B Maintenance				500	3	5%
Dovenmuehle Mortgage Inc				500	4	5%
Pinnacle Food Products				160	10	2%
Wal-Mart				200	6	2%
	<u>4,233</u>		<u>21%</u>	<u>3,574</u>		<u>38%</u>
Village population			20,022			

Data Source

2019: Lake County Partner records and verification by employers when available.
 2010 statistics are from Village Records

This table typically excludes the Village's larger retail establishments, which include food stores (Mariano's and Jewel) and department stores (Home Depot, Costco, Wal-Mart, Target, and Kohl's).

VILLAGE OF LAKE ZURICH

FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

	Year End April 30 2011	Year End April 30 2012	Year End April 30 2013	Year End April 30 2014	Year End April 30 2015	Year End April 30 2016	Year End December 31 2016	Year End December 31 2017	Year End December 31 2018	Year End December 31 2019
Function/Program										
GENERAL GOVERNMENT										
Administration	4	4	4	5	5	4	4	4	4	4
Finance	7	7	5	5	5	5	6	6	6	6
Technology	N/A	N/A	1	1	1	1	1	1	1	1
COMMUNITY SERVICES										
Building and Zoning	8	8	8	7	7	7	6	5	5	5
Public Works - General Services	20	20	18	17	17	17	17	17	17	18
Public Works - Water and Sewer	12	12	13	14	14	13	12	12	12	12
POLICE	53	53	51	51	51	51	52	52	52	52
FIRE	60	60	58	58	58	58	58	58	58	55
ENGINEERING	3	3	-	-						
RECREATION	3	3	2	2	2	2	3	3	3	3
TOTAL	170	170	160	160	160	158	159	158	158	156

Data Source

Village records

VILLAGE OF LAKE ZURICH

OPERATING INDICATORS BY FUNCTION Last Ten Fiscal Years

Function/Program	Year End April 30 2011	Year End April 30 2012	Year End April 30 2013	Year End April 30 2014
PUBLIC WORKS				
Forestry				
Number of parkway trees planted	102	54	122	140
Number of parkway trees trimmed	800	638	707	800
Fleet services				
Number of vehicles maintained	92	91	91	85
Preventative maintenance	969	346	324	664
PUBLIC SAFETY				
Fire				
Number of fire calls	1,401	1,382	1,398	1,483
Number of EMS calls	1,735	1,746	1,787	1,848
Number of training hours	11,366	11,949	9,651	8,877
Police				
Part I crime	N/A	257	293	324
Calls for service	9,063	9,168	N/A	9,392
State tickets issued	3,773	3,774	3,474	2,786
Compliance tickets issued	103	108	46	29
Parking tickets issued	1,674	1,693	1,609	1,640
Red light citations	4,506	4,237	3,692	4,536
COMMUNITY DEVELOPMENT				
Number of building permits issued	1,492	1,539	1,506	1,639
Number of building inspections	5,533	6,317	4,813	5,611
HIGHWAYS AND STREETS				
Sidewalk replaced (square feet)	5,625	5,825	5,025	3,150
Annual resurfacing program (\$)	1,106,893	-	-	1,109,353
Crack sealing (lbs. installed)	-	-	-	11,515
Curb replaced (ln. ft.)	262	267	614	427
WATER AND SEWER				
Water main breaks	31	30	70	51
Hydrants flushed	1,765	1,780	1,780	1,790
Water meters read	80,676	80,796	80,916	81,000
Water meter service requests	910	893	1,019	1,053
Total distribution pumpage (1,000 gallons)	600MG	599MG	681MG	630MG
Average daily consumption (1,000 gallons)	1.4MG	1.4MG	1.5MG	1.4MG
Sanitary sewer televising (feet)	2,250	2,000	2,829	10,920
Sanitary sewer repairs	1	1	1	3

N/A - Not available

Data Source

Village records

Year End April 30 2015	Year End April 30 2016	Year End December 31 2016	Year End December 31 2017	Year End December 31 2018	Year End December 31 2019
24	21	218	307	276	-
902	1,148	320	656	377	750
92	81	82	82	82	81
964	753	501	738	704	694
1,844	1,633	590	1,373	1,388	1,422
2,150	2,204	1,511	2,602	2,788	2,655
10,075	8,566	6,546	14,341	14,563	13,216
344	276	94	327	264	260
9,067	8,757	5,409	7,104	7,313	8,453
2,637	2,318	1,442	1,858	2,373	2,360
36	42	18	68	37	58
1,389	856	581	576	565	520
5,262	3,548	3,118	4,451	3,545	3,433
3,487	829	1,274	1,541	1,435	1,466
6,484	2,128	2,644	3,188	3,030	3,958
15,345	23,114	37,885	22,000	50,900	40,588
1,323,465	1,442,109	1,316,758	860,442	1,246,860	1,581,334
55,564	55,000	43,668	39,823	53,000	53,097
3,892	4,366	8,555	2,265	12,100	6,924
40	30	25	31	39	26
1,790	1,797	-	1,504	1,505	1,505
81,000	81,000	53,432	81,000	84,000	82,344
1,172	997	730	1,105	587	447
604MG	593MG	443MG	570MG	549MG	550MG
1.3MG	1.3MG	1.3MG	1.3MG	1.3MG	1.3MG
33,974	3,182	3,152	54,523	1,084	2,330
2	3	10	1	0	0

VILLAGE OF LAKE ZURICH

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

Last Ten Fiscal Years

Function/Program	Year End April 30 2011	Year End April 30 2012	Year End April 30 2013	Year End April 30 2014	Year End April 30 2015	Year End April 30 2016	Year End December 31 2016	Year End December 31 2017	Year End December 31 2018	Year End December 31 2019
POLICE										
Stations	1	1	1	1	1	1	1	1	1	1
Firing range	1	1	1	1	1	1	1	1	1	1
Patrol units	23	23	23	23	23	22	22	22	21	21
FIRE STATIONS	4	4	4	4	4	4	4	4	4	4
PUBLIC WORKS										
Streets (lane miles)	159.0	159.4	159.7	159.7	160.0	161.6	161.6	156.2	127.2	178.5
Sidewalks (miles)	91	91	91	91	91	101	102	98	98	102
Streetlights	175	175	180	180	180	215	220	220	224	226
WATER AND SEWER										
Water mains (miles)	108	109	109	110	110	112	112	112	112	111
Fire hydrants	1,760	1,765	1,765	1,790	1,790	1,790	1,790	1,504	1,505	1,509
Sanitary sewers (miles)	107	107	107	107	107	93	93	93	93	93

N/A - Not available

Data Source

Village records



At the Heart of Community

COMMUNITY DEVELOPMENT DEPARTMENT

505 Telser Road
Lake Zurich, Illinois 60047

Phone (847) 540-1696
Fax (847) 726-2182
LakeZurich.org

AGENDA ITEM

8B-8C

MEMORANDUM

Date: July 20, 2020

To: Ray Keller, Village Manager *PK*

From: Sarosh Saher, Community Development Director

CC: Tim Verbeke, Planner
Mary Meyer, Building Services Supervisor

Re: **Ordinance and Public Hearing Proposing
Backup Special Service Area No. 17
Canterbury Estates Subdivision - 80 Genesee Street (Block G)**

Issue

An ordinance and Public Hearing proposing the establishment of a backup Special Service Area No 17 (SSA No. 17) for the maintenance, repair, reconstruction and/or replacement of the stormwater and detention management improvements and the private roadways located within the Canterbury Estates Subdivision (the "Subdivision").

SSA No. 17 is being set up as a backup SSA in the event that the owners of residential units, the homeowners association, or any future parties of interest in the area fail to maintain, repair, reconstruct and/or replace these stormwater management improvements and/or roadway improvements. No levy of taxes is proposed at this time.

2014-2019 Strategic Plan: This agenda item is consistent with the following objectives under Goal #2 – Development:

- Expand the Village's role as a major regional economic hub in Lake County
- Continue Route 22 Corridor Development
- Become more business friendly and customer oriented.

Backup Special Service Area No. 17 - Canterbury Estates Subdivision – Public Hearing Proposing SSA
July 20, 2020

Background:

The backup SSA was required as a condition within the Development Agreement between the Village of Lake Zurich and developer, Mr. Gregory Schwermer of Jade Development for the redevelopment of the property.

Ryan Homes, represented by Mr. Scott Shelton and Jade Development, owned by Mr. Gregory Schwermer, plan to undertake a joint venture for the development of the Subject Property, wherein the land will be developed by Jade Development and include the private roadway, access to IL Route 22, installation of utilities and construction-ready building pads; and Ryan will complete the Development through the construction of the townhouse buildings on the pads. Staff is aware that the property owner, Mr. Schwermer is currently marketing his parcels for sale. In light of that, the backup SSA will include any future party of interest (developer) in the property, prior to it being sold to individual owners of townhouses.

The Subject Property comprises of land owned by Mr. Gregory Schwermer and one parcel owned by the Village of Lake Zurich. The PUD thus consists of the development combining these parcels. A Final Plat of Subdivision consolidating the parcels was approved by the Village on September 18, 2019 and recorded with the Lake County Recorder of Deeds on October 23, 2019 as document number 7602772. At this time, both the Village the current property owner agree to the establishment of the backup SSA.

Analysis

This SSA will allow the Village to assess a tax, in the future and only if necessary, on the property owners of the townhouses within that subdivision to pay for maintenance and repairs to the storm water management facilities and the private roadways, and only in the event the subdivision's Homeowners Association (HOA) is delinquent in fulfilling these obligations.

The intent is to provide the Village with a tool to make repairs to these facilities which are not functioning properly or damaged, before they cause further damage to property within the subdivision or downstream of the facility. The HOA will be given adequate notification and time to remedy the situation before the Village takes action and begins levying the tax.

Because taxes will not be levied until the Village actually takes action to remedy the HOA's obligations and expends funds for the implementation of these Special Services, it is currently unknown as to the actual amount of the taxes that will be levied for the initial year. The line item for the SSA will therefore show up on a property owner's tax bill with a tax rate of zero. In the event a tax is levied for work conducted by the village, any such initial tax levy shall not exceed a maximum tax rate of \$0.0875 per \$100 (of equalized assessed value of the property), for the year in which village expends funds to conduct the repairs/improvements. At that time, a public hearing will need to be conducted by the Village Board to activate the SSA and impose the tax levy.

Backup Special Service Area No. 17 - Canterbury Estates Subdivision – Public Hearing Proposing SSA
July 20, 2020

A tax rate of \$0.0875 is estimated to generate approximately \$17,000 per year in maintenance costs to be shared by 38 single-family townhouses on the property with an average market value of \$300,000.

Recommendation.

Staff recommends that the Village Board approve the ordinance proposing the establishment of SSA No 17 and conduct the public hearing as required by statute.

The item for the public hearing is the next on the agenda.

Next Steps

State Statute requires a comment period of 60 days following the adjournment of the hearing. Within that period, the proposal for the SSA may be vetoed by a petition of 51 percent of electors and owners of record of the property. If vetoed, the proposal for the SSA may not be re-proposed by the municipality for two years.

If no such petition is filed, the Village Board will be required to adopt an “Establishing Ordinance” for the special service area. Such ordinance shall be adopted following a separate public hearing of the Village Board held at that time. After its adoption, the Establishing Ordinance will be filed with the Lake County Clerk’s Office, and the Lake County Recorder’s Office. The line item for the SSA will show up on a property owner’s tax bill with a tax rate of zero in the following tax year. It is likely that the status on the tax bill will continue as such (tax rate of zero) if the HOA meets its maintenance obligation in perpetuity.

Finally, in the future, if the Village is required to take action to remedy the HOA’s obligations and expend funds for the implementation of the Special Services within the subdivision, an appropriation ordinance will need to be adopted for those items to be financed out of the annual tax levy, and be published and considered through a separate public hearing of the Village Board.

Attachments:

- Ordinance proposing the establishment of backup SSA No. 17
- Notice of Public hearing
- Recorded Final Plat of Subdivision
- Map of the special service area
- Agenda and Procedure for Public hearing

ORDINANCE No. 2020-07-_____



**AN ORDINANCE PROPOSING THE ESTABLISHMENT OF A SPECIAL SERVICE AREA NUMBER 17 IN THE VILLAGE OF LAKE ZURICH, AND PROVIDING FOR A PUBLIC HEARING AND OTHER PROCEDURES IN CONNECTION THEREWITH
*Canterbury Estates 80 Genesee Street – (Block G)***

BE IT ORDAINED by the President and Board of Trustees of the Village of Lake Zurich, Lake County, Illinois, as follows:

SECTION 1: AUTHORITY TO ESTABLISH SPECIAL SERVICE AREAS. Special Service Areas within home rule municipalities are established pursuant to Article VII, Section 7 of the Constitution of the State of Illinois, and pursuant to the provisions of the Special Service Area Tax Law, 35 ILCS 200/27-5 *et seq.*

SECTION 2: FINDINGS. The Village Board finds:

- A. It is in the public interest that the creation of the area hereinafter described as a special service area, for the purposes set forth herein, be considered.
- B. That the area hereinafter described is compact and contiguous, and said area lies within and is approved as a Planned Unit Development (PUD) for a Townhouse (single-family attached) development within the B-2 central business district and DR Downtown Redevelopment Overlay District, pursuant to the provisions of the R-6 Multiple Family Residential District in the Village of Lake Zurich (the "Village").
- C. That the area hereinafter described will benefit specifically from the municipal services to be provided, and that the proposed municipal services are unique and in addition to municipal services provided to the Village as a whole, and it is, therefore, in the best interests of the Village that the expenditure of funds by the Village, and the levy of special taxes against said area, for the services to be provided, be considered.
- D. That the special services to be provided by the Village shall consist of the maintenance, repair, reconstruction and/or replacement of the stormwater and detention management improvements and the private roadways located within the Canterbury Estates Subdivision (the "Subdivision") in the event that the owners of units or interests in the area described in Section 4 below, fail to maintain, repair, reconstruct and/or replace said stormwater management improvements and/or roadway improvements as required by:
 - (i) The Development Agreement entitled An Agreement By And Between The Village Of Lake Zurich, Ryan Homes, NVR, Inc., And Jade Development, Inc., Relating To The Development Of Canterbury Estates Subdivision (80 Genesee Street (Block G)), approved by Ordinance No. 2019-09-327;

- (ii) Village Ordinance No. 2019-09-326 granting a PUD and related zoning approvals for the Canterbury Estates Subdivision, approved by the Village on the 18th day of September, 2019.
- (iii) The Plat of Subdivision for Canterbury Estates Subdivision in Lake County, Illinois, approved by the Village on the 18th day of September, 2019 and recorded with the Lake County Recorder of Deeds on October 23, 2019 as document number 7602772; and

(hereinafter the "Special Services").

SECTION 3: PUBLIC HEARING - TAX RATES.

- A. That a public hearing shall be held on the 20th day of July, 2020, at 7:00 p.m., in the Lake Zurich Village Hall, Board Room, 70 East Main Street, Lake Zurich, Illinois, to consider the creation of Special Service Area Number 17 of the Village in the area described in the notice of public hearing set forth in Section 4 hereof (hereinafter the "Public Hearing").
- B. At said Public Hearing, the levy of a direct annual tax at a rate not to exceed [\$0.0875] per \$100.00 of equalized assessed value of the property in Special Service Area Number 17, for each year during which the Village is required to expend funds relative to said Special Services, so long as the stormwater management improvements and roadway improvements, as referenced above, exist, will be considered.
- C. As taxes will not be levied until such time, if any, as the Village actually expends funds for said Special Services, it is currently unknown as to the actual amount of the taxes that will be levied for the initial year, if any, for which taxes will be levied within Special Service Area Number 17; however, any such initial tax levy shall not exceed the maximum tax rate as set forth in B. above.
- D. The aforementioned taxes shall be in addition to all other taxes provided by law and shall be levied pursuant to the provisions of the Property Tax Code (35 ILCS 200/1-1 *et seq.*), as amended.

SECTION 4: NOTICE OF PUBLIC HEARING. Notice of the Public Hearing shall be published at least once not less than fifteen (15) days prior to the Public Hearing in one (1) or more newspapers of general circulation in the Village, and notice by mailing shall be given by depositing said notice in the U.S. mail addressed to the person or persons in whose name the general taxes for the last preceding year were paid on each lot, block, tract or parcel of land lying within the proposed Special Service Area Number 17, with said notice by mailing being mailed not less than ten (10) days prior to the time set for the Public Hearing (hereinafter collectively the "Notice"). In the event taxes for the last preceding year were not paid, the Notice shall be sent to the person last listed on the tax rolls prior to that year as the owner of said property. The Notice shall be in substantially the following form:

"NOTICE OF PUBLIC HEARING
VILLAGE OF LAKE ZURICH
SPECIAL SERVICE AREA NUMBER 17

NOTICE IS HEREBY GIVEN that on July 20, 2020, at 7:00 p.m. in the Lake Zurich Village Hall, Board Room, 70 East Main Street, Lake Zurich, Illinois, a public hearing will be held by the President and Board of Trustees of the Village of Lake Zurich to consider forming a special service area consisting of the following described property:

Canterbury Estates Subdivision being described as That Part Of The North Half Of Section 20, Township 43 North, Range 10, East Of The Third Principal Meridian, In Lake County, Illinois, recorded with the Lake County Recorder of Deeds on October 23, 2019 as document number 7602772;

Common Street Address: 80 Genesee Street, Lake Zurich, Illinois (*Block G*)

PINS: 14-20-200-010, 14-20-200-032, 14-20-200-033, 14-20-100-075, 14-20-100-076, 14-20-100-077, and 14-20-100-072.

Street Location: The Northwest Corner of South Old Rand Road and Illinois Route 22, Lake Zurich, Illinois.

All interested persons affected by the formation of Lake Zurich Special Service Area Number 17 will be given an opportunity to be heard regarding the formation of and the boundaries of Special Service Area Number 17 and may object to the formation of Special Service Area Number 17 and the levy of taxes affecting said Special Service Area Number 17.

The purpose of the formation of Lake Zurich Special Service Area Number 17 is to fund the Village of Lake Zurich's cost of maintaining, repairing, reconstructing and/or replacing the stormwater management improvements and the roadway improvements in the Subdivision for the above-described property, in the event that the owners of the above-described property fail to maintain, repair, reconstruct and/or replace said stormwater management improvements and/or roadway improvements as required by:

- (i) The Development Agreement entitled An Agreement By And Between The Village Of Lake Zurich, Ryan Homes, NVR, Inc., And Jade Development, Inc., Relating To The Development Of Canterbury Estates Subdivision (*80 Genesee Street (Block G)*), approved by Ordinance No. 2019-09-327;
- (ii) Village Ordinance No. 2019-09-326 granting a PUD and related zoning approvals for the Canterbury Estates Subdivision, approved by the Village on the 18th day of September, 2019.
- (iii) The Plat of Subdivision for Canterbury Estates Subdivision in Lake County, Illinois, approved by the Village on the 18th day of September, 2019 and recorded with the Lake County Recorder of Deeds on October 23, 2019 as document number 7602772; and

(hereinafter the "Special Services") within said Special Service Area 17.

A tax levy at a rate not to exceed \$0.0875 per \$100.00 (tax rate) of equalized assessed valuation of property in Special Service Area Number 17, for each year during which the Village of Lake Zurich is required to expend funds relative to said Special Services, so long as the stormwater management improvements and/or roadway improvements, as referenced above, exist, will be considered at the public hearing. As taxes will not be levied until such time, if any, as the Village actually expends funds for said Special Services, it is currently unknown as to the actual amount of the taxes that will be levied for the initial year, if any, for which taxes will be levied within Special Service Area Number 17; however, any such initial tax levy shall not exceed the maximum tax rate as set forth above. Said tax is to be levied upon all taxable property within the proposed Special Service Area Number 17.

At the public hearing, all persons affected by the formation of said Special Service Area Number 17, including all persons owning taxable real estate therein, will be given an opportunity to be heard. The public hearing may be adjourned by the President and Board of Trustees to another date without further notice, other than a motion, to be entered upon the minutes of its meeting, fixing the time and place of its adjournment and/or as otherwise required by law.

If a petition signed by at least fifty-one (51%) of the electors residing within Special Service Area Number 17 and by at least fifty-one (51%) of the owners of record of the land included within the boundaries of Special Service Area Number 17 is filed with the Village Clerk, within sixty (60) days following the final adjournment of the public hearing, objecting to the creation of Special Service Area Number 17, the enlargement thereof, the levy or imposition of a tax for the provision of the Special Services to the area, or to a proposed increase in the tax rate, said Special Service Area Number 17 may not be created or enlarged, and no tax may be levied or imposed nor the rate increased.

DATED this 1st day of July, 2020.

Kathleen Johnson
Village Clerk
Village of Lake Zurich"

SECTION 5: EFFECTIVE DATE: This Ordinance shall be in full force and effect from and after its passage and approval as provided by law.

PASSED by a roll call vote of the Board of Trustees of the Village of Lake Zurich, Lake County, Illinois, at a Regular Meeting thereof, held on the _____ day of _____, 2020, and approved by me as Village President, and attested by the Village Clerk, on the same day.

Village President

ATTEST:

Village Clerk

446579_1

STATE OF ILLINOIS)
) SS
COUNTY OF LAKE)

CLERK'S CERTIFICATE

I, Kathleen Johnson, Village Clerk of the Village of Lake Zurich, in the County of Lake and State of Illinois, certify that the annexed and foregoing is a true and correct copy of that certain Ordinance now on file in my office, entitled:

ORDINANCE NO. 20-_____

AN ORDINANCE PROPOSING THE ESTABLISHMENT OF A SPECIAL SERVICE AREA
NUMBER 17 IN THE VILLAGE OF LAKE ZURICH, AND PROVIDING FOR A PUBLIC
HEARING AND OTHER PROCEDURES IN CONNECTION THEREWITH
Canterbury Estates 80 Genesee Street – (Block G)

which Ordinance was passed by the Board of Trustees of the Village of Lake Zurich at its Regular Meeting on the ____ day of _____, 2020, at which meeting a quorum was present, and approved by the President of the Village of Lake Zurich on the ____ day of _____, 2020.

I further certify that the vote on the question of the passage of said Ordinance by the Board of Trustees of the Village of Lake Zurich was taken by Ayes and Nays and recorded in the minutes of the Board of Trustees of the Village of Lake Zurich, and that the result of said vote was as follows, to-wit:

AYES: _____

NAYS: _____

ABSENT: _____

I do further certify that the original Ordinance, of which the foregoing is a true copy, is entrusted to my care for safekeeping, and that I am the lawful keeper of the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Village of Lake Zurich, this ____ day of _____, 2020.

[SEAL]

Kathleen Johnson
Village Clerk

“NOTICE OF PUBLIC HEARING
VILLAGE OF LAKE ZURICH
SPECIAL SERVICE AREA NUMBER 17

NOTICE IS HEREBY GIVEN that on July 20, 2020, at 7:00 p.m. in the Lake Zurich Village Hall, Board Room, 70 East Main Street, Lake Zurich, Illinois, a public hearing will be held by the President and Board of Trustees of the Village of Lake Zurich to consider forming a special service area consisting of the following described property:

Canterbury Estates Subdivision being described as That Part Of The North Half Of Section 20, Township 43 North, Range 10, East Of The Third Principal Meridian, In Lake County, Illinois, recorded with the Lake County Recorder of Deeds on October 23, 2019 as document number 7602772;

Common Street Address: 80 Genesee Street, Lake Zurich, Illinois (*Block G*)

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Street Location: The Northwest Corner of South Old Rand Road and Illinois Route 22, Lake Zurich, Illinois.

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- (i) The Development Agreement entitled An Agreement By And Between The Village Of Lake Zurich, Ryan Homes, NVR, Inc., And Jade Development, Inc., Relating To The Development Of Canterbury Estates Subdivision (*80 Genesee Street (Block G)*), approved by Ordinance No. 2019-09-327;
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- (iii) The Plat of Subdivision for Canterbury Estates Subdivision in Lake County, Illinois, approved by the Village on the 18th day of September, 2019 and recorded

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(hereinafter the “Special Services”) within said Special Service Area 17.

A tax levy at a rate not to exceed \$8.75 per \$100.00 of equalized assessed valuation of property in Special Service Area Number 17, for each year during which the Village of Lake Zurich is required to expend funds relative to said Special Services, so long as the stormwater management improvements and/or roadway improvements, as referenced above, exist, will be considered at the public hearing. As taxes will not be levied until such time, if any, as the Village actually expends funds for said Special Services, it is currently unknown as to the actual amount of the taxes that will be levied for the initial year, if any, for which taxes will be levied within Special Service Area Number 17; however, any such initial tax levy shall not exceed the maximum tax rate as set forth above. Said tax is to be levied upon all taxable property within the proposed Special Service Area Number 17.

At the public hearing, all persons affected by the formation of said Special Service Area Number 17, including all persons owning taxable real estate therein, will be given an opportunity to be heard. The public hearing may be adjourned by the President and Board of Trustees to another date without further notice, other than a motion, to be entered upon the minutes of its meeting, fixing the time and place of its adjournment and/or as otherwise required by law.

If a petition signed by at least fifty-one (51%) of the electors residing within Special Service Area Number 17 and by at least fifty-one (51%) of the owners of record of the land included within the boundaries of Special Service Area Number 17 is filed with the Village Clerk, within sixty (60) days following the final adjournment of the public hearing, objecting to the creation of Special Service Area Number 17, the enlargement thereof, the levy or imposition of a tax for the provision of the Special Services to the area, or to a proposed increase in the tax rate, said Special Service Area Number 17 may not be created or enlarged, and no tax may be levied or imposed nor the rate increased.

DATED this 1st day of July, 2020.

Kathleen Johnson
Village Clerk
Village of Lake Zurich”

Bea Corral

From: etear@dailyherald.com
Sent: Friday, July 3, 2020 8:15 AM
To: Bea Corral
Subject: Classified E-Tearsheet for 4547465, VILLAGE OF LAKE ZURICH SSA HEARING-

THIS IS AN AUTOMATED EMAIL FROM THE DAILY HERALD

Advertiser: VILLAGE OF LAKE ZURICH SSA HEARING-
Placed for: SSA HEARING-
Ad Number: 4547465
Publication Date: 7/3/2020
Publication: DH
Section: CLN
Page Number: 7

Please click on the following link to view your electronic tearsheet
https://prev.dailyherald.com/web_data_etears/20200703/20200703_DH_NL_CLN_7_..PDF

This tearsheet can be viewed for 30 days from date of publication.
If you have questions regarding this electronic tearsheet please email Paula Raetzman at praetzman@dailyherald.com

PLAT INFORMATION SHEET


Image# 058713630003 Type: PSB
Recorded: 10/23/2019 at 11:08:55 AM
Receipt#: 2019-00055832
Page 1 of 3
Fees: \$62.00
IL Rental Housing Fund: \$0.00
Lake County IL Recorder
Mary Ellen Vanderventer Recorder
File **7602772**

NUMBER OF PLAT PAGES

2

SECTION	TOWNSHIP	RANGE
LEGAL DESCRIPTION		

CHECK (✓) TYPE OF PLAT:

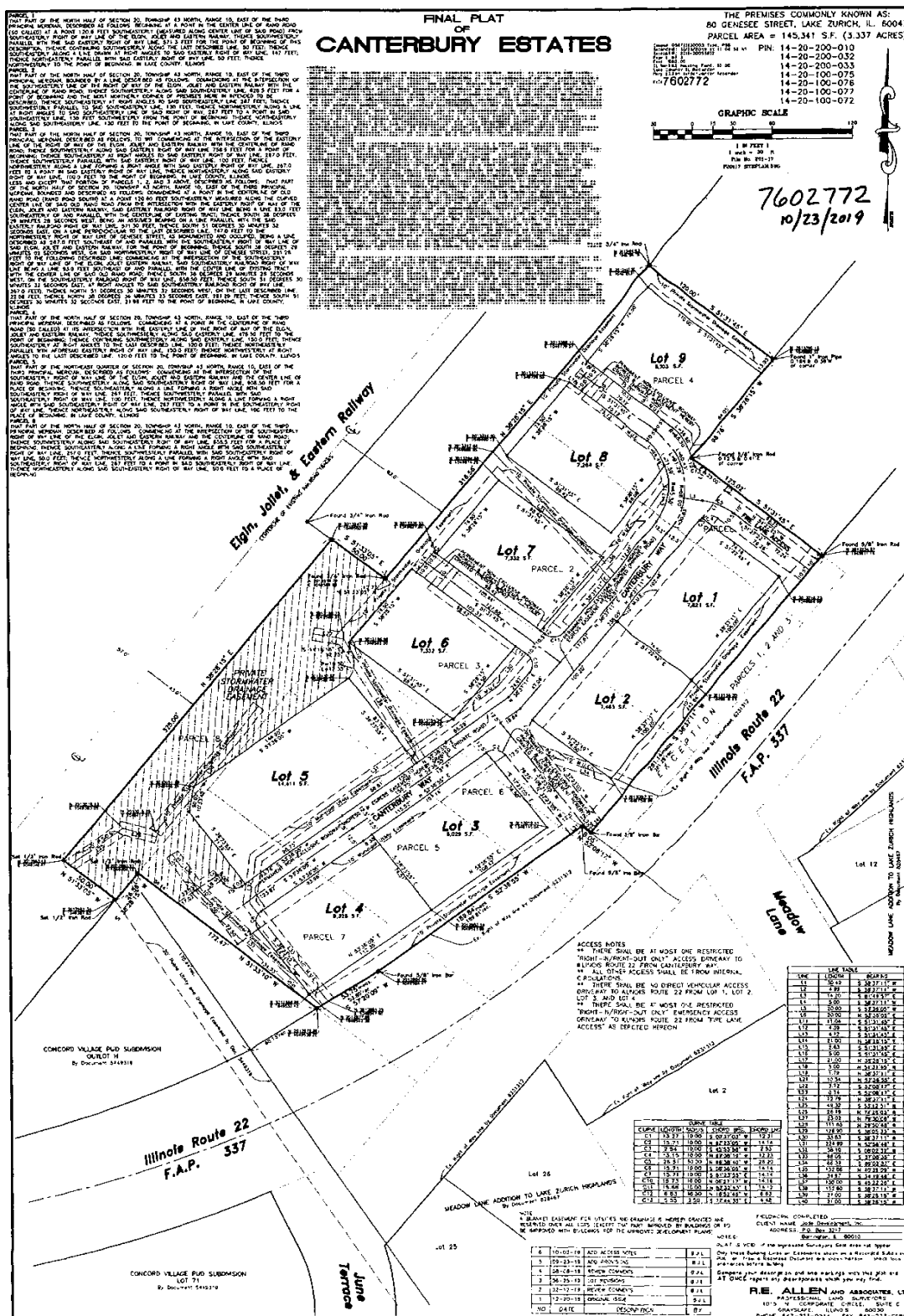
- ☐ ANNEXATION/DISCONNECTION
- ☐ CONDOMINIUM
- ☐ DEDICATION
- ☐ EASEMENT
- ☐ VACATION
- ☐ OTHER _____
- ☒ SUBDIVISION (enter subdivision name on line below)

IF THE PLAT RECORDED WAS LARGER THAN 11" X 17", THE
ATTACHED COPY HAS BEEN REDUCED FROM A SCANNED IMAGE.

ORIGINAL SCALE PAPER COPIES OR DIGITAL IMAGE FILES ARE
ALSO AVAILABLE FOR PURCHASE – PLEASE CALL (847) 377-2575

FOR MORE INFORMATION

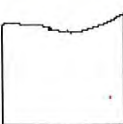
U:\Forms\PlatInfo\Plat Information Coversheet for Scanning.docx
Revised: January 25, 2019 8:20 AM



Village of Lake Zurich, Lake County, Illinois



☐ Tax Parcel Lines



Lake County, Illinois



Map Printed on 7/14/2020

Canterbury Estates - Backup Special Service Area No 17 - Aerial Map

Disclaimer: The selected feature may not occur anywhere in the current map extent. A Registered Land Surveyor should be consulted to determine the precise location of property boundaries on the ground. This map does not constitute a regulatory determination and is not a base for engineering design. This map is intended to be viewed and printed in color.



At the Heart of Community

COMMUNITY DEVELOPMENT DEPARTMENT

505 Telser Road
Lake Zurich, Illinois 60047

Phone (847) 540-1696
Fax (847) 726-2182
LakeZurich.org

AGENDA ITEM

8B-8C

MEMORANDUM

Date: July 20, 2020

To: Ray Keller, Village Manager *PK*

From: Sarosh Saher, Community Development Director

CC: Tim Verbeke, Planner
Mary Meyer, Building Services Supervisor

Re: **Ordinance and Public Hearing Proposing
Backup Special Service Area No. 17
Canterbury Estates Subdivision - 80 Genesee Street (Block G)**

Issue

An ordinance and Public Hearing proposing the establishment of a backup Special Service Area No 17 (SSA No. 17) for the maintenance, repair, reconstruction and/or replacement of the stormwater and detention management improvements and the private roadways located within the Canterbury Estates Subdivision (the "Subdivision").

SSA No. 17 is being set up as a backup SSA in the event that the owners of residential units, the homeowners association, or any future parties of interest in the area fail to maintain, repair, reconstruct and/or replace these stormwater management improvements and/or roadway improvements. No levy of taxes is proposed at this time.

2014-2019 Strategic Plan: This agenda item is consistent with the following objectives under Goal #2 – Development:

- Expand the Village's role as a major regional economic hub in Lake County
- Continue Route 22 Corridor Development
- Become more business friendly and customer oriented.

Backup Special Service Area No. 17 - Canterbury Estates Subdivision – Public Hearing Proposing SSA
July 20, 2020

Background:

The backup SSA was required as a condition within the Development Agreement between the Village of Lake Zurich and developer, Mr. Gregory Schwermer of Jade Development for the redevelopment of the property.

Ryan Homes, represented by Mr. Scott Shelton and Jade Development, owned by Mr. Gregory Schwermer, plan to undertake a joint venture for the development of the Subject Property, wherein the land will be developed by Jade Development and include the private roadway, access to IL Route 22, installation of utilities and construction-ready building pads; and Ryan will complete the Development through the construction of the townhouse buildings on the pads. Staff is aware that the property owner, Mr. Schwermer is currently marketing his parcels for sale. In light of that, the backup SSA will include any future party of interest (developer) in the property, prior to it being sold to individual owners of townhouses.

The Subject Property comprises of land owned by Mr. Gregory Schwermer and one parcel owned by the Village of Lake Zurich. The PUD thus consists of the development combining these parcels. A Final Plat of Subdivision consolidating the parcels was approved by the Village on September 18, 2019 and recorded with the Lake County Recorder of Deeds on October 23, 2019 as document number 7602772. At this time, both the Village the current property owner agree to the establishment of the backup SSA.

Analysis

This SSA will allow the Village to assess a tax, in the future and only if necessary, on the property owners of the townhouses within that subdivision to pay for maintenance and repairs to the storm water management facilities and the private roadways, and only in the event the subdivision's Homeowners Association (HOA) is delinquent in fulfilling these obligations.

The intent is to provide the Village with a tool to make repairs to these facilities which are not functioning properly or damaged, before they cause further damage to property within the subdivision or downstream of the facility. The HOA will be given adequate notification and time to remedy the situation before the Village takes action and begins levying the tax.

Because taxes will not be levied until the Village actually takes action to remedy the HOA's obligations and expends funds for the implementation of these Special Services, it is currently unknown as to the actual amount of the taxes that will be levied for the initial year. The line item for the SSA will therefore show up on a property owner's tax bill with a tax rate of zero. In the event a tax is levied for work conducted by the village, any such initial tax levy shall not exceed a maximum tax rate of \$0.0875 per \$100 (of equalized assessed value of the property), for the year in which village expends funds to conduct the repairs/improvements. At that time, a public hearing will need to be conducted by the Village Board to activate the SSA and impose the tax levy.

Backup Special Service Area No. 17 - Canterbury Estates Subdivision – Public Hearing Proposing SSA
July 20, 2020

A tax rate of \$0.0875 is estimated to generate approximately \$17,000 per year in maintenance costs to be shared by 38 single-family townhouses on the property with an average market value of \$300,000.

Recommendation.

Staff recommends that the Village Board approve the ordinance proposing the establishment of SSA No 17 and conduct the public hearing as required by statute.

The item for the public hearing is the next on the agenda.

Next Steps

State Statute requires a comment period of 60 days following the adjournment of the hearing. Within that period, the proposal for the SSA may be vetoed by a petition of 51 percent of electors and owners of record of the property. If vetoed, the proposal for the SSA may not be re-proposed by the municipality for two years.

If no such petition is filed, the Village Board will be required to adopt an “Establishing Ordinance” for the special service area. Such ordinance shall be adopted following a separate public hearing of the Village Board held at that time. After its adoption, the Establishing Ordinance will be filed with the Lake County Clerk’s Office, and the Lake County Recorder’s Office. The line item for the SSA will show up on a property owner’s tax bill with a tax rate of zero in the following tax year. It is likely that the status on the tax bill will continue as such (tax rate of zero) if the HOA meets its maintenance obligation in perpetuity.

Finally, in the future, if the Village is required to take action to remedy the HOA’s obligations and expend funds for the implementation of the Special Services within the subdivision, an appropriation ordinance will need to be adopted for those items to be financed out of the annual tax levy, and be published and considered through a separate public hearing of the Village Board.

Attachments:

- Ordinance proposing the establishment of backup SSA No. 17
- Notice of Public hearing
- Recorded Final Plat of Subdivision
- Map of the special service area
- Agenda and Procedure for Public hearing

ORDINANCE No. 2020-07-_____



**AN ORDINANCE PROPOSING THE ESTABLISHMENT OF A SPECIAL SERVICE AREA NUMBER 17 IN THE VILLAGE OF LAKE ZURICH, AND PROVIDING FOR A PUBLIC HEARING AND OTHER PROCEDURES IN CONNECTION THEREWITH
*Canterbury Estates 80 Genesee Street – (Block G)***

BE IT ORDAINED by the President and Board of Trustees of the Village of Lake Zurich, Lake County, Illinois, as follows:

SECTION 1: AUTHORITY TO ESTABLISH SPECIAL SERVICE AREAS. Special Service Areas within home rule municipalities are established pursuant to Article VII, Section 7 of the Constitution of the State of Illinois, and pursuant to the provisions of the Special Service Area Tax Law, 35 ILCS 200/27-5 *et seq.*

SECTION 2: FINDINGS. The Village Board finds:

- A. It is in the public interest that the creation of the area hereinafter described as a special service area, for the purposes set forth herein, be considered.
- B. That the area hereinafter described is compact and contiguous, and said area lies within and is approved as a Planned Unit Development (PUD) for a Townhouse (single-family attached) development within the B-2 central business district and DR Downtown Redevelopment Overlay District, pursuant to the provisions of the R-6 Multiple Family Residential District in the Village of Lake Zurich (the "Village").
- C. That the area hereinafter described will benefit specifically from the municipal services to be provided, and that the proposed municipal services are unique and in addition to municipal services provided to the Village as a whole, and it is, therefore, in the best interests of the Village that the expenditure of funds by the Village, and the levy of special taxes against said area, for the services to be provided, be considered.
- D. That the special services to be provided by the Village shall consist of the maintenance, repair, reconstruction and/or replacement of the stormwater and detention management improvements and the private roadways located within the Canterbury Estates Subdivision (the "Subdivision") in the event that the owners of units or interests in the area described in Section 4 below, fail to maintain, repair, reconstruct and/or replace said stormwater management improvements and/or roadway improvements as required by:
 - (i) The Development Agreement entitled An Agreement By And Between The Village Of Lake Zurich, Ryan Homes, NVR, Inc., And Jade Development, Inc., Relating To The Development Of Canterbury Estates Subdivision (80 Genesee Street (Block G)), approved by Ordinance No. 2019-09-327;

- (ii) Village Ordinance No. 2019-09-326 granting a PUD and related zoning approvals for the Canterbury Estates Subdivision, approved by the Village on the 18th day of September, 2019.
- (iii) The Plat of Subdivision for Canterbury Estates Subdivision in Lake County, Illinois, approved by the Village on the 18th day of September, 2019 and recorded with the Lake County Recorder of Deeds on October 23, 2019 as document number 7602772; and

(hereinafter the "Special Services").

SECTION 3: PUBLIC HEARING - TAX RATES.

- A. That a public hearing shall be held on the 20th day of July, 2020, at 7:00 p.m., in the Lake Zurich Village Hall, Board Room, 70 East Main Street, Lake Zurich, Illinois, to consider the creation of Special Service Area Number 17 of the Village in the area described in the notice of public hearing set forth in Section 4 hereof (hereinafter the "Public Hearing").
- B. At said Public Hearing, the levy of a direct annual tax at a rate not to exceed [\$0.0875] per \$100.00 of equalized assessed value of the property in Special Service Area Number 17, for each year during which the Village is required to expend funds relative to said Special Services, so long as the stormwater management improvements and roadway improvements, as referenced above, exist, will be considered.
- C. As taxes will not be levied until such time, if any, as the Village actually expends funds for said Special Services, it is currently unknown as to the actual amount of the taxes that will be levied for the initial year, if any, for which taxes will be levied within Special Service Area Number 17; however, any such initial tax levy shall not exceed the maximum tax rate as set forth in B. above.
- D. The aforementioned taxes shall be in addition to all other taxes provided by law and shall be levied pursuant to the provisions of the Property Tax Code (35 ILCS 200/1-1 *et seq.*), as amended.

SECTION 4: NOTICE OF PUBLIC HEARING. Notice of the Public Hearing shall be published at least once not less than fifteen (15) days prior to the Public Hearing in one (1) or more newspapers of general circulation in the Village, and notice by mailing shall be given by depositing said notice in the U.S. mail addressed to the person or persons in whose name the general taxes for the last preceding year were paid on each lot, block, tract or parcel of land lying within the proposed Special Service Area Number 17, with said notice by mailing being mailed not less than ten (10) days prior to the time set for the Public Hearing (hereinafter collectively the "Notice"). In the event taxes for the last preceding year were not paid, the Notice shall be sent to the person last listed on the tax rolls prior to that year as the owner of said property. The Notice shall be in substantially the following form:

"NOTICE OF PUBLIC HEARING
VILLAGE OF LAKE ZURICH
SPECIAL SERVICE AREA NUMBER 17

NOTICE IS HEREBY GIVEN that on July 20, 2020, at 7:00 p.m. in the Lake Zurich Village Hall, Board Room, 70 East Main Street, Lake Zurich, Illinois, a public hearing will be held by the President and Board of Trustees of the Village of Lake Zurich to consider forming a special service area consisting of the following described property:

Canterbury Estates Subdivision being described as That Part Of The North Half Of Section 20, Township 43 North, Range 10, East Of The Third Principal Meridian, In Lake County, Illinois, recorded with the Lake County Recorder of Deeds on October 23, 2019 as document number 7602772;

Common Street Address: 80 Genesee Street, Lake Zurich, Illinois (*Block G*)

PINS: 14-20-200-010, 14-20-200-032, 14-20-200-033, 14-20-100-075, 14-20-100-076, 14-20-100-077, and 14-20-100-072.

Street Location: The Northwest Corner of South Old Rand Road and Illinois Route 22, Lake Zurich, Illinois.

All interested persons affected by the formation of Lake Zurich Special Service Area Number 17 will be given an opportunity to be heard regarding the formation of and the boundaries of Special Service Area Number 17 and may object to the formation of Special Service Area Number 17 and the levy of taxes affecting said Special Service Area Number 17.

The purpose of the formation of Lake Zurich Special Service Area Number 17 is to fund the Village of Lake Zurich's cost of maintaining, repairing, reconstructing and/or replacing the stormwater management improvements and the roadway improvements in the Subdivision for the above-described property, in the event that the owners of the above-described property fail to maintain, repair, reconstruct and/or replace said stormwater management improvements and/or roadway improvements as required by:

- (i) The Development Agreement entitled An Agreement By And Between The Village Of Lake Zurich, Ryan Homes, NVR, Inc., And Jade Development, Inc., Relating To The Development Of Canterbury Estates Subdivision (*80 Genesee Street (Block G)*), approved by Ordinance No. 2019-09-327;
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(hereinafter the "Special Services") within said Special Service Area 17.

A tax levy at a rate not to exceed \$0.0875 per \$100.00 (tax rate) of equalized assessed valuation of property in Special Service Area Number 17, for each year during which the Village of Lake Zurich is required to expend funds relative to said Special Services, so long as the stormwater management improvements and/or roadway improvements, as referenced above, exist, will be considered at the public hearing. As taxes will not be levied until such time, if any, as the Village actually expends funds for said Special Services, it is currently unknown as to the actual amount of the taxes that will be levied for the initial year, if any, for which taxes will be levied within Special Service Area Number 17; however, any such initial tax levy shall not exceed the maximum tax rate as set forth above. Said tax is to be levied upon all taxable property within the proposed Special Service Area Number 17.

At the public hearing, all persons affected by the formation of said Special Service Area Number 17, including all persons owning taxable real estate therein, will be given an opportunity to be heard. The public hearing may be adjourned by the President and Board of Trustees to another date without further notice, other than a motion, to be entered upon the minutes of its meeting, fixing the time and place of its adjournment and/or as otherwise required by law.

If a petition signed by at least fifty-one (51%) of the electors residing within Special Service Area Number 17 and by at least fifty-one (51%) of the owners of record of the land included within the boundaries of Special Service Area Number 17 is filed with the Village Clerk, within sixty (60) days following the final adjournment of the public hearing, objecting to the creation of Special Service Area Number 17, the enlargement thereof, the levy or imposition of a tax for the provision of the Special Services to the area, or to a proposed increase in the tax rate, said Special Service Area Number 17 may not be created or enlarged, and no tax may be levied or imposed nor the rate increased.

DATED this 1st day of July, 2020.

Kathleen Johnson
Village Clerk
Village of Lake Zurich"

SECTION 5: EFFECTIVE DATE: This Ordinance shall be in full force and effect from and after its passage and approval as provided by law.

PASSED by a roll call vote of the Board of Trustees of the Village of Lake Zurich, Lake County, Illinois, at a Regular Meeting thereof, held on the _____ day of _____, 2020, and approved by me as Village President, and attested by the Village Clerk, on the same day.

Village President

ATTEST:

Village Clerk

446579_1

STATE OF ILLINOIS)
) SS
COUNTY OF LAKE)

CLERK'S CERTIFICATE

I, Kathleen Johnson, Village Clerk of the Village of Lake Zurich, in the County of Lake and State of Illinois, certify that the annexed and foregoing is a true and correct copy of that certain Ordinance now on file in my office, entitled:

ORDINANCE NO. 20-_____

AN ORDINANCE PROPOSING THE ESTABLISHMENT OF A SPECIAL SERVICE AREA
NUMBER 17 IN THE VILLAGE OF LAKE ZURICH, AND PROVIDING FOR A PUBLIC
HEARING AND OTHER PROCEDURES IN CONNECTION THEREWITH
Canterbury Estates 80 Genesee Street – (Block G)

which Ordinance was passed by the Board of Trustees of the Village of Lake Zurich at its Regular Meeting on the ____ day of _____, 2020, at which meeting a quorum was present, and approved by the President of the Village of Lake Zurich on the ____ day of _____, 2020.

I further certify that the vote on the question of the passage of said Ordinance by the Board of Trustees of the Village of Lake Zurich was taken by Ayes and Nays and recorded in the minutes of the Board of Trustees of the Village of Lake Zurich, and that the result of said vote was as follows, to-wit:

AYES: _____

NAYS: _____

ABSENT: _____

I do further certify that the original Ordinance, of which the foregoing is a true copy, is entrusted to my care for safekeeping, and that I am the lawful keeper of the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Village of Lake Zurich, this ____ day of _____, 2020.

[SEAL]

Kathleen Johnson
Village Clerk

“NOTICE OF PUBLIC HEARING
VILLAGE OF LAKE ZURICH
SPECIAL SERVICE AREA NUMBER 17

NOTICE IS HEREBY GIVEN that on July 20, 2020, at 7:00 p.m. in the Lake Zurich Village Hall, Board Room, 70 East Main Street, Lake Zurich, Illinois, a public hearing will be held by the President and Board of Trustees of the Village of Lake Zurich to consider forming a special service area consisting of the following described property:

Canterbury Estates Subdivision being described as That Part Of The North Half Of Section 20, Township 43 North, Range 10, East Of The Third Principal Meridian, In Lake County, Illinois, recorded with the Lake County Recorder of Deeds on October 23, 2019 as document number 7602772;

Common Street Address: 80 Genesee Street, Lake Zurich, Illinois (*Block G*)

PINS: 14-20-200-010, 14-20-200-032, 14-20-200-033, 14-20-100-075, 14-20-100-076, 14-20-100-077, and 14-20-100-072.

Street Location: The Northwest Corner of South Old Rand Road and Illinois Route 22, Lake Zurich, Illinois.

All interested persons affected by the formation of Lake Zurich Special Service Area Number 17 will be given an opportunity to be heard regarding the formation of and the boundaries of Special Service Area Number 17 and may object to the formation of Special Service Area Number 17 and the levy of taxes affecting said Special Service Area Number 17.

The purpose of the formation of Lake Zurich Special Service Area Number 17 is to fund the Village of Lake Zurich's cost of maintaining, repairing, reconstructing and/or replacing the stormwater management improvements and the roadway improvements in the Subdivision for the above-described property, in the event that the owners of the above-described property fail to maintain, repair, reconstruct and/or replace said stormwater management improvements and/or roadway improvements as required by:

- (i) The Development Agreement entitled An Agreement By And Between The Village Of Lake Zurich, Ryan Homes, NVR, Inc., And Jade Development, Inc., Relating To The Development Of Canterbury Estates Subdivision (*80 Genesee Street (Block G)*), approved by Ordinance No. 2019-09-327;
- (ii) Village Ordinance No. 2019-09-326 granting a PUD and related zoning approvals for the Canterbury Estates Subdivision, approved by the Village on the 18th day of September, 2019.
- (iii) The Plat of Subdivision for Canterbury Estates Subdivision in Lake County, Illinois, approved by the Village on the 18th day of September, 2019 and recorded

with the Lake County Recorder of Deeds on October 23, 2019 as document number 7602772; and

(hereinafter the “Special Services”) within said Special Service Area 17.

A tax levy at a rate not to exceed \$8.75 per \$100.00 of equalized assessed valuation of property in Special Service Area Number 17, for each year during which the Village of Lake Zurich is required to expend funds relative to said Special Services, so long as the stormwater management improvements and/or roadway improvements, as referenced above, exist, will be considered at the public hearing. As taxes will not be levied until such time, if any, as the Village actually expends funds for said Special Services, it is currently unknown as to the actual amount of the taxes that will be levied for the initial year, if any, for which taxes will be levied within Special Service Area Number 17; however, any such initial tax levy shall not exceed the maximum tax rate as set forth above. Said tax is to be levied upon all taxable property within the proposed Special Service Area Number 17.

At the public hearing, all persons affected by the formation of said Special Service Area Number 17, including all persons owning taxable real estate therein, will be given an opportunity to be heard. The public hearing may be adjourned by the President and Board of Trustees to another date without further notice, other than a motion, to be entered upon the minutes of its meeting, fixing the time and place of its adjournment and/or as otherwise required by law.

If a petition signed by at least fifty-one (51%) of the electors residing within Special Service Area Number 17 and by at least fifty-one (51%) of the owners of record of the land included within the boundaries of Special Service Area Number 17 is filed with the Village Clerk, within sixty (60) days following the final adjournment of the public hearing, objecting to the creation of Special Service Area Number 17, the enlargement thereof, the levy or imposition of a tax for the provision of the Special Services to the area, or to a proposed increase in the tax rate, said Special Service Area Number 17 may not be created or enlarged, and no tax may be levied or imposed nor the rate increased.

DATED this 1st day of July, 2020.

Kathleen Johnson
Village Clerk
Village of Lake Zurich”

Bea Corral

From: etear@dailyherald.com
Sent: Friday, July 3, 2020 8:15 AM
To: Bea Corral
Subject: Classified E-Tearsheet for 4547465, VILLAGE OF LAKE ZURICH SSA HEARING-

THIS IS AN AUTOMATED EMAIL FROM THE DAILY HERALD

Advertiser: VILLAGE OF LAKE ZURICH SSA HEARING-
Placed for: SSA HEARING-
Ad Number: 4547465
Publication Date: 7/3/2020
Publication: DH
Section: CLN
Page Number: 7

Please click on the following link to view your electronic tearsheet
https://prev.dailyherald.com/web_data_etears/20200703/20200703_DH_NL_CLN_7_..PDF

This tearsheet can be viewed for 30 days from date of publication.
If you have questions regarding this electronic tearsheet please email Paula Raetzman at praetzman@dailyherald.com

PLAT INFORMATION SHEET


Image# 058713630003 Type: PSB
Recorded: 10/23/2019 at 11:08:55 AM
Receipt#: 2019-00055832
Page 1 of 3
Fees: \$62.00
IL Rental Housing Fund: \$0.00
Lake County IL Recorder
Mary Ellen Vanderventer Recorder
File **7602772**

NUMBER OF PLAT PAGES

2

SECTION	TOWNSHIP	RANGE
LEGAL DESCRIPTION		

CHECK (✓) TYPE OF PLAT:

- ☐ ANNEXATION/DISCONNECTION
- ☐ CONDOMINIUM
- ☐ DEDICATION
- ☐ EASEMENT
- ☐ VACATION
- ☐ OTHER _____
- ☒ SUBDIVISION (enter subdivision name on line below)

IF THE PLAT RECORDED WAS LARGER THAN 11" X 17", THE
ATTACHED COPY HAS BEEN REDUCED FROM A SCANNED IMAGE.

ORIGINAL SCALE PAPER COPIES OR DIGITAL IMAGE FILES ARE
ALSO AVAILABLE FOR PURCHASE – PLEASE CALL (847) 377-2575

FOR MORE INFORMATION

U:\Forms\PlatInfo\Plat Information Coversheet for Scanning.docx
Revised: January 25, 2019 8:20 AM

Village of Lake Zurich, Lake County, Illinois



☐ Tax Parcel Lines



Map Printed on 7/14/2020



Lake County, Illinois



Canterbury Estates - Backup Special Service Area No 17 - Aerial Map

Disclaimer: The selected feature may not occur anywhere in the current map extent. A Registered Land Surveyor should be consulted to determine the precise location of property boundaries on the ground. This map does not constitute a regulatory determination and is not a base for engineering design. This map is intended to be viewed and printed in color.



VILLAGE MANAGER'S OFFICE

MONTHLY INFORMATION REPORT

JUNE 2020

HIGHLIGHTING DATA METRICS
TO IDENTIFY OPERATIONAL TRENDS
AND
FACILITATE INFORMED DECISION MAKING

70 E. MAIN STREET
LAKE ZURICH, IL 60047

A Look Back at June 2020....

Community Engagement on Lake Zurich Building Investments

Over the past few months, the Village continued to engage residents and other stakeholders to determine the future of the Paulus Park Barn and Fire Station #1, two municipal facilities that require attention and investment. So far, we've received feedback from over 736 members of the community through virtual community engagement sessions. Phase 2 of this engagement was conducted in sessions on June 11, June 17, and June 20, 2020. Using feedback provided by the public, we developed a "menu" of potential individual projects, funding mechanisms, and potential funding levels. The results of Phase 2 feedback from June are available at <https://lakezurich.org/718/Community-Engagement>.

Blue Ridge Korean BBQ Restaurant

Village Staff has been engaged with ongoing discussions between the Village and a restaurant called Blue Ridge Korean BBQ, which is interested in purchasing a piece of village-owned real estate at 133 West Main Street. This restaurant was previously interested in locating on Route 12 at the site of the vacant Joe's Barbershop at 265 North Rand Road, but the Village Board advised them to look at a different location. At this point, Staff is recommending a redevelopment agreement to acquire the building at 133 West Main Street while upgrading the interior and exterior. This redevelopment agreement is expected to come before the Village Board for discussion at a meeting in August 2020.

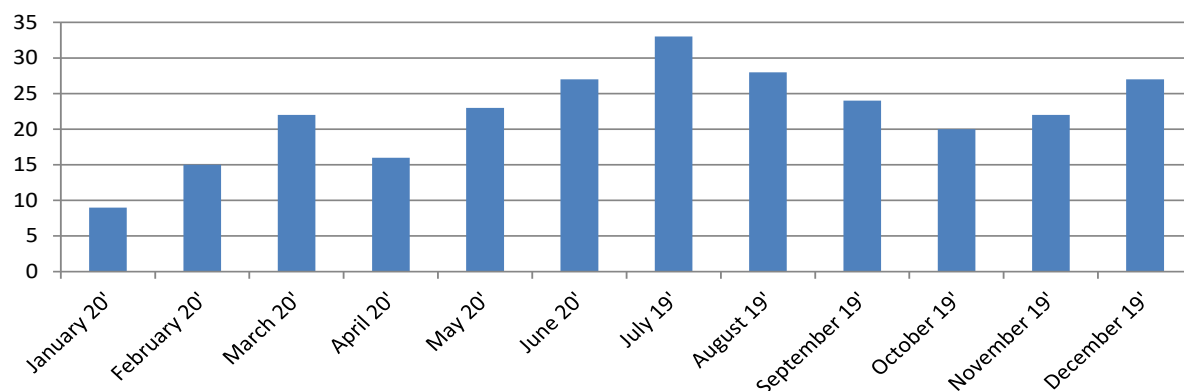
Restore Illinois and Lake Zurich Beaches

The Illinois Department of Public Health has advised that all licensed IDPH aquatic facilities, including both Lake Zurich public beaches, are not permitted to open in Phase 3. IRMA, the Village's liability insurance provider, has advised clients that any actions taken in contradiction of the Governor's emergency orders would place them outside of their insurance coverage. As a result, the State entering into Phase 4 was be a precondition to the possibility of opening Lake Zurich's beaches this summer

There are potential conflicts and risk exposure to the Village's seasonal aquatics staff should the beaches open in the current climate. Aquatics staff could be potentially exposed to a COVID-positive patron in the event of a rescue, as water-appropriate PPE would necessarily be less effective than what our full-time first responders use. Our seasonal staff, typically aged 16-21 years old, would also be required to manage patrons' frustrations with physical distancing expectations, admission restrictions, or environmental factors. Village staff may be able to mitigate some of these potential confrontations, though managing community expectations at the beaches remains an area of concern.

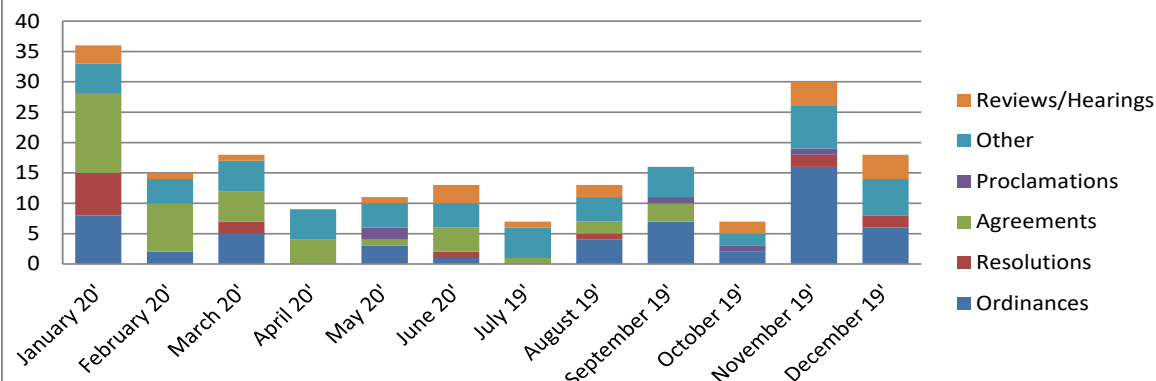
At the June 15, 2020 meeting, the Village Board made the decision to allow beaches to open in Phase 4, but only to Lake Zurich residents and in accordance with all State of Illinois Phase 4 requirements to maximize safety of guests and lifeguards.

New Lake Zurich Households



This metric shows the number of new residential homes occupied. Each month, staff sends new Lake Zurich residents a Village welcome packet that provides valuable information to those who are not familiar with the Lake Zurich area or the services offered by their local government. This metric does not include tenets in rental units, but only new single residential owners.

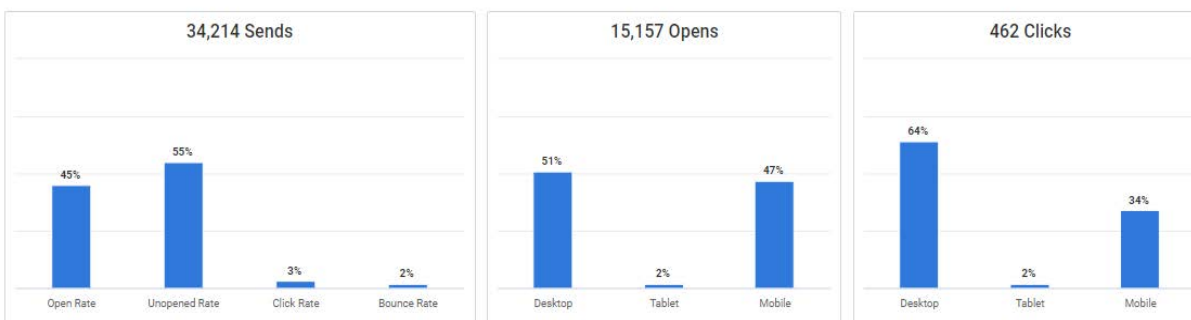
Village Board Agenda Items (Past 12 Months)



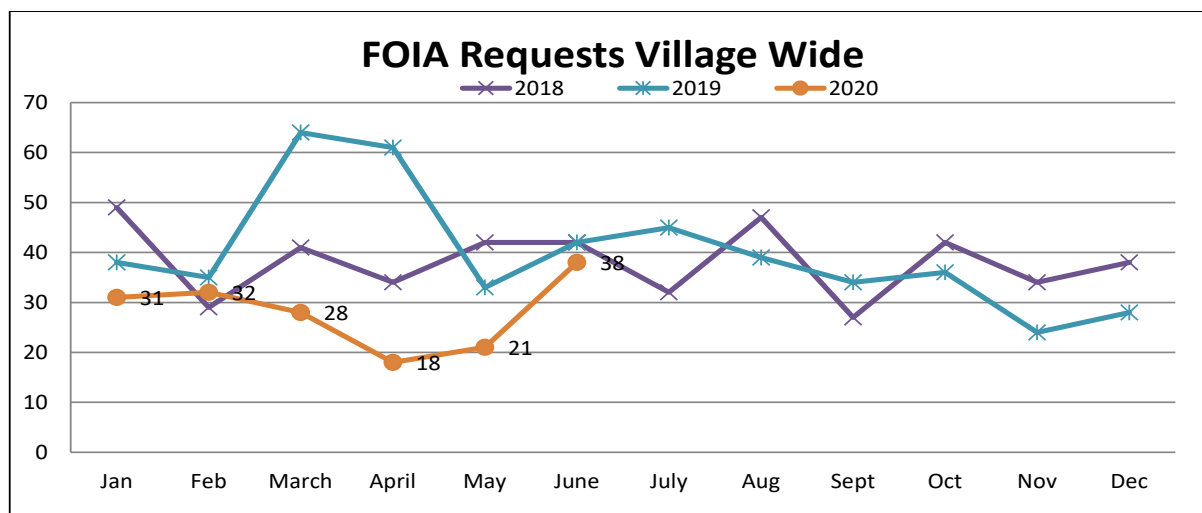
This metric shows the number of action items included on Village Board meeting agendas. As the local legislative governing body, the number of items acted upon by the Village Board has a direct input on Lake Zurich's strategic orientation. This data can be useful in decisions regarding meeting frequency, agenda preparation, activity levels, etc.

Average length of regular June Village Board meetings: 2 hours 27 minutes

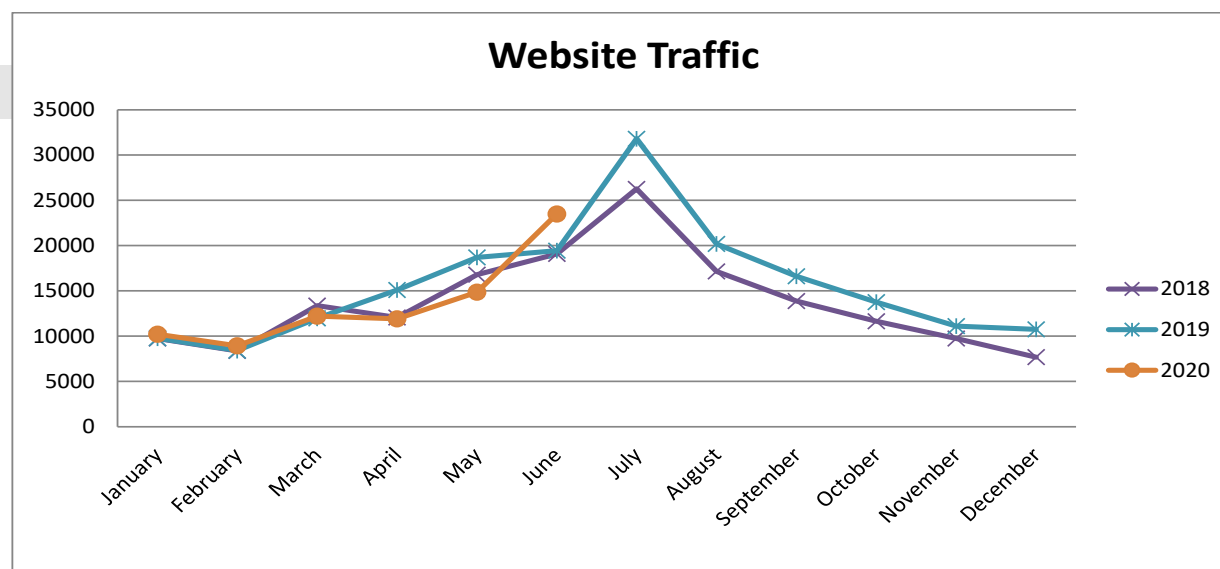
Benchmarks Rates – Past Month



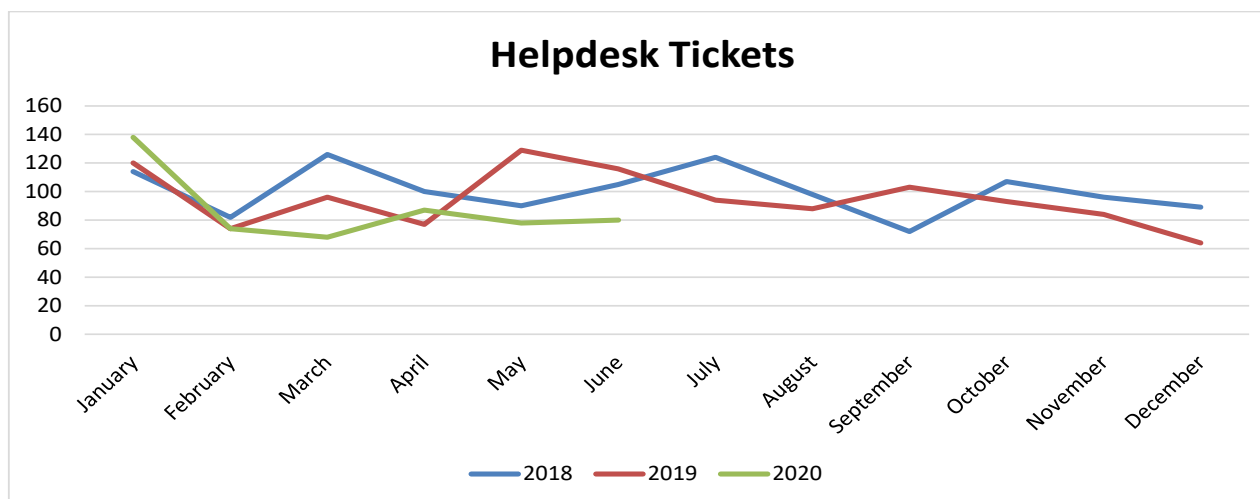
Benchmarks is the official Village e-newsletter that is a central communication device for the community. This graph shows *Benchmarks* rates over the past month. From an initial subscription rate of 756 in July 2013, *Benchmarks* now has over 5,500 subscribers.



Open and honest government is a cornerstone of American democracy. The Freedom of Information Act is intended to ensure that members of the public have access to information about their government and its decision-making processes. This graph includes all of the FOIA requests received Village-wide among all departments.

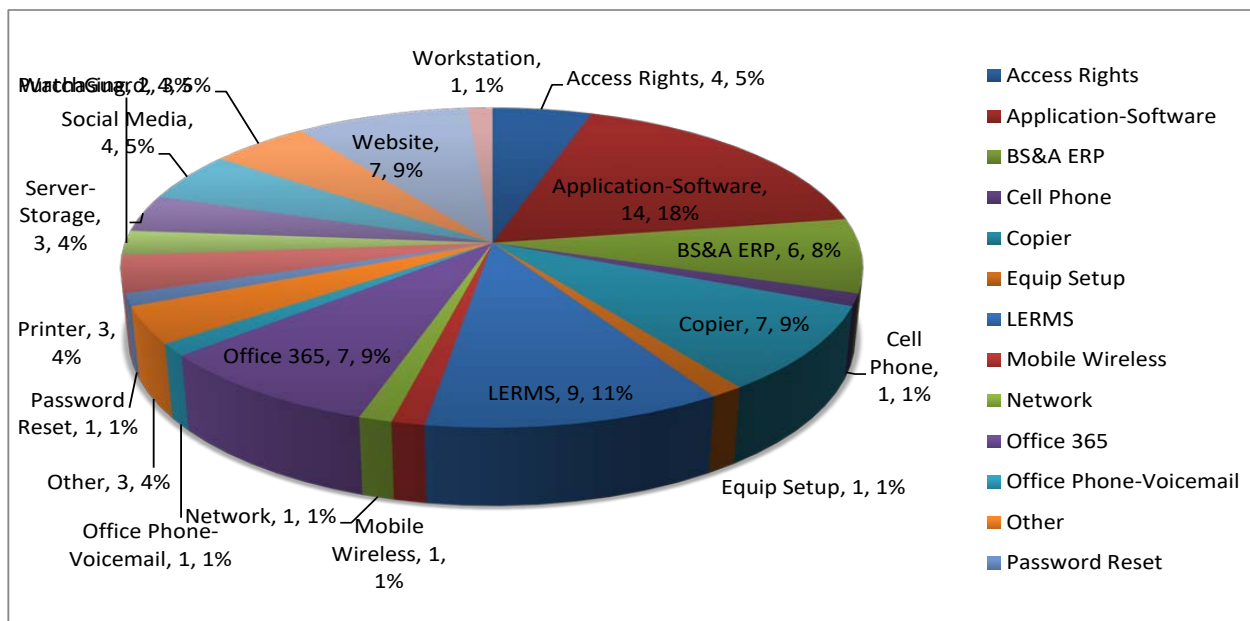


This data represents the number of website visits on LakeZurich.org. A digital presence for Lake Zurich is important for government transparency and providing citizen oriented service. E-government can also improve the overall democratic process by increasing collaboration with citizens and facilitating decision-making. This metric tracks the number of visits to LakeZurich.org. **Most Visited Page on LakeZurich.org for June: Beaches and Fees**



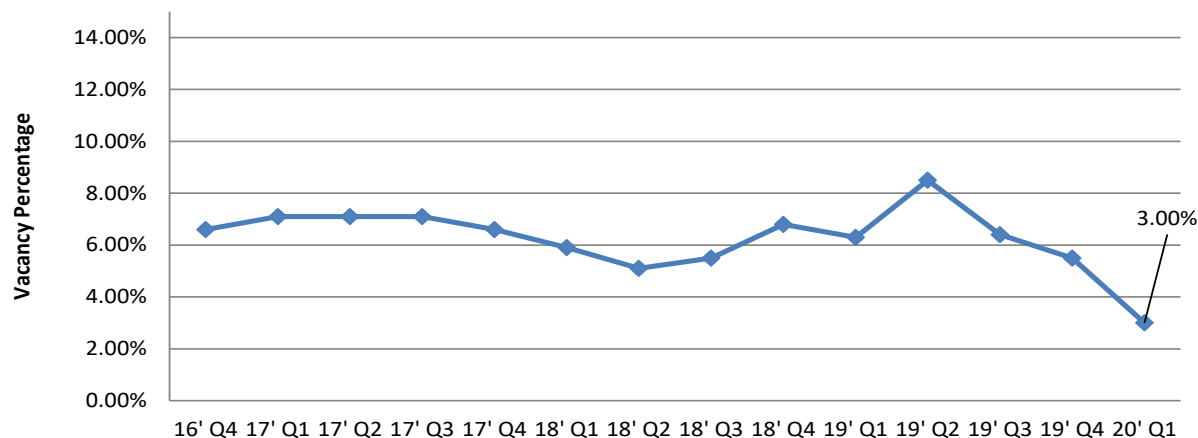
Help Desk is the digital request from Village employees to the technology department to help troubleshoot various technology related problems. A large number of Help Desk tickets may indicate a need for training workshops or investment in technology upgrades. This graph shows the most common requests for assistance this month. **Total number of Help Desk tickets in June: 80**

Help Desk – June



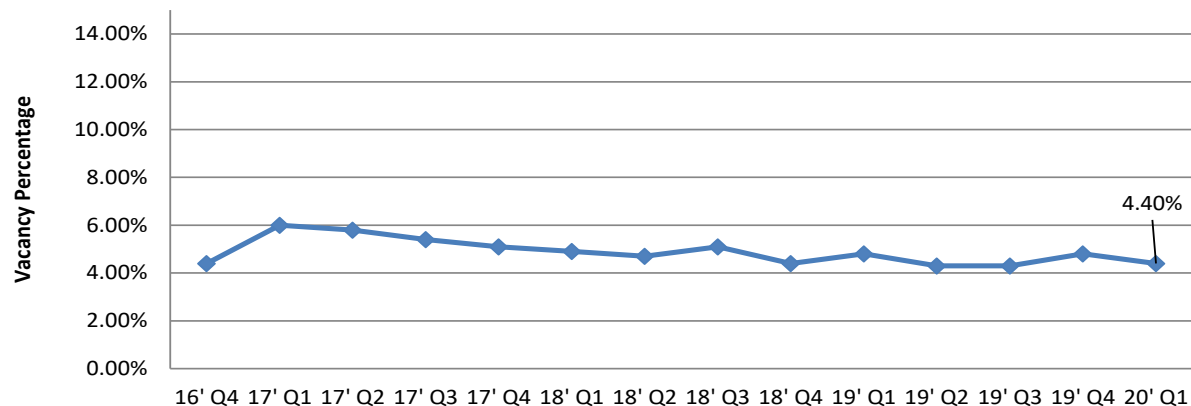
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Retail Vacancy Q1 2020

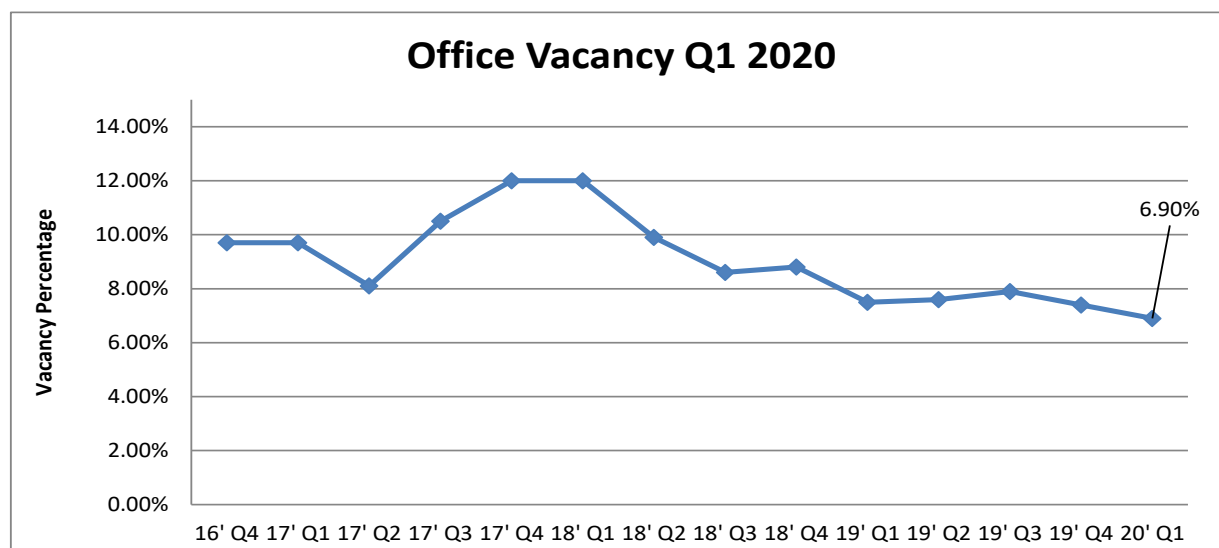


The Lake Zurich retail vacancy rate decreased in the first quarter of 2020 to 3.0% vacant from 5.5% in the fourth quarter (based on Lake County Partners data projections). As of March 31, 2020, there was 78,712 square feet of retail space reported vacant in Lake Zurich, with average rates at \$16.70 per square foot (nnn).

Industrial Vacancy Q1 2020

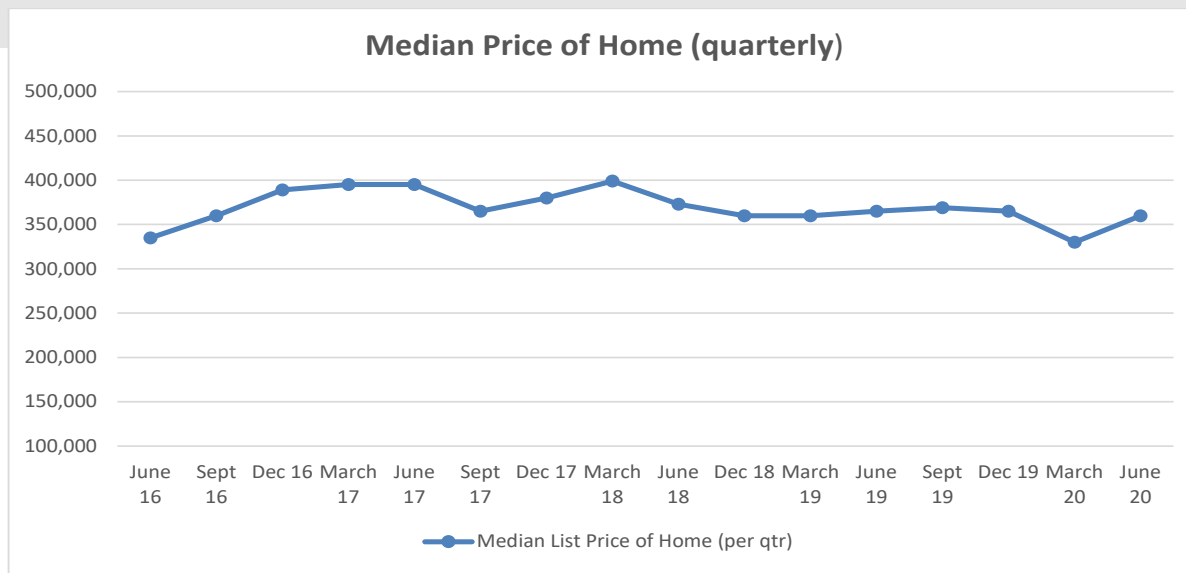


The Lake Zurich industrial vacancy rate decreased to 4.4% in Quarter 1 of 2020 compared to Quarter 4 when 4.8% was reported vacant (based on Lake County Partners data projections). As of March 31, 2020, there was 240,909 square feet of industrial space reported vacant in Lake Zurich, with average rates at \$19.48 per square foot (nnn).



The Lake Zurich office vacancy rate decreased from 7.4% in Quarter 4 of 2020 to 6.9% reported vacant in Quarter 1 of 2020 (based on Lake County Partners data projections). As of March 31, 2020, there was 27,929 square feet of office space reported vacant in Lake Zurich, with average rates at \$17.06 per square foot (nnn).

Real Estate Housing Trends – Residential Inventory



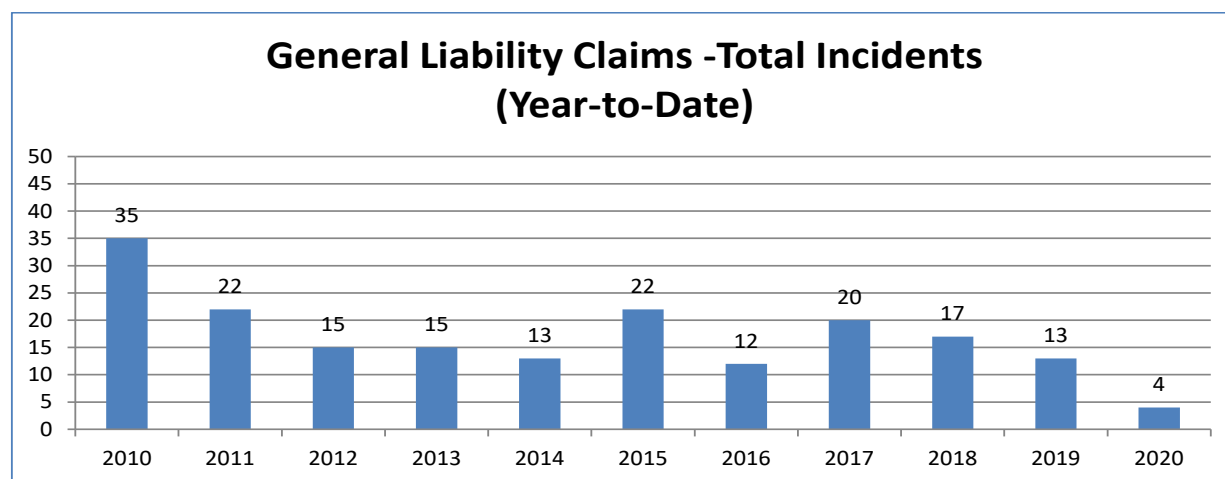
The chart above reports the recent trend for median sale price of Lake Zurich houses. The prices are reported by quarter.

The monthly snapshot below reports more details about the residential real estate market for the most recent month.

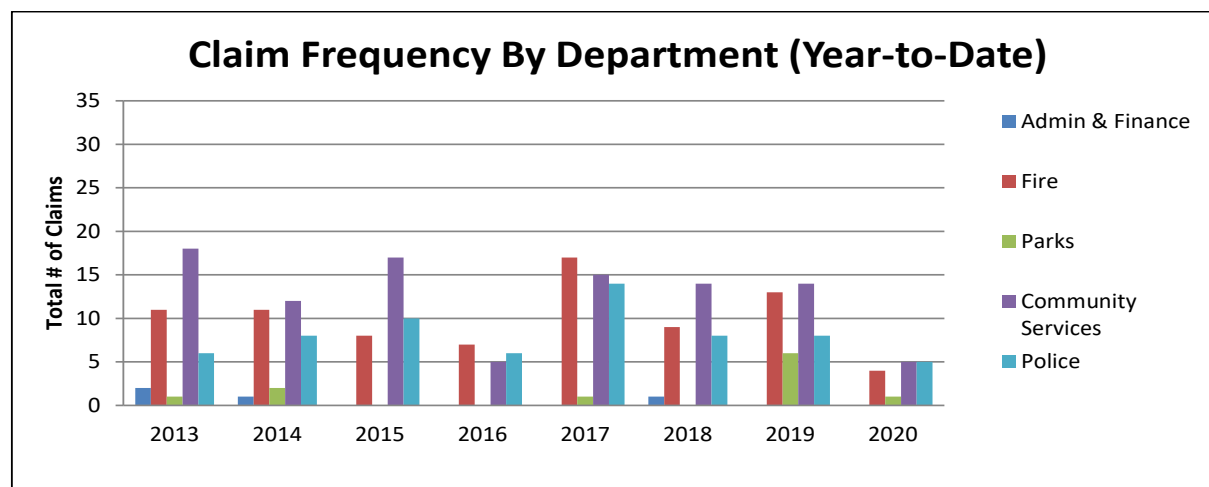
June Snapshot of Real Estate Trends

Homes Reported for Sale:	98
Median List Price:	\$360,000
Median List \$/Sq. Ft	\$167
Median Sale Price:	\$353,000
Average Down Payment:	13.7%
Median Sale \$/Sq. Ft.	\$161
Average Sale / List:	98.2%
Number of Homes Sold:	28

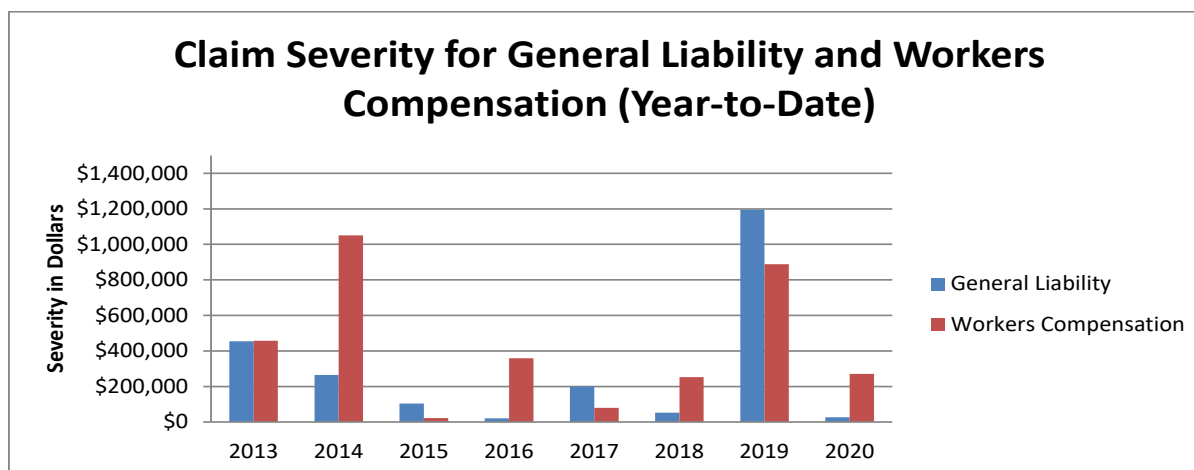
*Source: Redfin Corporation



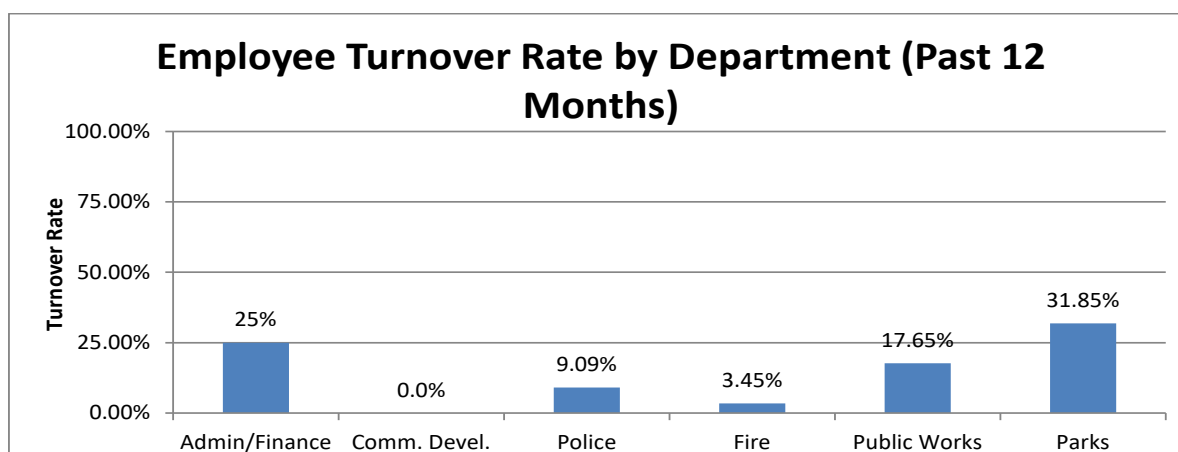
Risk management insurance coverage is provided by the Intergovernmental Risk Management Agency, a risk sharing pool of approximately 70 local municipalities and special service districts, which have joined together to manage and fund their property/casualty/workers' compensation claims. This metric reports total General Liability claims (both open and closed claims) in all departments since January 1st.



Loss prevention programs and a culture of safety that encourages safe work practices will decrease claim frequency rates. This data shows the total number of claims by department updated quarterly, which is an aggregate number of the following claim types: Auto Liability, Auto Physical Damage, General Liability, Property Damage, and Workers Compensation. It is important to realize that Community Services is responsible for routine maintenance, so its general liability claims will naturally be high due to claims involving parkway trees, mailboxes, sidewalks, fire hydrants, the municipal fleet, etc.



This metric provides a snapshot of the Village's overall liability position, separated by General Liability Claims (such as property damage) and Workers Compensation Claims (such as medical bills and lost work-time). Fewer claims filed against the Village mean less money spent and improved financial stability. This data includes the total costs, including net property loss and any other associated expenses, such as attorney fees.



A certain level of turnover is healthy and desirable for organizations. A zero percent turnover rate is not the goal. Regularly tracking turnover rate will facilitate decision making related to employee satisfaction, human resources screening, and succession planning. This metric tracks turnover for all Village employees, including full-time, part-time, and seasonal on a rotating basis for the past 12 months. The size of the department is an important factor when analyzing this data. **Note:** Parks and Public Works are heavily staffed by part-time seasonal personnel, resulting in a turnover rate that is technically high but this is not a cause for concern.



FINANCE DEPARTMENT

MONTHLY INFORMATION REPORT

MAY 2020

HIGHLIGHTING DATA METRICS
TO IDENTIFY OPERATIONAL TRENDS
AND
FACILITATE INFORMED DECISION MAKING

70 E. MAIN STREET
LAKE ZURICH, IL 60047

Finance Monthly Report – May 2020

DEPARTMENT NARRATIVE

During May, work continued on the annual audit. Other projects for the month include internal audits of water billing accounts; review of W-9 files and outstanding checks; and year-end reporting and records management. Director Thomey participated in several IGFOA roundtables with Finance Directors across the state; an ICMA webinar; the annual IMRF Rate meeting as well as met with Speer Financial and Chapman and Cutler, regarding the upcoming short-term debt issuance.

GENERAL FUND OPERATING RESULTS SUMMARY

For the month of May, revenues totaled \$2.04 million and expenditures \$2.55 million, resulting in an operating deficit of \$511k. From a budget perspective, we had expected expenditures to exceed revenues by \$735k. Year-to-date figures below represent the fifth month of activity for the year.

General Fund Operating Results

	Current Month Budget	Current Month Actual	Year-to-Date Budget	Year-to-Date Actual
Revenues	\$ 1,949,375	\$ 2,039,385	\$ 8,992,669	\$ 9,201,706
Expenditures	2,684,754	2,550,718	10,457,983	9,857,093
Excess (Deficiency)	\$ (735,379)	\$ (511,333)	\$ (1,465,314)	\$ (655,387)

Finance Monthly Report – May 2020

REVENUES

Following is a summary of revenues by type through May 31, 2020. These figures represent five months of financial activity. A more detailed analysis can be found on page 9.

	Current Month's Budget	Current Month's Actual	% Variance	Year-to-Date Budget	Year-to-Date Actual	% Variance	% of Annual Budget
Taxes	\$ 346,603	\$ 680,734	96.4%	\$ 1,090,065	\$ 1,433,065	31.47%	14.2%
Intergovernmental	1,375,923	1,213,769	-11.8%	6,552,151	6,453,950	-1.50%	41.3%
Licenses & Permits	50,067	26,217	-47.6%	447,156	415,289	-7.13%	61.2%
Fines and Forfeits	54,577	35,842	-34.3%	247,639	235,614	-4.86%	40.1%
Charges for Services	109,976	70,338	-36.0%	593,593	521,699	-12.11%	27.5%
Investment Income	7,533	6,459	-14.3%	24,149	52,638	117.97%	39.0%
Miscellaneous	4,696	6,026	28.3%	37,915	89,451	135.92%	74.5%
Total Revenue	\$ 1,949,375	\$ 2,039,385	4.6%	\$ 8,992,669	\$ 9,201,706	2.32%	31.6%

Taxes:

Revenues from taxes came in at \$681k in May, higher than budget expectations. While property taxes are received primarily June through September, the remaining revenues in this category contribute a significant amount of revenue each month all year round.

Telecommunications tax receipts were about 38% lower than expected for the month at \$40k. That is 53% lower than the amount received in the same month of the prior year. More information regarding Telecommunications tax can be found on page 12.

Both utility taxes fell short of expectations for the month. The gas utility tax had \$25k in receipts compared to an expected \$27k. Electric utility tax came in at \$62k versus the expected \$71k. Combined, utility taxes were 11% less than expected. The payments are based primarily on April activity. More detail on the Utility Taxes can be found on page 13.

Intergovernmental Revenue:

Revenue from other governments totaled \$1.2 million in May, which fell short of budget expectations for the category. Year-to-date receipts are also lower than budget expectations.

State sales tax receipts were slightly above budget expectations for the month at \$498k. This represents sales from February and was 3% more than receipts from the same month last year. Looking

Finance Monthly Report – May 2020

further ahead, we anticipate a decrease in sales tax revenue due to the Peapod closure in mid-February. More information regarding Sales Tax can be found on page 14.

Income Tax receipts came in 47% below expectations with the receipts for May totaling \$198k compared to an expected \$374k. Income tax receipts fell short of expectations, due to the extension of the income tax filing date from April 15th to July 15th. Details on Income Tax are provided on page 15.

Licenses and Permits:

Revenue from the issuance of licenses and permits came in at \$26k for May, below budget expectations. Building permits (\$10k), contractor registration (\$6k), and permit plan review (\$4k) were the biggest contributors. Due to the variable nature of these types of revenues, fluctuations are expected throughout the year based on activity.

Fines and Forfeits:

Revenue from police fines were less than expected during May, with receipts of \$36k, which was 34% below the \$55k projected. We believe the reduction is due to the clerk's office being closed, not the lack of productivity. The revenues in this category include various fines generated from police citations, such as red light and local ordinance violations.

Charges for Services:

Revenue from service charges totaled \$70k in May. The main revenue sources in this category are ambulance, engineering fees and park program fees. As ambulance fees are based purely on activity and need, this revenue source can fluctuate considerably during the year. Ambulance receipts for the month were recorded at \$77k. We anticipate park program fees will be negatively impacted due to the pandemic. Revenues will be refunded, as camps and many park programs are cancelled. Additionally, looking to June since seasonal beach passes were not sold and beaches have been closed, we expect additional revenue reductions. This category is a combination on timing of receipts and increased activity levels.

Investment Income:

The General Fund investment income in May was \$6k. In December of 2018, \$3.6 million was transferred from Barrington Bank to PMA Financial Advisors for long term investment. Investment returns

Finance Monthly Report – May 2020

are balanced between investments in certificates of deposits, treasury obligations, investment pools and interest-bearing money market accounts. A detailed cash and investment report can be found on page 17.

Miscellaneous:

The General Fund miscellaneous revenue in May was \$6k. Receipts for this category were rental income (\$5k), as well as other small items.

EXPENDITURES

For the month of May, expenditures totaled \$2.55 million for the General Fund, which was 5.0% below projections of \$2.68 million. The table below presents a summary of General Fund expenditures by department as of May 31, 2020. Additional detail can be found on page 9.

Department Or Program	Current Month's Budget	Current Month's Actual	% Variance	YTD Budget	YTD Actual	% Variance	% of Annual Budget
Legislative	\$ 14,522	\$ 11,131	-23.4%	\$ 36,616	\$ 36,620	0.0%	50.5%
Administration	\$ 101,265	\$ 92,584	-8.6%	\$ 492,179	\$ 393,134	-20.1%	25.7%
Finance	\$ 75,183	\$ 57,961	-22.9%	\$ 253,745	\$ 234,127	-7.7%	41.7%
Technology	\$ 73,218	\$ 63,038	-13.9%	\$ 247,843	\$ 248,432	0.2%	46.8%
Police	\$ 656,612	\$ 698,561	6.4%	\$ 2,581,234	2,556,223	-1.0%	31.9%
Fire	\$ 993,976	\$ 1,108,543	11.5%	\$ 4,018,541	3,967,327	-1.3%	34.6%
Community Develop.	\$ 89,204	\$ 74,442	-16.5%	\$ 342,398	324,579	-5.2%	36.6%
Public Works	\$ 352,587	\$ 276,056	-21.7%	\$ 1,350,188	1,160,879	-14.0%	34.7%
Park & Recreation	\$ 190,768	\$ 29,978	-84.3%	\$ 448,154	243,647	-45.6%	22.7%
Operating Transfers	\$ 137,417	\$ 138,425	0.7%	\$ 687,085	692,125	0.7%	41.7%
Total	\$ 2,684,754	\$ 2,550,718	-5.0%	\$ 10,457,983	\$ 9,857,093	-5.7%	33.8%

OPERATING RESULTS OF OTHER FUNDS

Following are some observations regarding the revenues and expenditures of other funds. A financial summary of funds other than General is provided on pages 10-11.

Finance Monthly Report – May 2020

Special Revenue Funds:

Motor fuel tax revenue came in at \$263k in May, which was 713% above the budget of \$32k. The excess is mainly due to the receipt of a 'Rebuild Illinois MFT Grant' (\$216k) and to the 'Transportation Renewal Fund' (\$19k), in which municipalities will see an increase to their MFT due to the 2019 state capital bill. Conservative estimates for revenues highly sensitive to the economy, such as this one, allow for fluctuations later in the year. Expenditures from the Motor Fuel Tax Fund were \$14k for traffic signal maintenance (\$12k), as well as other small items.

May revenues for the Hotel Tax Fund totaled \$12k. The revenue in this fund is a combination of hotel tax receipts and interest income. Hotel Tax revenues for February through April were received in May. Expenditures of \$8k were recorded for the month, most of which is a transfer to the Special Events Fund for the funding of special events.

The Special Events Fund allocates resources for special events and their corresponding expenditures. Revenues for May totaled \$18k, which primarily relates to funding transfers in from other funds. Expenditures for the month totaled \$15k, consisting of normal staff expenses and invoices paid for some small items.

Debt Service Funds:

The debt service funds record annual debt service payments for several of the village issuances, mostly due December 2020. Interest payments are paid semi-annually, typically July and December. Revenues for the debt service fund are from interest and changes in market value of investments at this point in the year. Transfers from other funding sources will occur later in the year. Interest rates continue to be low for the options available for village investment per law. There were no expenditures recorded for May.

Capital Projects Funds:

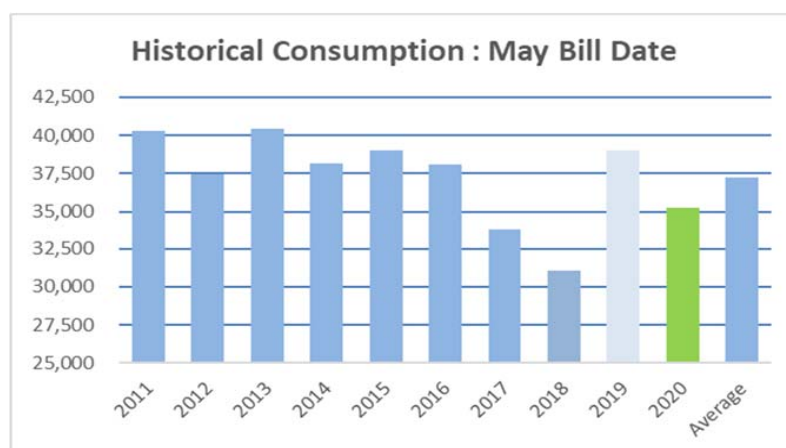
May revenue for the capital projects funds in total came in at \$224k. The majority of the revenue was from Non-Home Rule Sales Tax (NHRST), with receipts from May of \$145k. This was 4% higher than budget expectations and 6% higher than the same month last year. May receipts represent sales from February. More detail on the NHRST revenue can be found on page 16. Remaining revenues for capital project funds included a fund transfer from the general fund of \$75k and residual interest income and change in market value of investments.

Finance Monthly Report – May 2020

Expenditures for capital projects were recorded in May of \$28k for the 2020 Road Resurfacing Project (\$23K), and the Kildeer Creek restoration (\$5k). Due to timing of the budgeted capital projects, the majority of remaining budgeted expenditures will be spent later in the year, during and after construction season.

Water and Sewer Fund:

May revenue totaled \$528k, which was 5% below the budget estimate of \$555k. Consumption metered in May was 35M gallons, lower than the nine-year average of 37M gallons. The consumption billed in May primarily represents water metered in late April and early May. With about 40M gallons pumped, about 11% of pumped water was lost to main breaks, fire department use, or other small issues. A chart comparing May water consumption over the past nine years provided below.



Expenses in the Water Fund were \$431K for the month. Of this amount, \$158k is a non-cash transaction to record depreciation of the infrastructure assets of the fund. The remaining expenses are personnel expenses, other operational items and other smaller operating items. Throughout the year, spending is monitored to ensure revenues are sufficient to cover operations and capital needs as necessary. Any annual surplus would be used for expenditures later in the year and provide cash flow for improvements to maintain the aging infrastructure.

Finance Monthly Report – May 2020

Internal Service Funds:

Internal service funds are used to reserve resources for a specific purpose and to allocate the user charges accordingly. The village has three active internal service funds: Medical Self Insurance, Risk Management and Equipment Replacement. Revenues are a combination of user charges from other funds as appropriate. Expenditures fluctuate, depending on activity levels, particularly in the Risk Management Fund.

The Equipment Replacement fund in particular is subject to funding availability from the General Fund. May expenses mainly include non-cash depreciation expenses (\$33k) as well as other small expenses.

Special Service Areas:

While the village does not budget for Special Service Area (SSA) revenues and expenses, as funds are being collected and spent for village SSA's, the following information can be of value to report. The only expenses for special service areas in May were \$190 for sweeping and mowing and \$8,750 for water quality management (SSA #8, SSA#11 and SSA #13).

SSA Activity May-20									
SSA #	Location	Beginning Balance 1/1/2020	Year-To-Date Revenues Expenses		Ending Balance 5/31/2020	Annual Expected Revenues	YTD %	Annual Expected Expenses	YTD %
SSA #8	Heatherleigh	79,315	651	10,792	69,174	10,105	6.44%	15,050	71.71%
SSA #9	Willow Ponds	136,288	1,036	2,000	135,324	11,950	8.67%	16,000	12.50% ^b
SSA #10	Westberry	15,026	34	-	15,060	1,000	3.38%	-	N/A
SSA #11	Lake Zurich Pines	21,900	-	454	21,446	3,000	0.00% ^a	1,573	28.83%
SSA #13	Conventry Creek	332,966	1,479	6,458	327,987	30,000	4.93% ^a	TBD	N/A
SSA #16	Country Club	9,197	-	-	9,197	1,760	N/A	TBD	N/A
		594,692	3,200	19,703	578,189	57,816	5.53%	32,623	0.00%

a) Flat amount levied per property.
 b) At some point after enough funds have accrued, Willow Ponds will require dredging, estimated at \$120,000+

Police and Firefighters' Pension Funds:

A snapshot of activity related to the public safety pension funds of the village is provided as part of the monthly report. It is important to note that a significant revenue source for both pension funds is the annual property tax levy, of which receipts are typically recorded between June and September of each year, affecting the cash flows of each fund.

Finance Monthly Report – May 2020

The Police Pension Fund had total revenue of \$1.05 million for the month. For May, the fund recorded an unrealized gain of \$898k from investments. Total municipal and member contributions for the month totaled \$153k. Expenses for the month were \$182k of which \$174k was for pension and benefit payments, \$3k for professional expenses and \$5k for other expenses. For the month of May, the fund experienced a gain of \$869k. As of May 31st, the fund had a net position of \$25.4 million. Additional information can be found on page 18.

The Firefighters' Pension Fund had a similar month for investments, with an unrealized gain of \$1.4 million from investments. Total municipal and member contributions for the month totaled \$203k. Total revenues for the month were \$1.6 million. Expenses for the month were \$166k, of which \$158k was for pension and benefit payments and \$8k was for professional services. For the month of May, the fund experienced a gain of \$1.4 million. As of May 31st, the fund had a net position of \$40.4 million. Additional information can be found on page 18.

Conclusion:

For the fiscal periods covered by this report, we are beginning to see some indication of revenue shifts, such as the case with fines and forfeitures and charges for service. We anticipate a revenue shortfall relating to the Peapod closure in mid-February as well as the COVID19 effect, and continue to take steps to align our budget with the anticipated revenue shortfall. With the uncertainty in the financial markets, we anticipate fluctuations in the investments as well. We will continue to closely monitor revenues and expenditures in the coming months. Looking ahead, we are constantly reviewing every aspect of the budget to deal with these challenges and hold expenses to a minimum.

Respectfully Submitted,

Bane Thomey

Bane Thomey
Director of Finance

VILLAGE OF LAKE ZURICH
 OPERATING REPORT SUMMARY
 GENERAL FUND
 May 31, 2020

	Current Month			Year-to-Date			Amended	% of
	Budget	Actual	Variance	Budget	Actual	Variance	Annual Budget	Achieved
REVENUES								
Taxes								
Property Taxes	114,646	487,014	324.8%	114,646	487,014	324.8%	8,065,388	6.0%
Utility Tax - Electric	70,967	61,852	(12.8%)	403,500	375,300	(7.0%)	991,364	37.9%
Utility Tax - Gas	26,736	25,459	(4.8%)	191,444	168,686	(11.9%)	292,469	57.7%
Cable Tv Franchise	68,933	66,053	(4.2%)	173,270	159,767	(7.8%)	336,446	47.5%
Telecom Tax	65,321	40,356	(38.2%)	207,206	242,297	16.9%	437,477	55.4%
Total Taxes	346,603	680,734	96.4%	1,090,065	1,433,065	31.5%	10,123,144	14.2%
Intergovernmental								
State Sales Tax	491,374	497,768	1.3%	2,923,428	2,886,067	(1.3%)	7,208,410	40.0%
State Income Tax	374,231	197,921	(47.1%)	1,006,780	902,440	(10.4%)	1,983,568	45.5%
State Use Tax	46,972	48,799	3.9%	268,696	308,232	14.7%	635,808	48.5%
Video Gaming Tax	19,994	9,880	(50.6%)	92,694	86,727	(6.4%)	230,000	37.7%
Fire/Rescue Srvc Contract	426,243	440,277	3.3%	2,131,215	2,201,386	3.3%	5,283,326	41.7%
Other Intergovernmental	17,107	19,125	11.8%	129,337	69,098	(46.6%)	282,604	24.5%
Total Intergovernmental	1,375,923	1,213,769	(11.8%)	6,552,151	6,453,950	(1.5%)	15,623,716	41.3%
Licenses & Permits								
Liquor Licenses	103	-	(100.0%)	167,902	165,749	(1.3%)	171,000	96.9%
Business Licenses	887	65	(92.7%)	104,383	100,593	(3.6%)	103,000	97.7%
Building Permits	21,339	9,911	(53.6%)	55,836	47,545	(14.8%)	140,000	34.0%
Permit Plan Review	5,704	4,222	(26.0%)	22,647	18,990	(16.1%)	75,000	25.3%
Other Permits	22,033	12,019	(45.4%)	96,388	82,412	(14.5%)	189,525	43.5%
Total Licenses & Permits	50,067	26,217	(47.6%)	447,156	415,289	(7.1%)	678,525	61.2%
Fines and Forfeits	54,577	35,842	(34.3%)	247,639	235,614	(4.9%)	588,000	40.1%
Charges for Services								
Fire/Rescue Ambulance Fee	17,172	77,285	350.1%	187,566	293,711	56.6%	650,000	45.2%
Park Program Fees	66,922	(12,139)	(118.1%)	278,740	90,357	(67.6%)	689,567	13.1%
Other Charges for Services	25,883	5,192	(79.9%)	127,288	137,631	8.1%	555,900	24.8%
Total Charges for Services	109,976	70,338	(36.0%)	593,593	521,699	(12.1%)	1,895,467	27.5%
Investment Income	7,533	6,459	(14.3%)	24,149	52,638	118.0%	135,000	39.0%
Miscellaneous	4,696	6,026	28.3%	37,915	89,451	135.9%	120,070	74.5%
Total General Fund Revenues	1,949,375	2,039,385	4.6%	8,992,669	9,201,706	2.3%	29,163,922	31.6%
EXPENDITURES								
General Government								
Legislative	14,522	11,131	(23.4%)	36,616	36,620	0.0%	72,522	50.5%
Administration	101,265	92,584	(8.6%)	492,179	393,134	(20.1%)	1,530,210	25.7%
Finance	75,183	57,961	(22.9%)	253,745	234,127	(7.7%)	561,890	41.7%
Technology	73,218	63,038	(13.9%)	247,843	248,432	0.2%	530,888	46.8%
Total Gen. Govt.	264,189	224,713	(14.9%)	1,030,384	912,312	(11.5%)	2,695,510	33.8%
Public Safety								
Police	656,612	698,561	6.4%	2,581,234	2,556,223	(1.0%)	8,016,354	31.9%
Fire	993,976	1,108,543	11.5%	4,018,541	3,967,327	(1.3%)	11,475,711	34.6%
Community Development	89,204	74,442	(16.5%)	342,398	324,579	(5.2%)	886,790	36.6%
Total Public Safety	1,739,793	1,881,546	8.1%	6,942,173	6,848,129	(1.4%)	20,378,855	33.6%
Streets - Public Works	352,587	276,056	(21.7%)	1,350,188	1,160,879	(14.0%)	3,346,430	34.7%
Culture - Park and Recreation	190,768	29,978	(84.3%)	448,154	243,647	(45.6%)	1,073,143	22.7%
Total General Fund Expend.	2,547,337	2,412,293	(5.3%)	9,770,898	9,164,968	(6.2%)	27,493,938	33.3%
Operating Transfers Out	137,417	138,425	0.7%	687,085	692,125	0.7%	1,661,100	41.7%
NET INCOME (LOSS) FOR GENERAL	(735,379)	(511,333)	-30.5%	(1,465,314)	(655,387)	-55.3%	8,884	-7377.2%

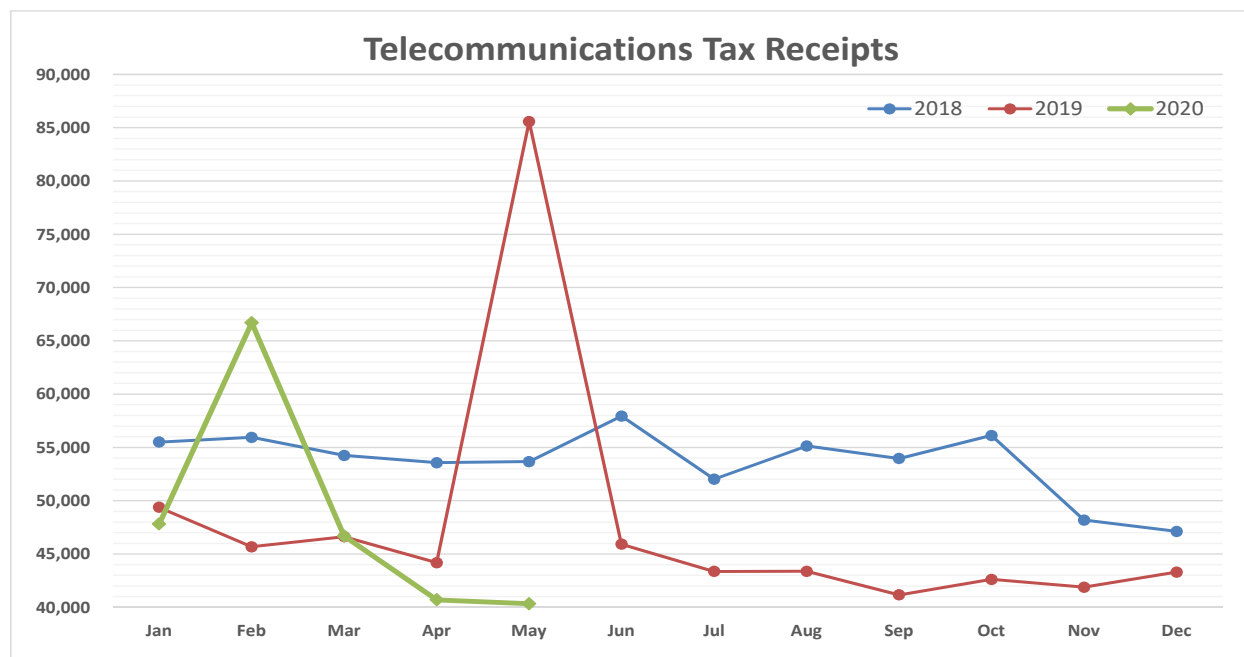
VILLAGE OF LAKE ZURICH
 OPERATING REPORT SUMMARY
 May 31, 2020

	Current Month			Year-to-Date			Amended Annual Budget	% of Annual Budget Achieved
	Budget	Actual	% Variance	Budget	Actual	% Variance		
SPECIAL REVENUE FUNDS								
MOTOR FUEL TAX FUND								
Revenues	32,363	263,200	713.3%	168,653	517,422	206.8%	510,469	101.4%
Expenditures	27,370	14,112	(48.4%)	245,146	233,720	(4.7%)	506,662	46.1%
Net Activity Gain (Loss)	4,992	249,087		(76,493)	283,701		3,807	
HOTEL TAX FUND								
Revenues	6,796	11,597	70.7%	33,678	28,277	(16.0%)	110,468	25.6%
Expenditures	7,804	7,698	(1.4%)	50,671	50,368	(0.6%)	103,950	48.5%
Net Activity Gain (Loss)	(1,008)	3,898		(16,993)	(22,091)		6,518	
SPECIAL EVENTS FUND								
Admin & Miscellaneous								
Revenues	12,797	12,694	(0.8%)	67,316	65,255	(3.1%)	157,350	41.5%
Expenditures	16,813	14,757	(12.2%)	67,759	61,935	(8.6%)	155,675	39.8%
Net Activity Gain (Loss)	(4,016)	(2,063)		(443)	3,320		1,675	
Rock the Block								
Revenues	5,673	-	(100.0%)	6,346	1,600	(74.8%)	59,400	2.7%
Expenditures	-	-	0.0%	17,000	7,556	(55.6%)	48,046	15.7%
Net Activity Gain (Loss)	5,673	-		(10,654)	(5,956)		11,354	
Craft Beer Fest								
Revenues	59,674	250	(99.6%)	64,950	1,250	(98.1%)	66,700	1.9%
Expenditures	1,202	-	(100.0%)	1,202	-	(100.0%)	66,477	0.0%
Net Activity Gain (Loss)	58,472	250		63,748	1,250		223	
Farmers Market								
Revenues	1,197	(50)	(104.2%)	7,370	4,255	(42.3%)	9,245	46.0%
Expenditures	1,100	350	(68.2%)	4,700	750	(84.0%)	8,989	8.3%
Net Activity Gain (Loss)	97	(400)		2,670	3,505		256	
Fourth of July								
Revenues	4,417	4,417	0.0%	24,926	23,683	(5.0%)	69,250	34.2%
Expenditures	1,350	-	(100.0%)	30,600	17,452	(43.0%)	67,558	25.8%
Net Activity Gain (Loss)	3,067	4,417		(5,674)	6,231		1,692	
Winter Festival								
Revenues	2,667	1,167	(56.2%)	7,334	6,333	(13.6%)	17,800	35.6%
Expenditures	-	-	0.0%	6,550	3,915	(40.2%)	17,643	22.2%
Net Activity Gain (Loss)	2,667	1,167		784	2,419		157	
Special Events Fund Total	65,959	3,370		50,431	10,769		15,357	
TIF #1 TAX FUND								
Revenues	17,513	127,514	628.1%	17,791	127,820	618.4%	1,303,500	9.8%
Expenditures	-	-	0.0%	-	-	0.0%	1,299,000	0.0%
Net Activity Gain (Loss)	17,513	127,514		17,791	127,820		4,500	
TIF #2 - DOWNTOWN								
Revenues	8,380	(78,870)	(1,041.2%)	28,084	(63,965)	(327.8%)	183,500	(34.9%)
Expenditures	5,661	6,010	6.2%	13,800	27,194	97.1%	22,100	123.1%
Net Activity Gain (Loss)	2,719	(84,881)		14,284	(91,160)		161,400	
TIF #3 - RAND ROAD								
Revenues	-	-	0.0%	-	-	0.0%	10,100	0.0%
Expenditures	-	-	0.0%	-	-	0.0%	1,400	0.0%
Net Activity Gain (Loss)	-	-		-	-		8,700	
DISPATCH CENTER FUND								
Revenues	410,567	413,309	0.7%	879,956	937,955	6.6%	1,550,550	60.5%
Expenditures	156,703	141,428	(9.7%)	624,345	549,962	(11.9%)	1,534,898	35.8%
Net Activity Gain (Loss)	253,864	271,881		255,611	387,993		15,652	

VILLAGE OF LAKE ZURICH
 OPERATING REPORT SUMMARY
 May 31, 2020

	Current Month			Year-to-Date			Amended Annual Budget	% of Annual Budget Achieved
	Budget	Actual	% Variance	Budget	Actual	% Variance		
DEBT SERVICE FUNDS								
VILLAGE DEBT SERVICE								
Revenues	17,731	71,053	300.7%	20,656	75,194	264.0%	1,185,000	6.3%
Expenditures	6,294	-	(100.0%)	515,389	515,100	(0.1%)	1,678,027	30.7%
Net Activity Gain (Loss)	11,437	71,053		(494,733)	(439,906)		(493,027)	
TIF #1 DEBT SERVICE								
Revenues	67	165	144.3%	295	1,173	297.5%	1,931,500	0.1%
Expenditures	-	-	0.0%	857,372	884,204	3.1%	1,927,554	45.9%
Net Activity Gain (Loss)	67	165		(857,077)	(883,031)		3,946	
CAPITAL PROJECT FUNDS								
CAPITAL IMPROVEMENTS								
Revenues	77,912	77,507	(0.5%)	385,540	393,763	2.1%	932,000	42.2%
Expenditures	232,696	5,160	(97.8%)	317,480	73,013	(77.0%)	1,193,850	6.1%
Net Activity Gain (Loss)	(154,784)	72,347		68,060	320,751		(261,850)	
PARK IMPROVEMENTS								
Revenues	-	2	0.0%	-	8	0.0%		#DIV/0!
Expenditures	-	-	0.0%	-	-	0.0%		0.0%
Net Activity Gain (Loss)	-	2		-	8		-	
NON-HOME RULE SALES TAX								
Revenues	143,191	146,689	2.4%	886,996	877,665	(1.1%)	2,222,086	39.5%
Expenditures	355,333	23,327	(93.4%)	371,665	67,522	(81.8%)	2,217,000	3.0%
Net Activity Gain (Loss)	(212,142)	123,362		515,331	810,144		5,086	
ENTERPRISE FUND								
WATER AND SEWER								
Revenues	555,458	527,699	(5.0%)	2,889,308	2,902,662	0.5%	7,203,164	40.3%
Expenses								
Administration	48,568	39,201	(19.3%)	209,616	181,442	(13.4%)	464,443	39.1%
Debt	-	10,254	0.0%	101,857	97,217	(4.6%)	203,191	47.8%
Depreciation	158,333	158,333	(0.0%)	791,667	791,667	0.0%	1,900,000	41.7%
Billing	21,349	24,753	15.9%	92,984	91,301	(1.8%)	234,310	39.0%
Water	564,442	112,053	(80.1%)	1,279,610	584,179	(54.3%)	2,930,943	19.9%
Sewer	88,863	86,771	(2.4%)	469,721	439,744	(6.4%)	2,974,138	14.8%
	881,556	431,365		2,945,455	2,185,549		8,707,025	
Net Activity Gain (Loss)	(326,098)	96,334		(56,147)	717,113		(1,503,861)	
INTERNAL SERVICE FUNDS								
MEDICAL INSURANCE								
Revenues	243,424	246,092	1.1%	1,188,799	1,205,012	1.4%	2,841,854	42.4%
Expenses	234,301	37,428	(84.0%)	1,238,400	1,203,407	(2.8%)	2,831,779	42.5%
Net Activity Gain (Loss)	9,123	208,665		(49,601)	1,605		10,075	
RISK MANAGEMENT								
Revenues	64,384	79,390	23.3%	309,307	387,260	25.2%	773,000	50.1%
Expenses	49,720	32,128	(35.4%)	896,532	865,572	(3.5%)	1,149,752	75.3%
Net Activity Gain (Loss)	14,664	47,262		(587,225)	(478,312)		(376,752)	
EQUIPMENT REPLACEMENT								
Revenues	396,711	66,618	(83.2%)	727,890	336,781	(53.7%)	1,313,300	25.6%
Expenses	237,083	35,067	(85.2%)	839,174	224,080	(73.3%)	1,475,000	15.2%
Net Activity Gain (Loss)	159,628	31,551		(111,284)	112,701		(161,700)	
TOTAL ALL VILLAGE FUNDS	(889,444)	710,277		(2,793,360)	202,718		(2,553,265)	

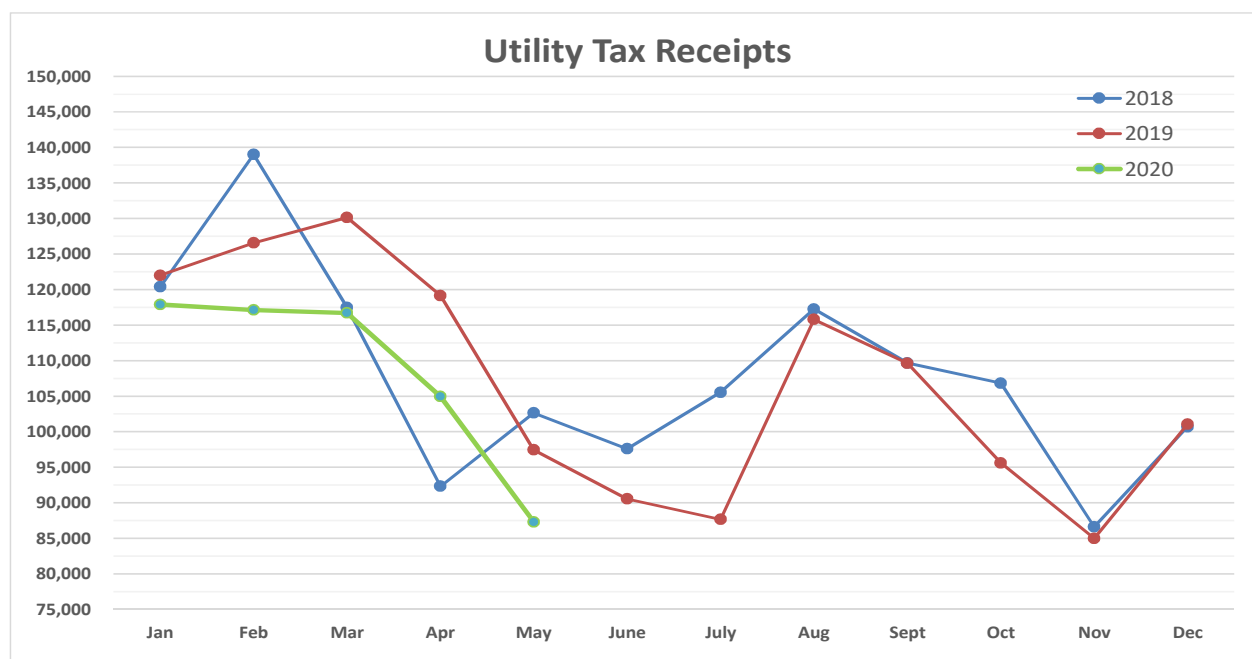
DEPARTMENT OF FINANCE
 MONTHLY REPORT
 MAY 2020



Collection History

Received	Earned	Historical			Current Year Actual		Current Year Budget		
		FY 2018	FY 2019	% Change	FY 2020	% Change	Budget	Variance \$	Variance %
January	October	55,510	49,387	-11.03%	47,823	-3.17%	37,697	10,126	26.86%
February	November	55,958	45,678	-18.37%	66,708	46.04%	34,866	31,842	91.33%
March	December	54,265	46,633	-14.06%	46,694	0.13%	35,594	11,099	31.18%
April	January	53,572	44,188	-17.52%	40,718	-7.85%	33,728	6,989	20.72%
May	February	53,681	85,580	59.42%	40,356	-52.84%	65,321	(24,966)	-38.22%
June	March	57,947	45,928	-20.74%			35,056		
July	April	52,031	43,371	-16.64%			33,105		
August	May	55,144	43,380	-21.33%			33,111		
September	June	53,969	41,173	-23.71%			31,427		
October	July	56,132	42,628	-24.06%			32,537		
November	August	48,197	41,893	-13.08%			31,976		
December	September	47,136	43,311	-8.11%			33,059		
	End of Year Adj.	(24,034)							
		619,507	573,151	-7.48%	242,297		437,477	35,091	
	Y-T-D	272,985	271,467	-0.56%	242,297	-10.75%	207,206	35,091	16.94%

DEPARTMENT OF FINANCE
 MONTHLY REPORT
 MAY 2020

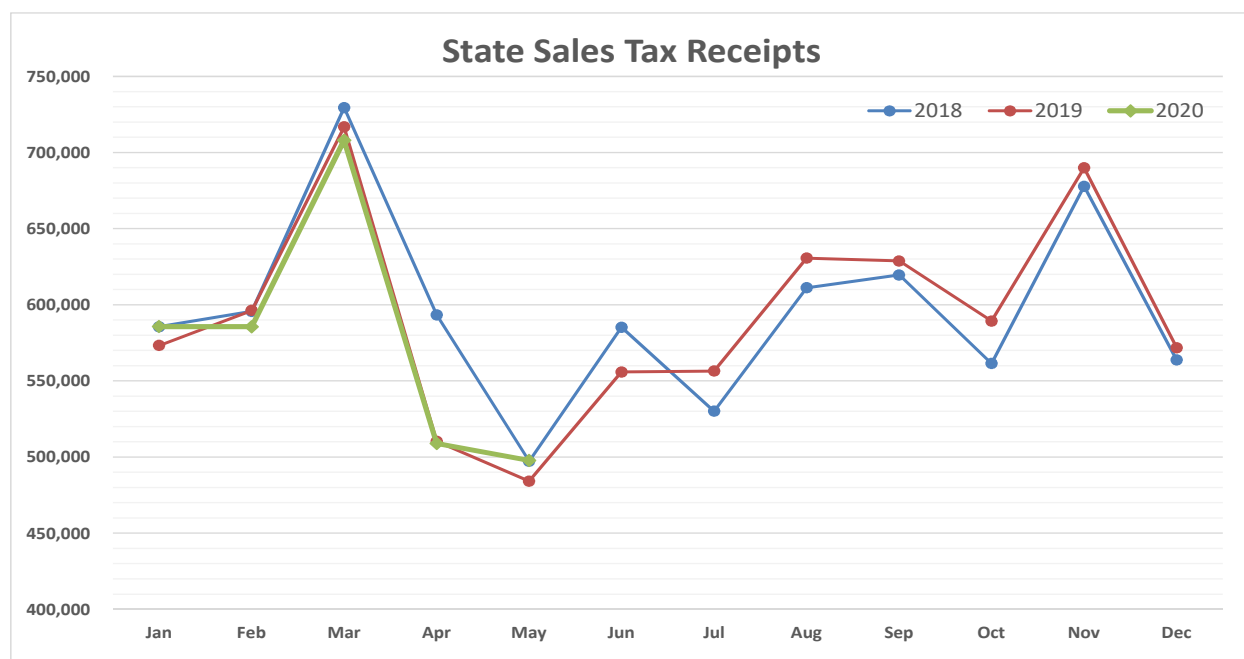


Collection History

COMBINED - ELECTRICITY & GAS

Receipt Month	Liability Month	Historical			Current Year Actual		Current Year Budget		
		2018	2019	% Change	2020	% Change	FY 2020	Variance \$	Variance %
Jan	Dec	120,390	122,004	1.3%	117,886	-3.4%	122,108	(4,222)	-3.5%
Feb	Jan	139,024	126,567	-9.0%	117,123	-7.5%	126,657	(9,534)	-7.5%
Mar	Feb	117,482	130,142	10.8%	116,704	-10.3%	129,637	(12,933)	-10.0%
Apr	Mar	92,338	119,145	29.0%	104,962	-11.9%	118,839	(13,877)	-11.7%
May	Apr	102,640	97,442	-5.1%	87,312	-10.4%	97,702	(10,391)	-10.6%
June	May	97,597	90,545	-7.2%	-	-100.0%	91,227		
July	June	105,534	87,662	-16.9%	-	-100.0%	88,687		
Aug	July	117,270	115,800	-1.3%	-	-100.0%	117,480		
Sept	Aug	109,670	109,636	0.0%	-	-100.0%	111,246		
Oct	Sept	106,825	95,602	-10.5%	-	-100.0%	96,908		
Nov	Oct	86,608	84,994	-1.9%	-	-100.0%	85,935		
Dec	Nov	100,684	101,081	0.4%	-	-100.0%	97,406		
		1,296,063	1,280,618	-1.19%	543,987	-57.5%	1,283,833	(50,957)	
Y-T-D		571,874	595,298	4.10%	543,987	-8.6%	594,943	(50,957)	-8.6%

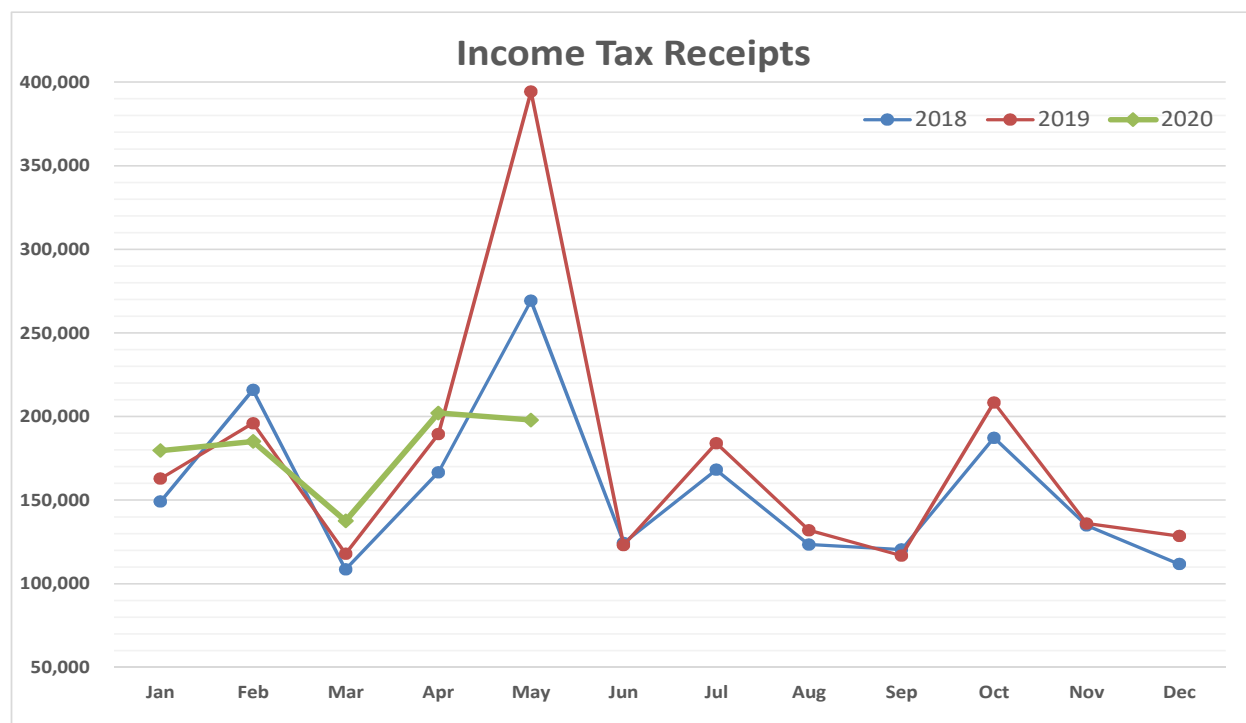
DEPARTMENT OF FINANCE
 MONTHLY REPORT
 MAY 2020



Collection History

Received	Earned	Historical			Current Year Actual		Current Year Budget		
		2018	2019	% Change	2020	% Change	Budget	Variance \$	Variance %
January	October	585,619	573,338	-2.10%	585,729	2.16%	581,753	3,976	0.68%
February	November	595,683	596,355	0.11%	585,612	-1.80%	605,108	(19,496)	-3.22%
March	December	729,527	716,833	-1.74%	708,009	-1.23%	727,354	(19,345)	-2.66%
April	January	593,366	510,348	-13.99%	508,950	-0.27%	517,838	(8,889)	-1.72%
May	February	497,341	484,267	-2.63%	497,768	2.79%	491,374	6,393	1.30%
June	March	585,208	555,869	-5.01%			564,027		
July	April	530,142	556,516	4.97%			564,684		
August	May	611,169	630,633	3.18%			639,889		
September	June	619,618	628,856	1.49%			638,086		
October	July	561,490	589,297	4.95%			597,947		
November	August	677,809	689,952	1.79%			700,079		
December	September	563,790	571,876	1.43%			580,270		
	End of Year Adj.	(24,303)	-		-				
		7,126,460	7,104,140	-0.31%	2,886,067		7,208,410	(37,361)	
	Y-T-D	3,001,535	2,881,140	-4.01%	2,886,067	0.17%	2,923,428	(37,361)	-1.28%

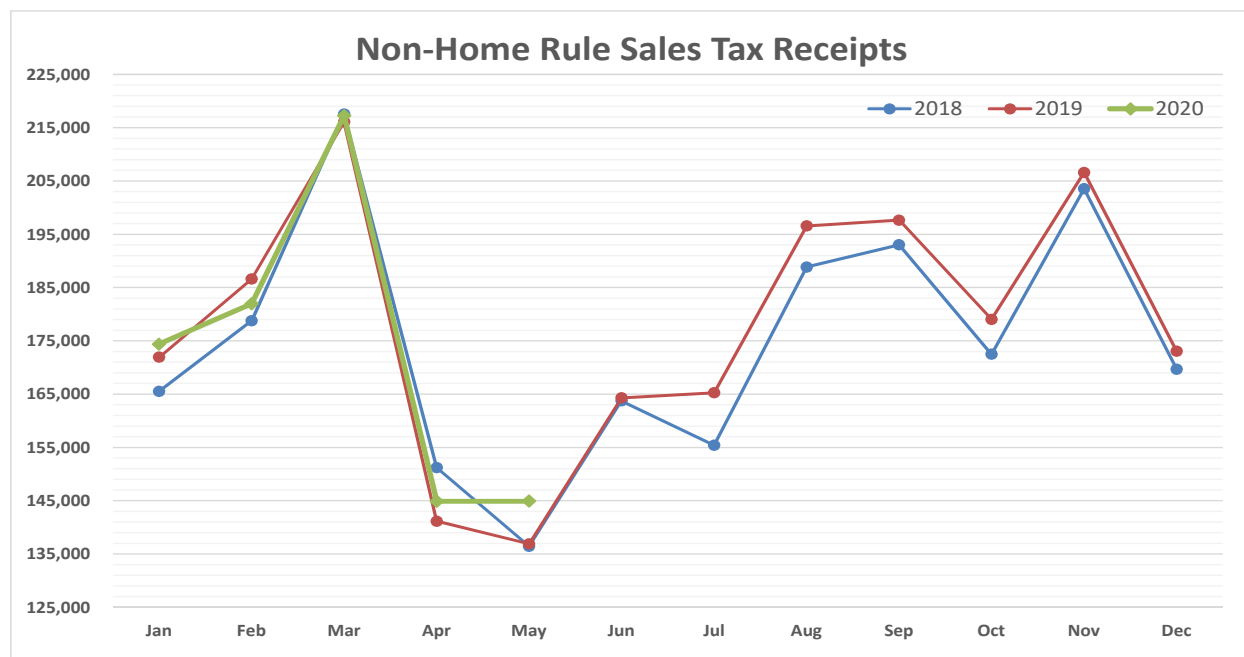
DEPARTMENT OF FINANCE
 MONTHLY REPORT
 MAY 2020



Revenue History

Vouchered	Historical			Current Year Actual		Current Year Budget		
	2018	2019	% Change	2020	% Change	FY 2020	Variance \$	Variance %
January	149,179	162,876	9.18%	179,651	10.30%	154,618	25,032	16.19%
February	215,935	195,953	-9.25%	185,089	-5.54%	186,018	(929)	-0.50%
March	108,556	117,989	8.69%	137,632	16.65%	112,007	25,625	22.88%
April	166,692	189,515	13.69%	202,147	6.67%	179,906	22,241	12.36%
May	269,241	394,217	46.42%	197,921	-49.79%	374,231	(176,310)	-47.11%
June	124,379	123,113	-1.02%			116,871		
July	168,173	184,112	9.48%			174,777		
August	123,450	131,977	6.91%			125,286		
September	120,482	116,806	-3.05%			110,884		
October	187,251	208,404	11.30%			197,838		
November	134,864	136,016	0.85%			129,120		
December	111,783	128,529	14.98%			122,013		
	1,879,984	2,089,504	11.14%	902,440	-56.81%	1,983,568	(104,340)	-5.26%
Y-T-D	909,602	1,060,549	16.59%	902,440	-14.91%	1,006,780	(104,340)	-10.36%

DEPARTMENT OF FINANCE
 MONTHLY REPORT
 MAY 2020



Collection History

Received	Earned	Historical			Current Year Actual		Current Year Budget		
		2018	2019	% Change	2020	% Change	Budget	Variance \$	Variance %
January	October	165,535	171,944	3.87%	174,393	1.42%	175,362	(969)	-0.55%
February	November	178,792	186,644	4.39%	181,973	-2.50%	190,354	(8,381)	-4.40%
March	December	217,539	216,076	-0.67%	217,245	0.54%	220,372	(3,127)	-1.42%
April	January	151,232	141,165	-6.66%	144,913	2.65%	143,972	941	0.65%
May	February	136,485	136,920	0.32%	144,946	5.86%	139,030	5,916	4.25%
June	March	163,747	164,308	0.34%			167,574		
July	April	155,429	165,275	6.33%			168,560		
August	May	188,857	196,564	4.08%			200,472		
September	June	193,029	197,652	2.39%			201,581		
October	July	172,503	179,039	3.79%			182,598		
November	August	203,547	206,609	1.50%			210,717		
December	September	169,692	173,055	1.98%			176,495		
	End of Year Adj.	12,798							
		2,109,186	2,135,250	1.24%	863,469		2,177,086	(5,620)	
Y-T-D		849,583	852,749	0.37%	863,469	1.26%	869,089	(5,620)	-0.65%

Finance Department - Page 18 of 19 - sub

Village of Lake Zurich
 Investment Report
 May 31, 2020

Description	Purchase Date	Maturity Date	Coupon Rate	CUSIP / Account	Par Value	Purchase Price	(Premium) / Discount	Market Value	Unrealized Gain (Loss)
MONEY MARKET & CASH									
Eagle Bank	N/A	N/A	0.000%	214754-1	177.21	177.21	-	177.21	N/A
IPRIME	NA	NA	0.000%		4,353,458.57	4,353,458.57	-	4,353,458.57	N/A
CERTIFICATE OF DEPOSIT									
CFG Community Bank	12/14/18	06/11/20	2.893%	NA	249,530.90	239,200.00	10,330.90	239,200.00	-
Cornerstone Bank	12/14/18	06/11/20	2.839%	NA	249,569.51	239,400.00	10,169.51	239,400.00	-
Modern Bank National	12/14/18	06/11/20	2.741%	NA	249,614.70	239,800.00	9,814.70	239,800.00	-
Newbank NA	12/14/18	06/11/20	2.741%	NA	249,614.70	239,800.00	9,814.70	239,800.00	-
Mechanics Savings Bank	12/14/18	06/11/20	2.708%	NA	249,573.74	239,900.00	9,673.74	239,900.00	-
Great Midwest Bank	12/14/18	06/11/20	2.687%	NA	249,546.11	239,900.00	9,646.11	239,900.00	-
Southern States Bank	12/14/18	06/11/20	2.692%	NA	249,562.24	239,900.00	9,662.24	239,900.00	-
Orrstown Bank	12/14/18	06/11/20	2.588%	NA	249,584.86	240,300.00	9,284.86	240,300.00	-
Bank OZK	12/14/18	06/11/20	2.559%	NA	249,602.61	240,400.00	9,202.61	240,400.00	-
Associated Bank NA	12/14/18	06/11/20	2.608%	NA	249,656.71	240,300.00	9,356.71	240,300.00	-
American Plus Bank NA	12/14/18	06/11/20	2.598%	NA	249,620.86	240,300.00	9,320.86	240,300.00	-
Servisfirst Bank	06/21/19	06/22/20	2.381%	NA	249,927.90	244,100.00	5,827.90	244,100.00	-
Western Alliance Bank	06/21/19	06/22/20	2.378%	NA	249,936.50	244,100.00	5,836.50	244,100.00	-
EagleBank	10/17/19	10/19/20	1.809%	NA	249,966.00	245,500.00	4,466.00	245,500.00	-
Texas Capital Bank	10/17/19	10/19/20	1.715%	NA	249,937.00	245,700.00	4,237.00	245,700.00	-
AGENCY									
Citibank NA	12/06/18	12/07/20	2.950%	17312QX38	200,000.00	200,193.35	(193.35)	203,012.80	2,819.45
Wells Fargo Bank	12/28/18	12/28/20	2.950%	949763WG7	200,000.00	200,194.24	(194.24)	203,342.20	3,147.96
Morgan Stanley Pvt Bank	04/06/18	04/12/21	2.800%	61747MT35	246,000.00	246,000.00	-	251,689.24	5,689.24
Ally Bank	05/11/18	05/17/21	2.900%	02007GCR2	210,000.00	210,000.00	-	215,593.35	5,593.35
Discover Bank	05/11/18	05/17/21	2.900%	254673PP5	129,000.00	128,815.63	184.37	132,372.96	3,557.33
TOTAL					9,083,880.12	8,957,439.00	126,441.12	8,978,246.33	20,807.33
Per Statement				PMA Invests	9,083,880.12	8,957,439.00		8,978,246.33	20,807.33
				Total	9,083,880.12	8,957,439.00		8,978,246.33	

Village of Lake Zurich
 Police and Firefighters' Pension Funds
 Statement of Net Position
 May 31, 2020

POLICE PENSION FUND		FIREFIGHTERS' PENSION FUND	
	May-20	May-20	Year-to-Date
Revenues:			
Municipal Contributions	116,365	143,503	151,186
Member Contributions	36,619	59,076	217,192
Total Contributions	152,984	202,579	368,378
Investment Income	897,628	1,401,774	(630,044)
Total Revenues	1,050,613	1,604,353	(261,666)
Expenses:			
Pension and Benefits	174,228	157,872	778,246
Insurance	-	-	-
Professional Services	3,042	7,724	14,679
Investment Expenses	-	-	38,491
Other Expenses	4,397	-	855
Total Expenses	181,667	165,596	832,271
Operating Income (Loss)	868,946	1,438,757	(1,093,936)
Beginning Net Position*	24,561,333	38,975,055	41,507,749
Ending Net Position	25,430,279	40,413,813	40,413,813
Assets			
Cash and Investments	25,374,191	40,279,748	
Other Assets	69,475	157,304	
Total Assets	25,443,666	40,437,052	
Liabilities			
	13,387	23,239	
Net Position 5/31	25,430,279	40,413,813	



FIRE DEPARTMENT

MONTHLY INFORMATION REPORT

June 2020

HIGHLIGHTING DATA METRICS
TO IDENTIFY OPERATIONAL TRENDS
AND
FACILITATE INFORMED DECISION-MAKING

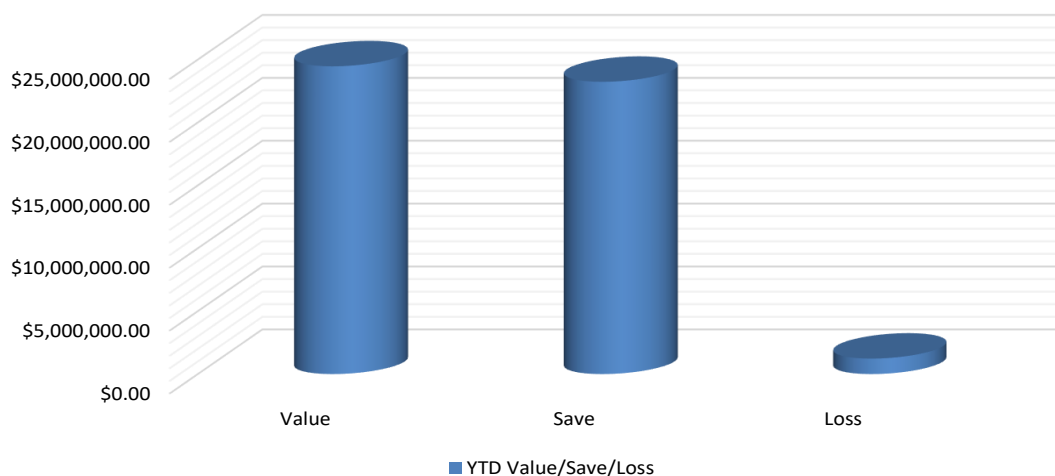
70 E. MAIN STREET
LAKE ZURICH, IL 60047

Departmental Narrative

General Operations:

The Department responded to **323** calls for service in June, which averaged **11** calls per day and required **548** **separate vehicle responses** to provide the necessary number of personnel for each incident. Forty-Two percent (**42%**) of the responses occurred while another call was in progress. Seventeen (**17%**) of calls required a response from the non-primary engine, ambulance, or mutual aid department due to multiple calls in progress. Our current staffing model increases response times when simultaneous calls occur as the department is only structured to handle a single response per station. We staff two vehicles with only three personnel using what is called a jump company. If the call is for the ambulance, the personnel respond with the ambulance, and if it is a fire call, the staff responds with the engine. One of the vehicles remains in the station unstaffed on every call we respond to due to the limited personnel we have on shift. Once a station commits on a call, the next call for service requires another station or mutual aid to handle the incident.

YTD Value/Save/Loss



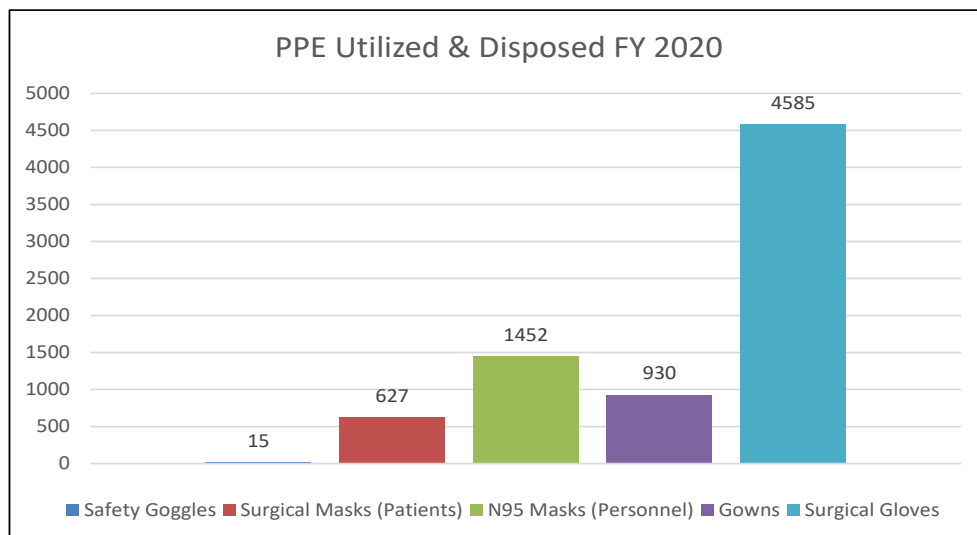
Structure Fire at 500 block of Carolian Drive (pictured above)

Department Updates:

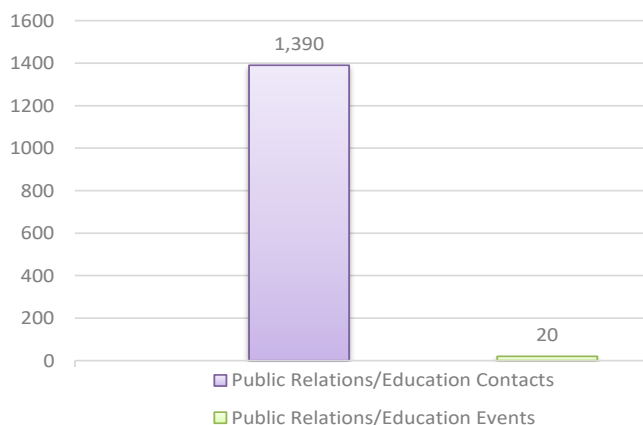
- During June, the following vehicles were out-of-service for a variety of reasons:
 - **Ambulances** – 270 hours
 - **Engines** – 809.25 hours
 - **Year-To-Date Hours:**
 - Ambulances: **482.25 hours**
 - Engines: **2,186.25 hours**
- As of June 30, 2020 – 74.50 % of the overtime account (*all divisions*) has been spent.
 - Overtime Budgeted: \$394,812.00
 - Overtime Spent: \$294,148.53

COVID-19 Updates:

We are currently tracking the PPE that members are using and disposing of due to the COVID-19 pandemic. In June, we have issued 3 pair of safety goggles, used 198 surgical masks on patients, 435 N95 respirators for our personnel, 222 gowns, and about 1,340 pairs of surgical gloves. The below graph shows year-to-date.



Fire Safety Risk Reduction - Year-To-Date

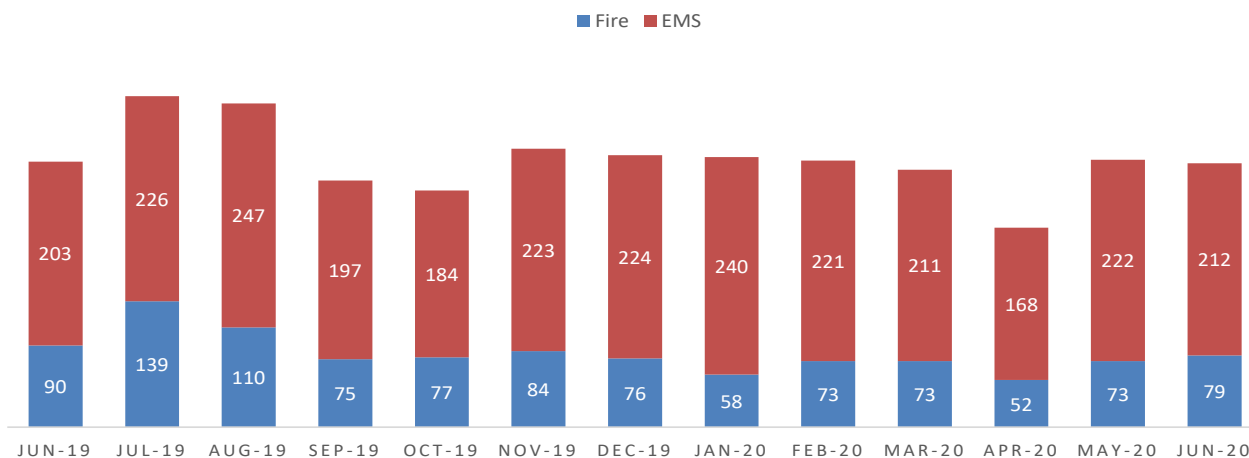


Community Access/Focus:

We want to express gratitude for the extra community-wide support shown to the department during this COVID-19 pandemic and give a shout out to all of the residents and businesses that have donated miscellaneous PPE, mailed us well wishes, or simply had food delivered to the stations. We truly appreciate it.

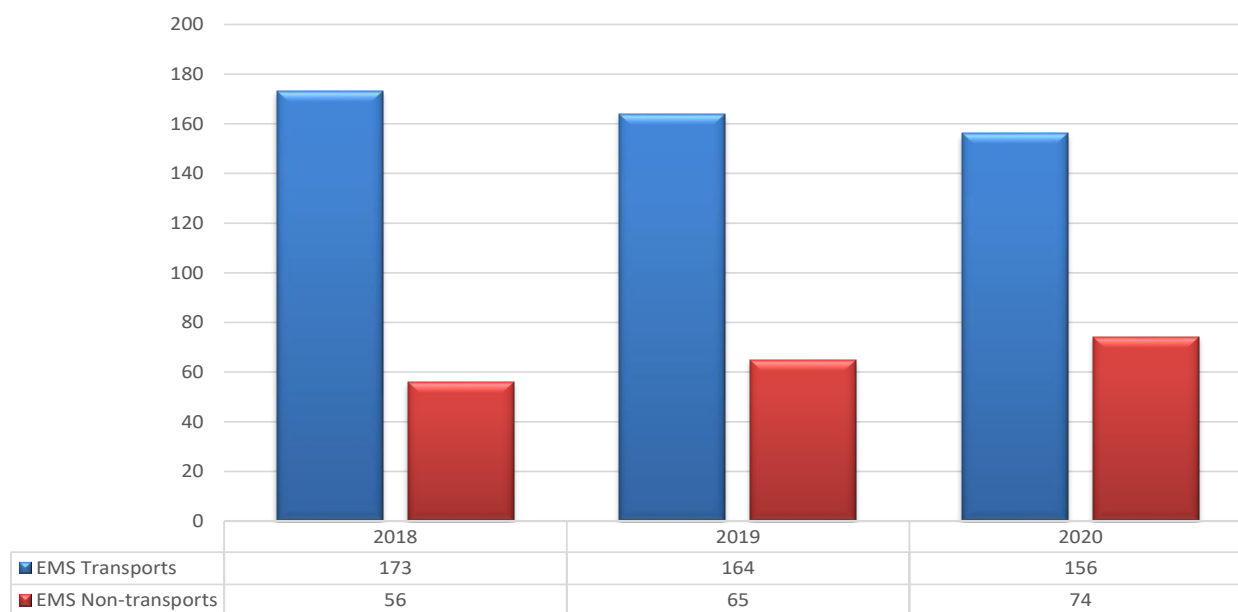
Below is the breakdown of Fire versus EMS incidents – minus aid given. It should be noted that our fire calls include structure fires, car fires, grass fires, dumpster fires, wires down, and other types of service calls.

FIRE RESCUE DEPARTMENT - MONTHLY CALLS BY TYPE (MINUS AID GIVEN)



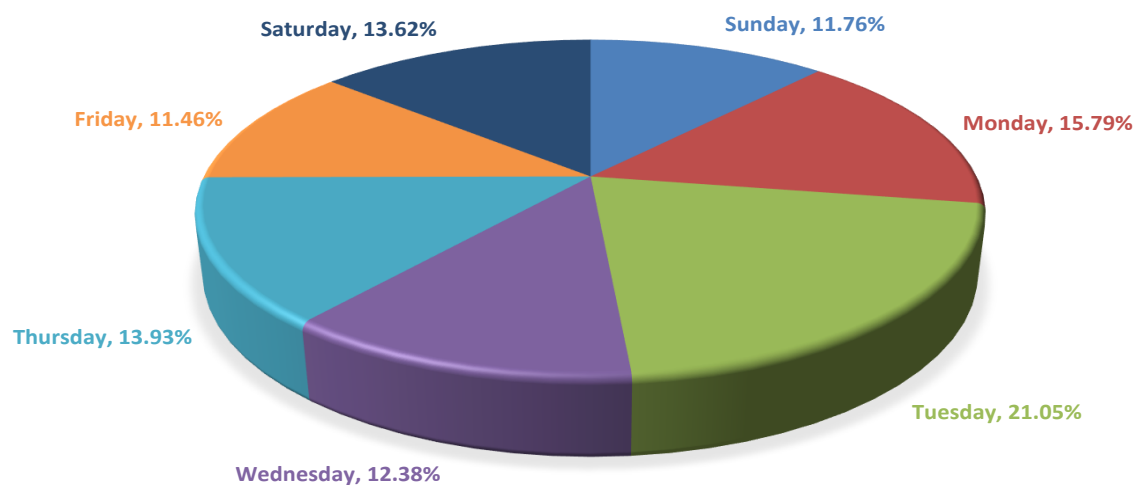
This next chart reflects activity related to emergency medical services, a core function of the fire department — not every EMS call results in transport. A prime example of this is an automobile accident where several victims refuse transport. EMS transports always outpace refusals. This chart compares the month of June across 3 years. The trend is consistent with the data period. These numbers represent the patients seen.

EMS Transports vs Non-Transports - (Patients) Monthly 3 year - Comparison

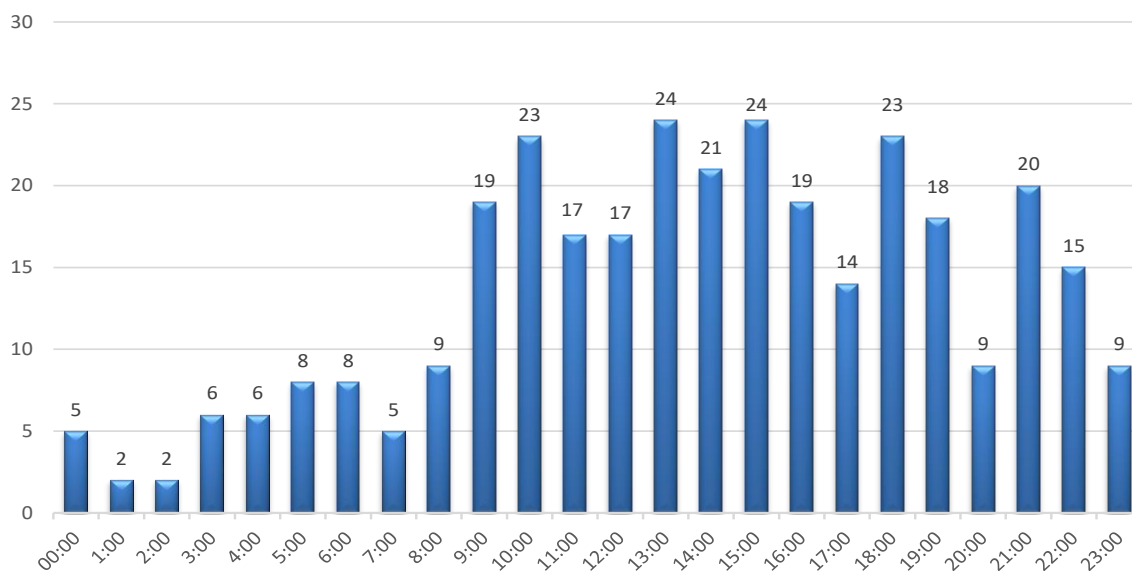


The next two charts breakdown calls by the day-of-week and hour-of-day. Overall requests distribute evenly across the week.

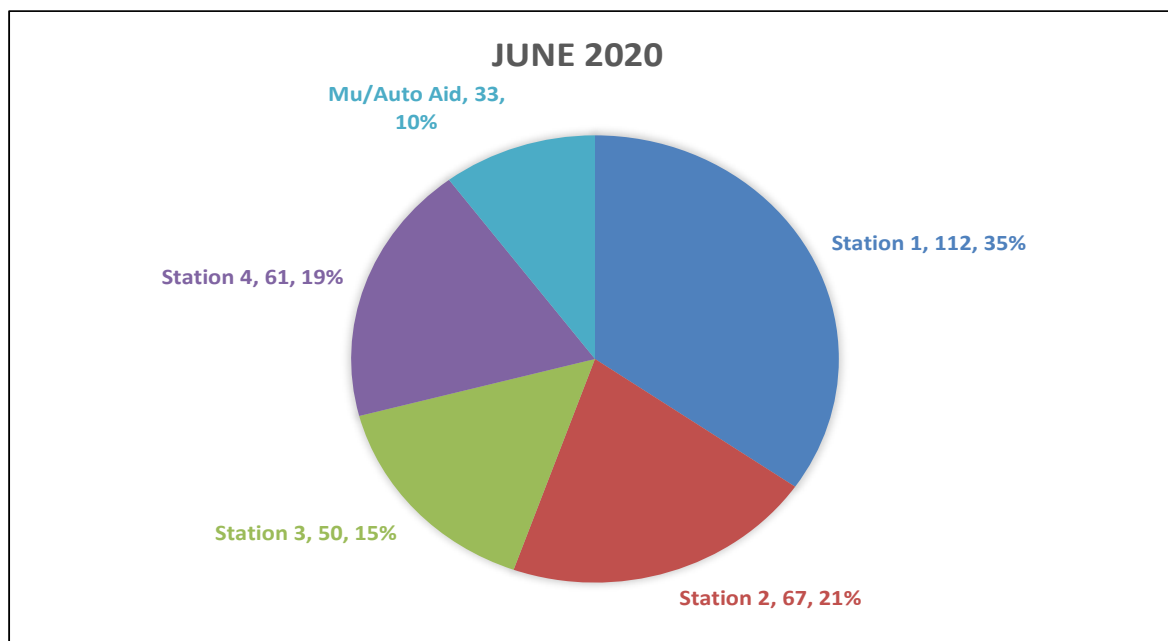
RESPONSE BY DAY OF WEEK - JUNE 2020



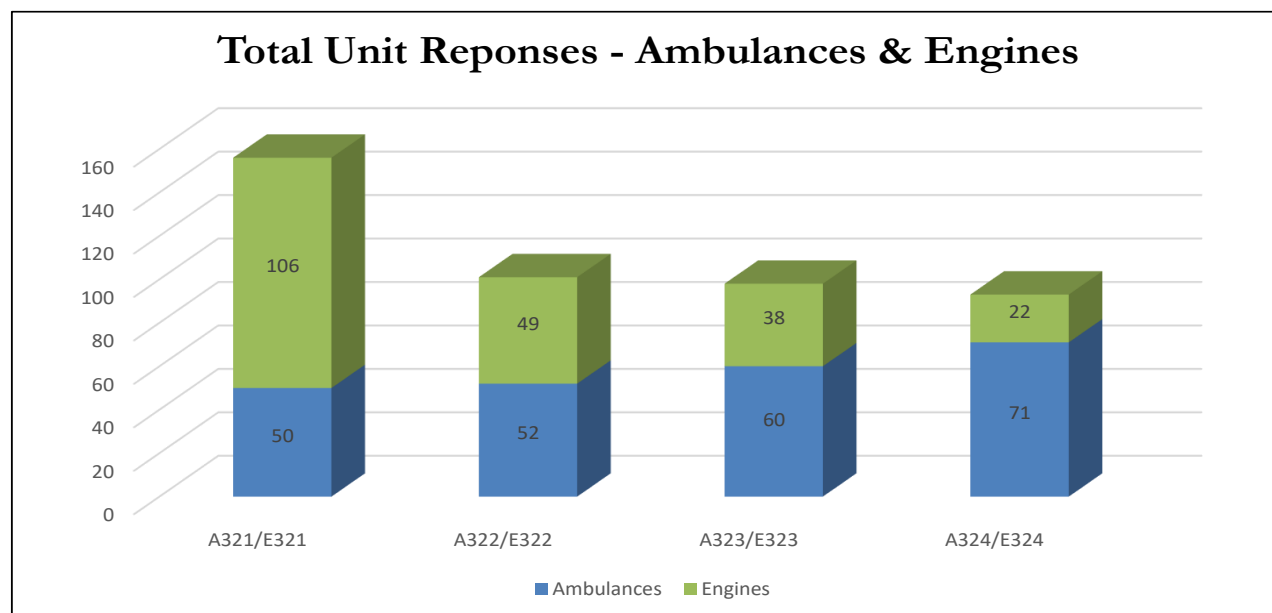
RESPONSE BY HOUR OF DAY - JUNE 2020



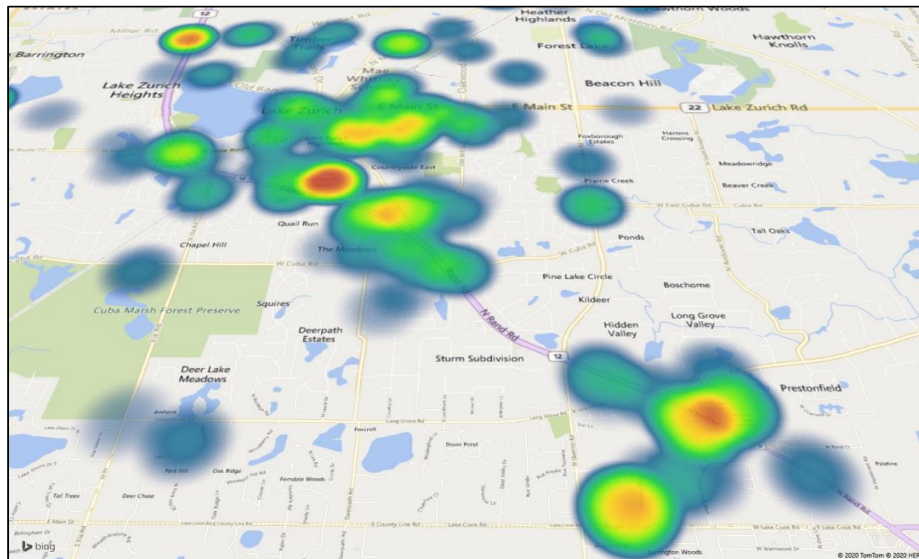
The service area of the Lake Zurich Fire Department contains the Village of Lake Zurich and the Lake Zurich Fire Protection District. The placement of the four fire stations allows division of the service area into first response areas. The graph below represents the percentage of calls by each station along with mutual/auto aid for June 2020. The graph does not represent the station that responded as the primary resource to the area – it represents **where** the call originated. Station 1 is historically the busiest district.



The graph below shows the responses by each unit – Ambulances & Engines – in June 2020.



The next graphic is a visual representation of call distribution for June. As visually displayed, the assisted living/memory care facilities are a large portion of calls for our department and are consistently within the top ten locations responded to each month. Also, we frequently respond to doctor offices and health clinics, along with automobile accidents near the Route 12 corridor.



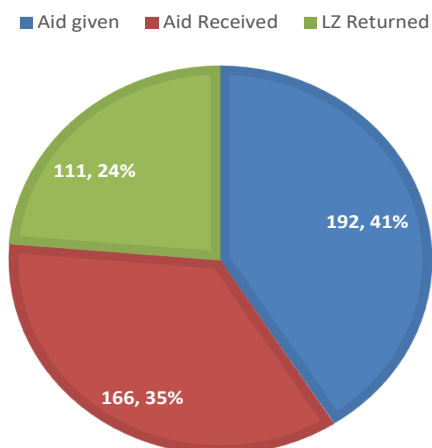
Frequent Call Locations:

- 795 N. Rand Road – Azpira Place Assisted Living – 16 responses
- 21840 Lake Cook Road – Solana Senior Living – 13 responses
- 777 Church Street – Cedar Lake Assisted Living & Memory Care – 7 responses
- 900 S. Rand Road – Lexington Healthcare – 4 responses

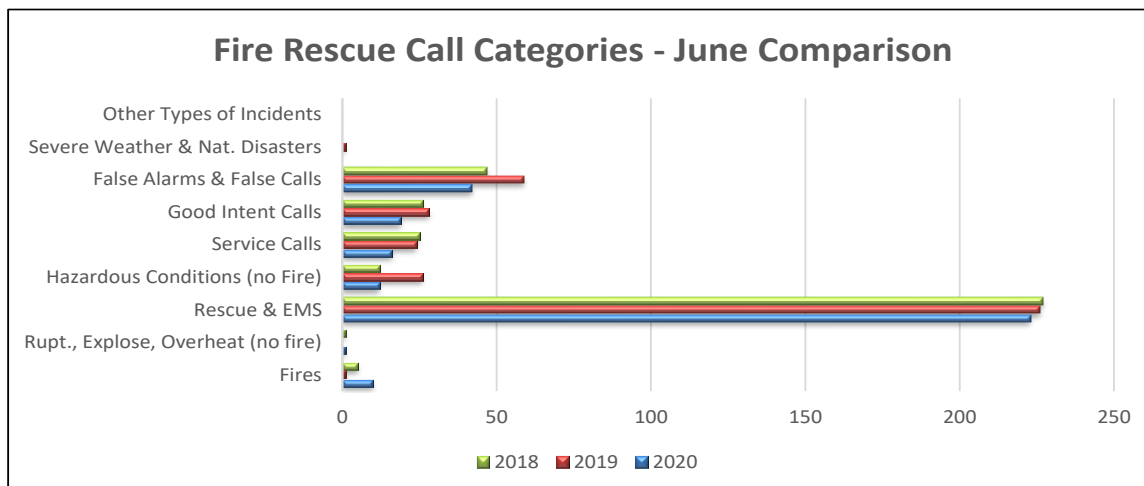
Mutual/Auto Aid Response Year to Date –

The mutual aid agreements are designed not to overburden any one agency and will be looked at carefully for any necessary adjustments. Run cards for the department have changed, and our partners are responding to assist us more often. In June, we responded to **33 calls** for mutual-aid and were **returned 15 times** before our arrival. The chart to the right shows YTD Aid Given/Received and how many times LZ returned before their arrival. Through the automated dispatching system and resource sharing, many of our response incidents do not require intervention from the LZPD 911 center. They are completely handled by the agency requesting our response — direct cost savings to our budget and an added benefit of the automated dispatch system.

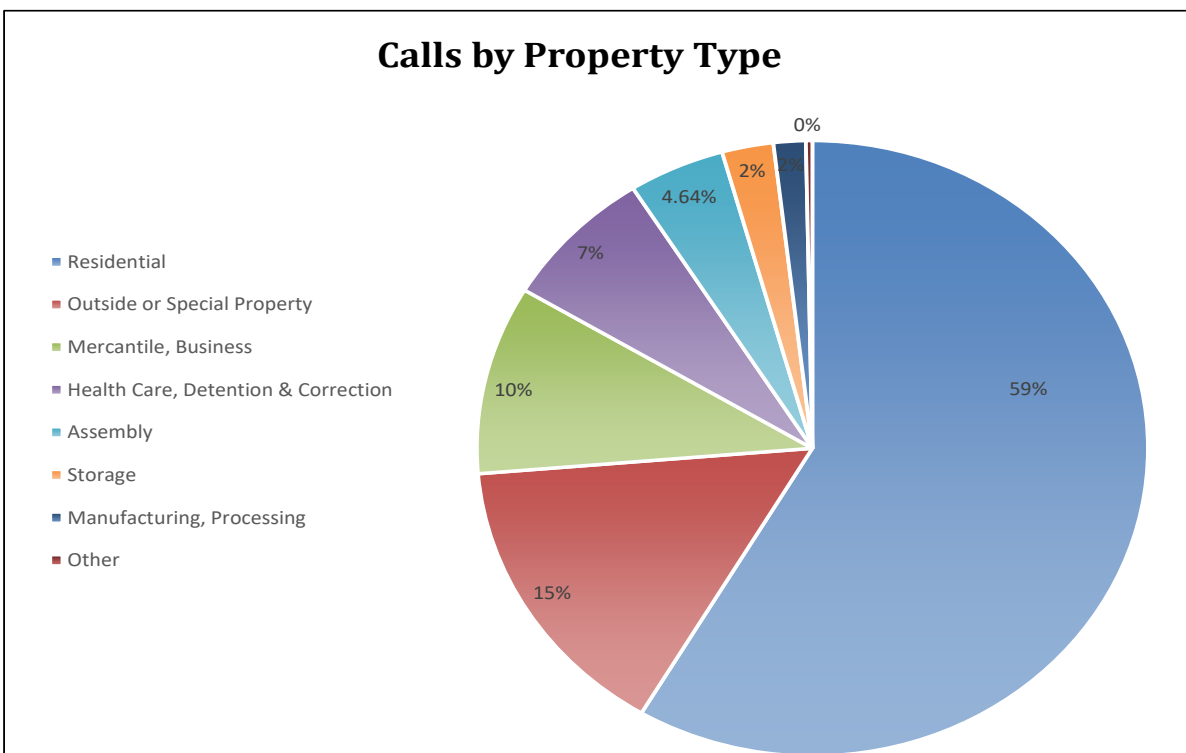
AID GIVEN/RECEIVED - YTD TOTALS



All calls we code as a department within the guidelines of the National Fire Incident Reporting System (NFIRS). The codes all relate to the text categories noted in the chart below. As indicated below, you will see across the three years that the trends remain mostly the same. Rescue and EMS incidents account for the majority of calls we respond to and continue to increase, as indicated below.

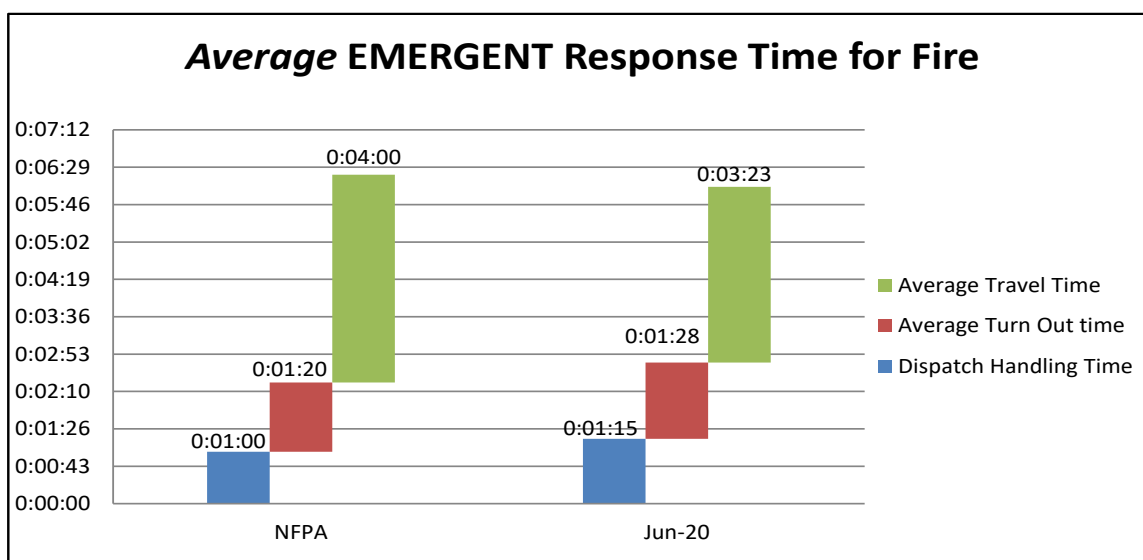
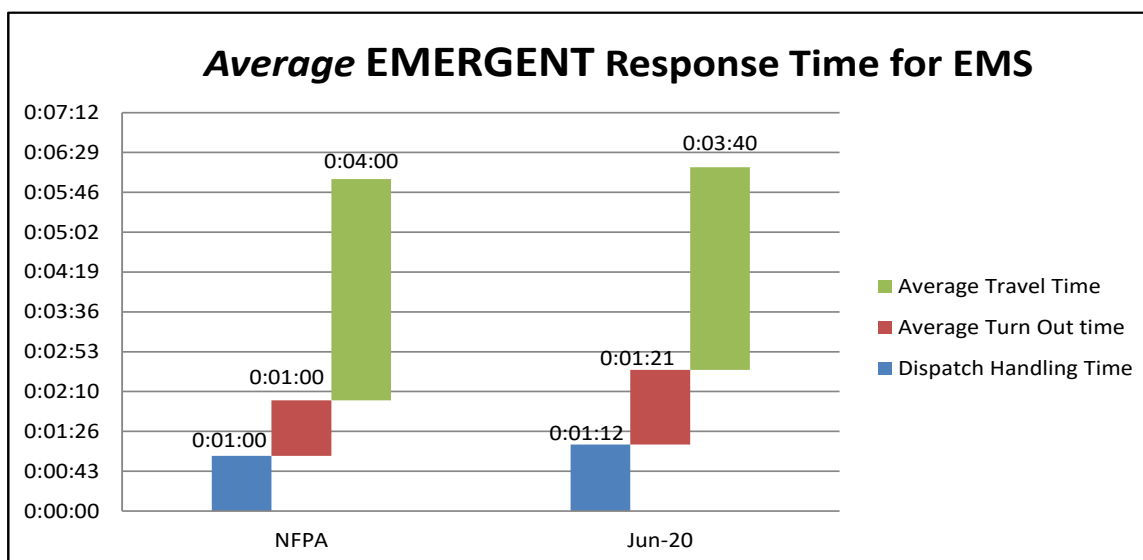


As previously mentioned, there is a national standard for coding the type of property use. How is this relevant? We see trends in various types of occupancies and use this to determine the impact on our service demand. As an example, the healthcare category would see an increase if additional assisted living or nursing homes open. As shown below, we continue to respond to Residential Properties more than any other (73%) and Health Care, Detention & Correction were second (9%) of all calls.



Response time includes three key factors: dispatch handling time, turnout time, and travel time. Dispatch handling time is the time for dispatch to take in information and then dispatch personnel. The turnout time is the time the crews receive the call to the time they get into the vehicles and hit the en-route button. Travel time reflects the time from en route to the time they arrive at the scene of the incident. Construction, speed limits, weather, and train traffic can impact response times. The overall goal for arrival at an emergency fire call is a total of 6 minutes and 20 seconds from the time of notification until the first unit arrives on the scene. For a response to an EMS incident, this time is 6 minutes.

The next two graphs compare the average emergency response times for both Fire and EMS calls within our primary response area of the first arriving unit. These times will vary based in part on the location of the first responding unit, multiple calls, weather, and time of day and traffic conditions. *Dispatch handle times have increased after switching to the new CAD system and delays caused by processing an alarm. The ETSB and Infor continue to work the issue.



Training Initiatives:

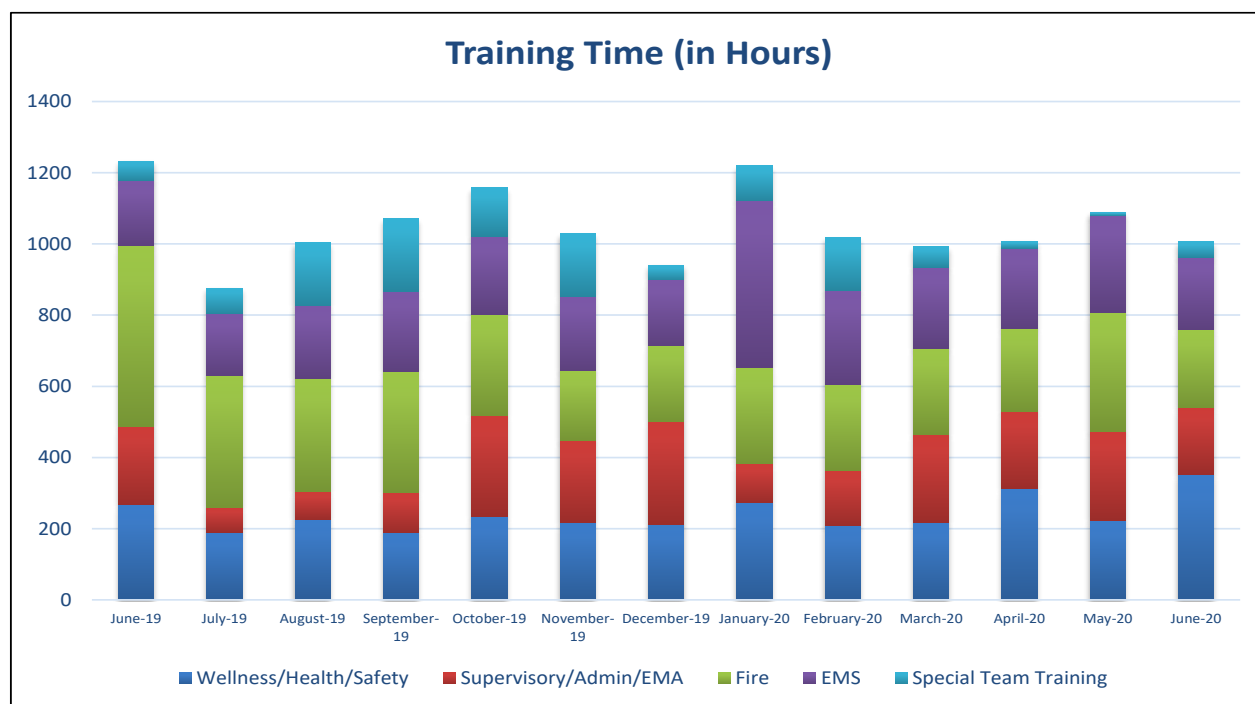
During June, we completed the following shift training:

- Boat Operations
- Annual EMS Restraints Use
- EMS Instation Makeup due to Covid
- Foam Operations
- Stand-down for Safety - Roadway Operations
- Stand-down for Safety - Cancer Awareness and Prevention
- Fireground Command Operation
- Multi-Company Fireground Operations Drill
- Company Specific Training



Outside training during June consisted of the following few web-based pieces of instruction:

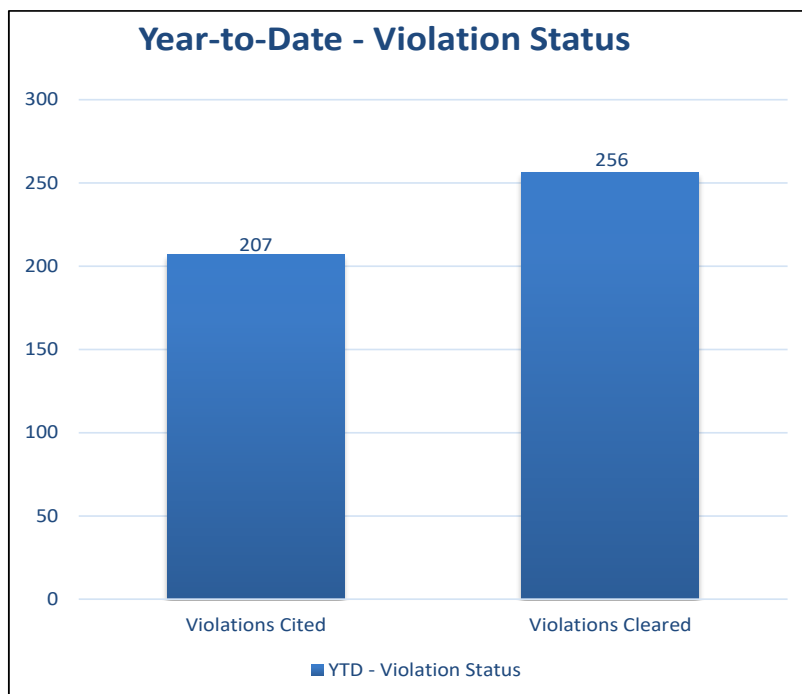
- Division Chief Wenzel - IAAI NFPA 921 Chapter 6 Review Webinar
- Division Chief Wenzel - IRMA OSHA 101 part 1 Webinar



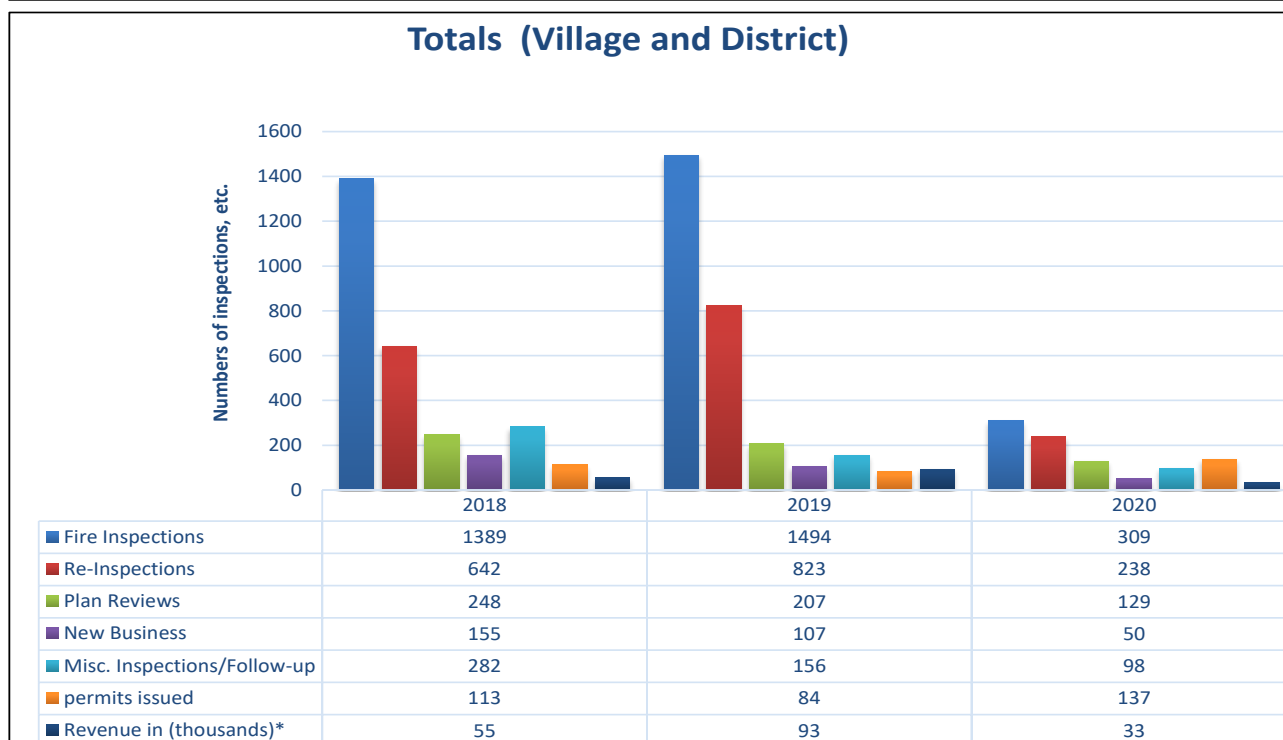
Inspectional Services:

Fire Prevention personnel conduct annual fire inspections, special event inspections, and review and monitor construction projects in the Village and the Lake Zurich Rural Fire Protection District (LZRFPD). During June, the Fire Prevention Bureau participated in the following:

- Multiple tent inspections for outdoor seating areas.
- PPE pickup in Libertyville
- Paulus Park trailers – numerous site meetings, Knox box keys and finals.
- Construction meetings:
 - McDonald's
 - Kiddie Academy
 - Avery Ridge
- Fire investigations:
 - Quentin Road
 - Carolian Court – follow-up
- Daily Zoom staff meetings



Data will be added to the below chart each month in the 2020 column to show growing Year – To – Date numbers





POLICE DEPARTMENT

MONTHLY INFORMATION REPORT

JUNE 2020

HIGHLIGHTING DATA METRICS
TO IDENTIFY OPERATIONAL TRENDS
AND
FACILITATE INFORMED DECISION MAKING

70 E. MAIN STREET
LAKE ZURICH, IL 60047

Departmental Narrative

General

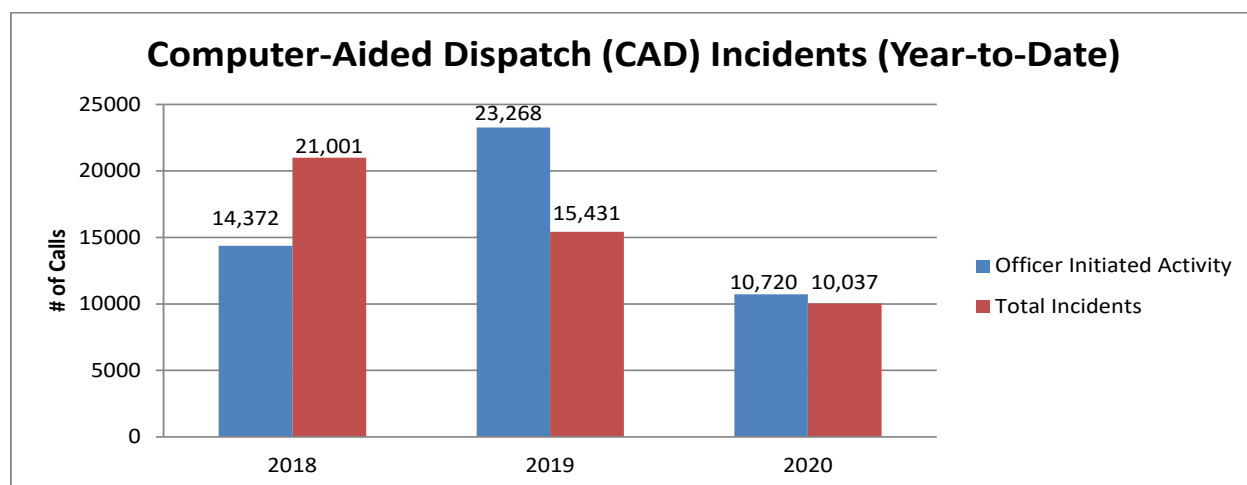
- Due to COVID-19, our Department has been modifying procedures, activities, training, and general interaction with the public when possible, while also practicing social distancing ordered by the Governor. This pandemic has impacted every aspect of our operations and will be reflected throughout this report. In June, the Department began bringing some services back after the state went to “Phase 4”, such as car seat inspections and in-person reporting.
- Members of the Department planned and stood by during the peaceful protest that was held in Lake Zurich on June 4th.
- The Police Department processed 25 Freedom of Information requests this month.
- Police personnel participated in 9 drive-by birthday party parades.
- On June 18th, the Lake Zurich Police Department dropped off 166.4 pounds of medicinal items at SWALCO in Gurnee for proper disposal. The items were dropped off and collected at the PD.
- On June 25th, the Police Department shredded and destroyed 96 boxes of old files in accordance with state and local records acts.
- 12 patrol officers participated in the recent sergeant promotional testing. Candidates take part in a written exam, assessment, oral interview, complete an essay, and are evaluated by their supervisors. The current three-year promotional list expires in July 25, 2020. The new list will be posted after this date.

Patrol and Communications

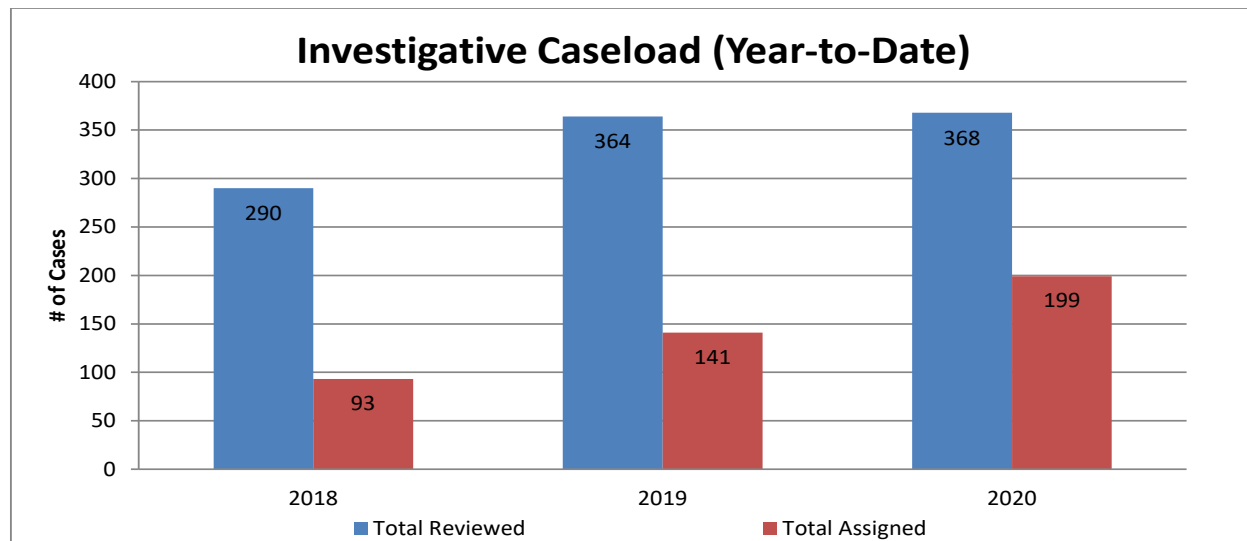
- Since January 1, 2020 officers conducted 1435 traffic stops and issued 773 traffic citations.
- During June 2020, the dispatch Center handled 1929 9-1-1 calls and 6021 administrative calls.
- Officers who are trained car seat technicians inspected four safety seats in the month of June.
- Officer Adam Young assisted the Major Crimes Task Force on June 16th, utilizing a drone for an officer-involved shooting investigation. On June 22nd, Officers Young and Eric Bereza assisted the Round Lake Police Department with a missing person report. Officer Bereza served as the MCAT supervisor, and Officer Young piloted a drone.

Criminal Investigations

- There is a total of 146 active investigations in CID, averaging 36 cases per detective.
- CID processed and approved one solicitation permit request. No raffle permits were received this month.
- Detectives Alber and Pilaski responded to three Lake County Major Crime Task Force callouts in June, with locations being in Round Lake Beach, Zion, and Beach Park.
- Detective Frey responded to 13 Mobile Field Force callouts for the following towns: Berwyn (2), Waukegan, Gurnee, Winnetka, Grayslake, Addison, Palatine, Winthrop Harbor, Northbrook, Schiller Park, Glenview, and Villa Park (protests, due to the death of George Floyd in Minnesota).
- Detective Butler responded to three NIPAS Emergency Services Team callouts in Berwyn due to protests.

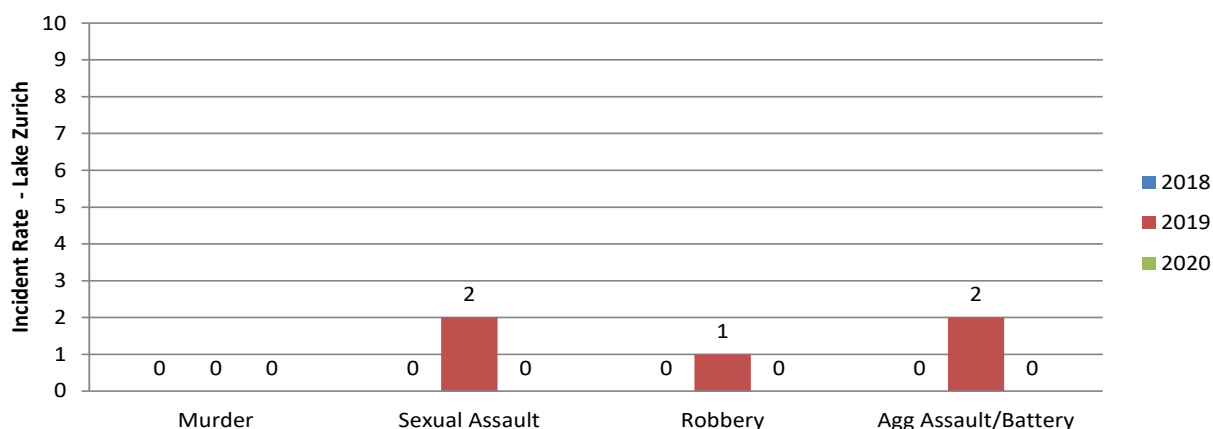


Officer initiated activity includes; DUI Arrests, Vehicle Violation Citations, Non-Vehicle Violation Citations, Driving while License Suspended/Revoked, Crime Prevention Notices, Criminal Arrests, Traffic Citations, Traffic Stops, Extra Watches conducted, and Zero Tolerance enforcement. Total incidents are all CAD incidents. Reports are incidents that receive a sequential case number and generally a written report. Beginning in 2019, Frontline data including vacation watches and directed patrols are now listed under officer-initiated activity and are no longer CAD incidents.



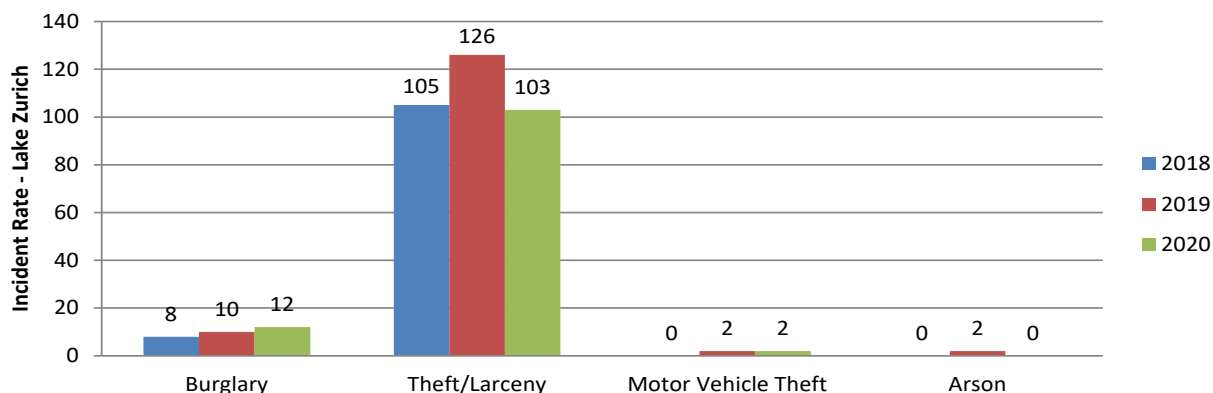
Original criminal reports, generally taken by Patrol Division personnel, are reviewed by the investigations sergeant and assigned to investigative personnel based on solvability factors.

Crime Rate for Violent Crimes (Year-to-Date)

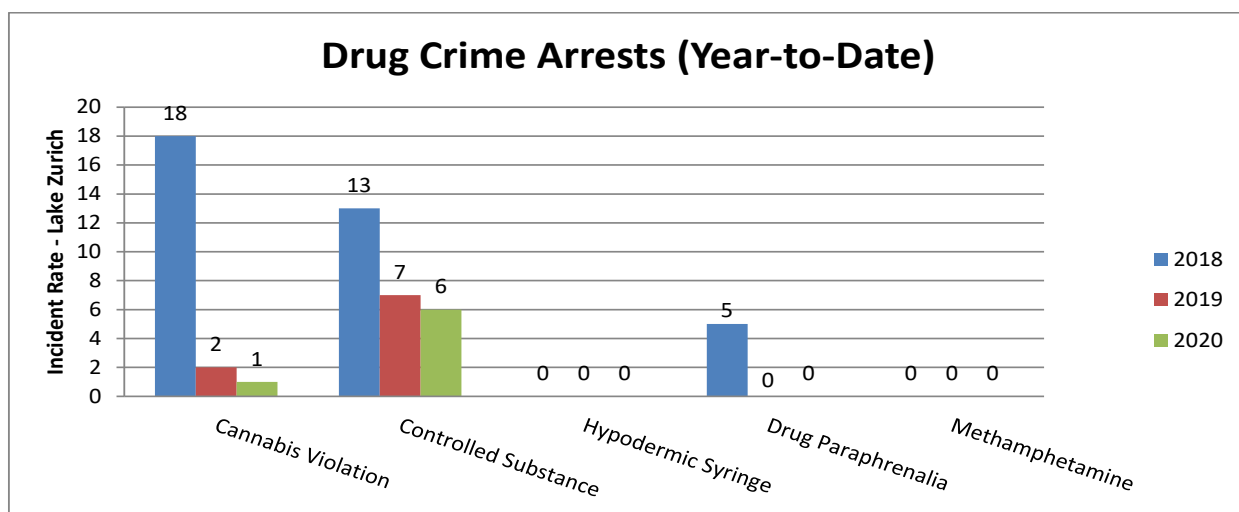


The Federal Bureau of Investigation requires four different Crimes against Persons offenses be reported for statistical purposes based on identified criteria. This information is provided to the Illinois State Police (Illinois Uniform Crime Report (I-UCR)) and passed through to the FBI. Generally, this information is converted to incidents per 100,000, although the actual numbers are used for this report.

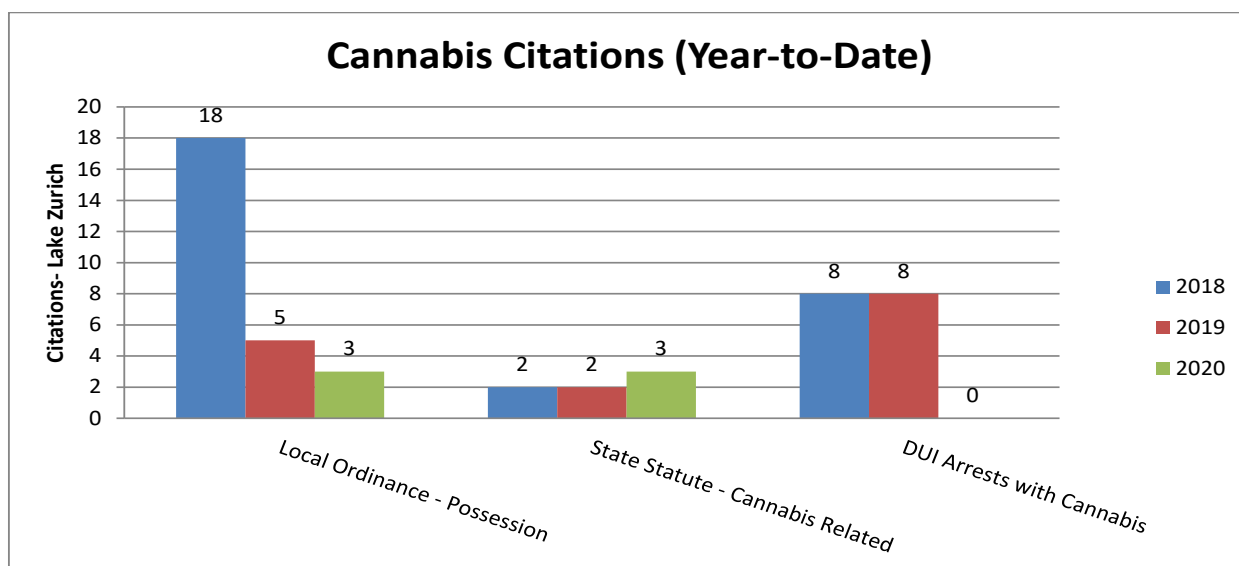
Crime Rate for Property Crimes (Year-to-Date)



This information is provided to the Federal Bureau of Investigation via the Illinois State Police. These are Crimes against Property and the actual numbers reported are provided. Generally, this information is converted to incidents per 100,000. More information about this can be found at the Illinois State Police website: (<http://www.isp.state.il.us/crime/ucrhome.cfm>). Crime in Illinois provides crime information throughout Illinois.

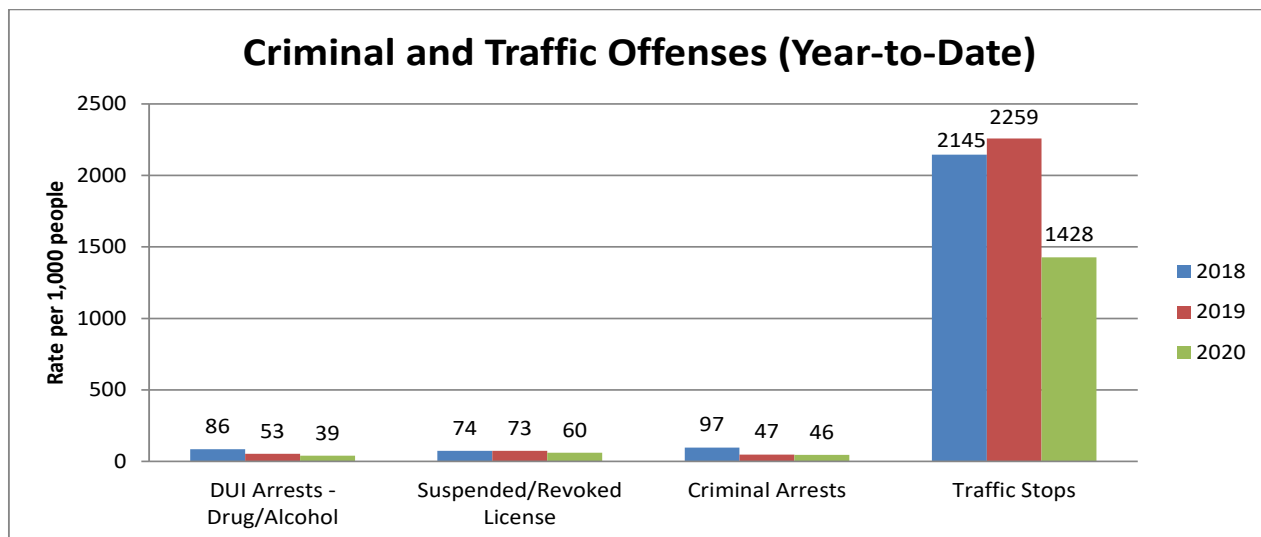


The Department is required to report Drug Crime Arrests to the Illinois State Police. The violations reported are related to the Cannabis Control Act, Controlled Substances Act, Hypodermic Syringe Act, Drug Paraphrenalia Act, and the Methamphetamine Act.

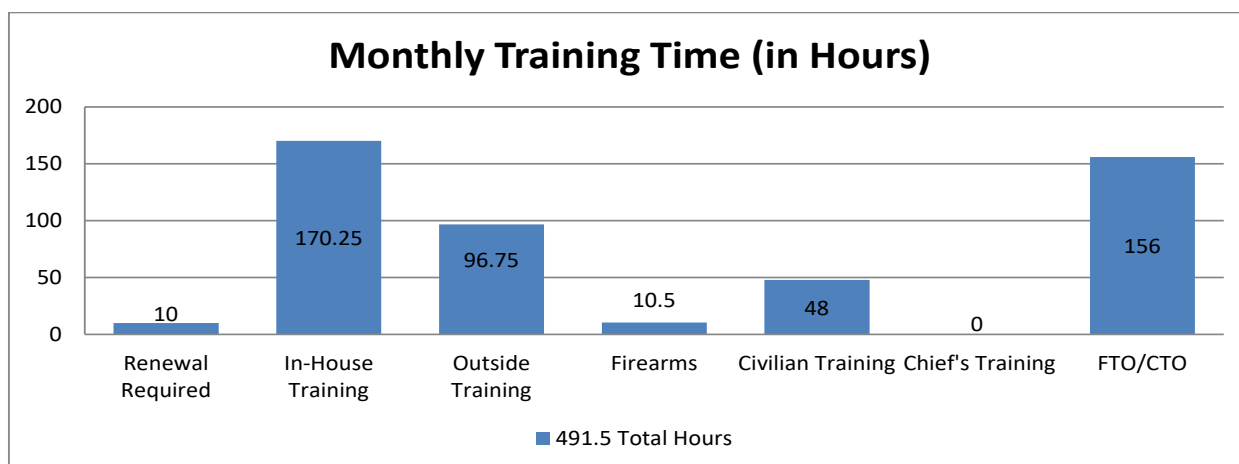


Illinois passed new cannabis rules and regulations that went into effect on January 1, 2020. Information was gathered from previous years to compare what effect the new laws have made on cannabis citations. These citations include local ordinance cannabis possession citations, state statute cannabis related

citations (includes possession, delivery, paraphernalia, and DUI), and DUI arrests with cannabis as the primary or contributing factor.

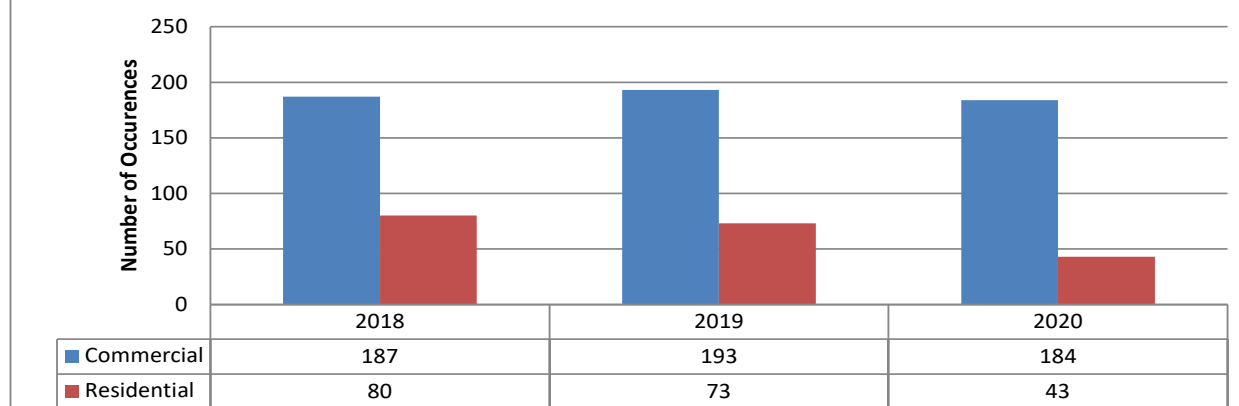


Information depicted in this graph relates to Driving Under the Influence of Alcohol/Drug arrests, Driving while Driver's License Suspended/Revoked arrests, various criminal arrests (Domestic Battery, Retail Theft, Drug Offenses, etc.), and traffic stops conducted by Department personnel.



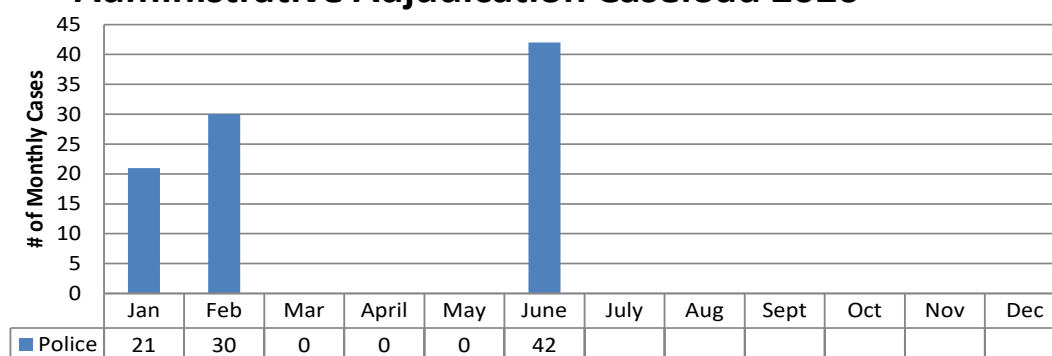
Training is an important element to maintain or improve skills/knowledge/ability. Most outside and in-house training (other than on-line training) was cancelled due to COVID-19.

Alarm Occurences (Year-to-Date)

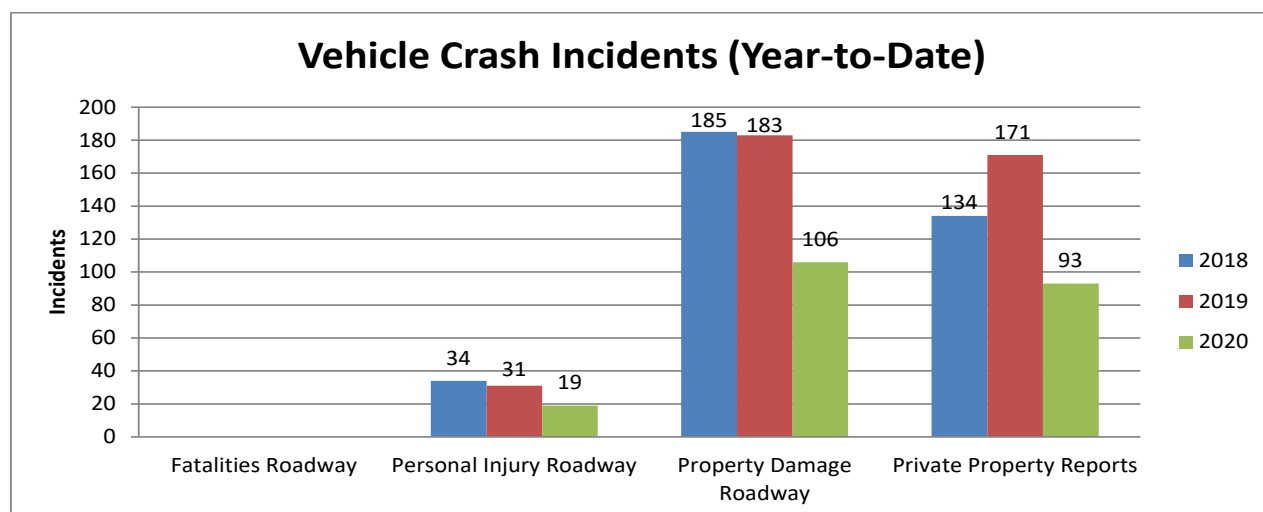


The Crime Prevention/Community Relations function monitors the number of alarms to which Patrol personnel respond – many of the alarms are false.

Administrative Adjudication Caseload 2020



The Administrative Adjudication process was originally put in place to address automated traffic enforcement citations. This program has been expanded to review vehicle equipment compliance citations, administrative tows, and parking citations. The March through May adjudication dates were postponed due to the COVID-19 pandemic.



The Department conducts traffic crash investigations on both public roadways and private property (primarily parking lots). Routine traffic crashes are taken by Patrol personnel. Traffic Safety personnel investigate fatal, serious personal injury, and commercial motor vehicles.

Red Light Camera Violations and Accidents (Year-to-Date)

2020	Red Light Violations		Adjudication for Red Light Violations				Accidents at Red Light Intersections		
	Citations	Net Received	Hearings	Liable	Not Liable	Non-Suit	12/ Miller Road	12/ Route 22	12/ June Terrace
January	258	\$16,110.00	8	4	3	1	0	4	2
February	172	\$13,040.00	9	8	1	0	2	2	2
March	435	\$6550.00	0	0	0	0	0	0	3
April	158	\$24,660.00	0	0	0	0	0	1	1
May	263	\$7910.00	0	0	0	0	1	3	3
June	269	\$15942.50	9	7	1	1	0	2	2
July									
August									
September									
October									
November									
December									
Total	1555	\$84,212.50	26	19	5	2	3	12	13

Information depicted in this chart relates to red light camera violations, adjudication (court) for those contesting their violation, and accidents that have occurred at intersections with red light cameras.



PUBLIC WORKS DEPARTMENT

MONTHLY INFORMATION REPORT

June 2020

HIGHLIGHTING DATA METRICS
TO IDENTIFY OPERATIONAL TRENDS
AND
FACILITATE INFORMED DECISION MAKING

505 TELSER ROAD
LAKE ZURICH, IL 60047

DEPARTMENTAL NARRATIVE

Park Maintenance: Crews continue to address both routine and specific maintenance items as needed. Staff has been monitoring facilities during the Covid-19 pandemic insuring proper sanitation is occurring. Facility HVAC system levels have been adjusted in an effort to minimize usage. Crews have begun the process of opening beaches and the splash pad in anticipation of a July 6th opening.

Storm Water System Maintenance: Significant rainfalls again had crews very busy completing both routine maintenance, and responding to reports of flooding. Administrative staff has been receiving an unprecedented number of calls relating to private property drainage.

Right-of Way Maintenance: Crews have completed the 2020 sign replacement program. The program locations mimics the annual Road Resurfacing Program. The 2020 Pavement Marking program which encompasses both thermoplastic and epoxy pavement markings has begun. Staff anticipated completion in early August.

June Water Main Break Locations:

None

Water Main Replacement: The bid opening for the Rt. 12 water main project occurred on December 18, 2019. Copenhagen Construction Inc. was the low bid and awarded the contract. Construction began on March 16 but several conflicts slowed initial progress. Due to a previously unknown conflict with Nicor, the water main alignment had to be redesigned and was recently approved by IDOT. Due to the conflict delay, the contractor relocated to an alternate job and remobilized to Lake Zurich on June 17th. The revised schedule estimates completion at approximately September 1st.

Well 8 Scheduled Maintenance: On April 6th, Well 8 was taken out of service for our well contractor (Layne Christensen Co.) to pull and perform routine preventative maintenance to the well pump and motor. Due to a necessary pump repair and poor column pipe condition, reinstallation wasn't completed until June 15th. Well 8 was placed back in service on June 19th.



Employee Training:

Cancelled.

Anniversaries:

Staff Kudos:

E-mail from Emily Okallau (Morton Arboretum) to Betty Harrison: UCF Grant

Great, thank you Betty!

It was really nice meeting you as well. I'm glad that you enjoyed talking about the trees. Shawn & Lake Zurich are doing a great job! I'll be in touch soon with reimbursement info.

VM – Carole Burns on Eddy Ln

Jason, I can't thank you enough, I didn't realize everything would be so quickly taken care of! Thank you, thank you, thank you, I so appreciate your efforts!

VM – Neil at 604 Applegate Ln, Tree Trimming

I just wanted to let you know that the crew came out this morning and I couldn't be more pleased. They were courteous, thorough, professional and very welcoming and accommodating to my requests. Kuddos to those guys, I could not be more pleased of the job they did in terms of trimming the tree in front of my house!

VM – Colleen Jennings on Stillwater Ct, Sink hole

Thank you for fixing the hole near the sewer so fast everyone from Stillwater Ct. thanks you!

VM - Tony Harper at 1170 Lexington Ln

Thank you for being so quick on having that tree branch removed from the street, well done!

Curt and Joni Wachta - 156 Lorraine Dr

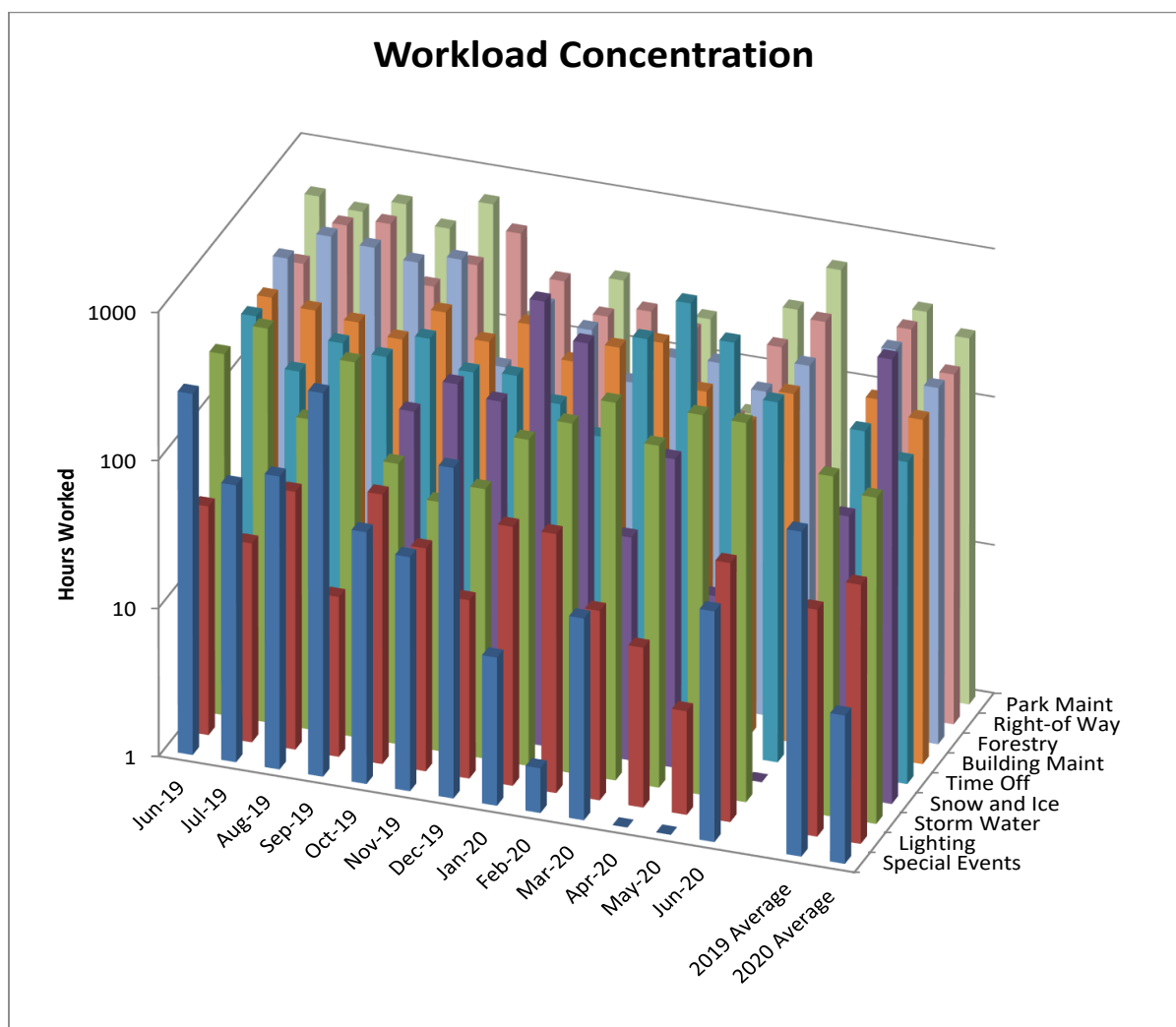
On behalf of our neighborhood (LZ Estates) THANK YOU for listening to our concerns (see original email Aug 26, 2018) on the state of our pond and taking action to restore its natural balance. Thanks to the Aquatic Maintenance Program the Village implemented over the past year to reduce the green sludge, this pond is experiencing a lot of renewed wildlife, plant life and aesthetic beauty! The before and after photos below say it all! Our sincere thanks to LZ Village leadership and the LZ Public Works Dept.

Good morning Mike!

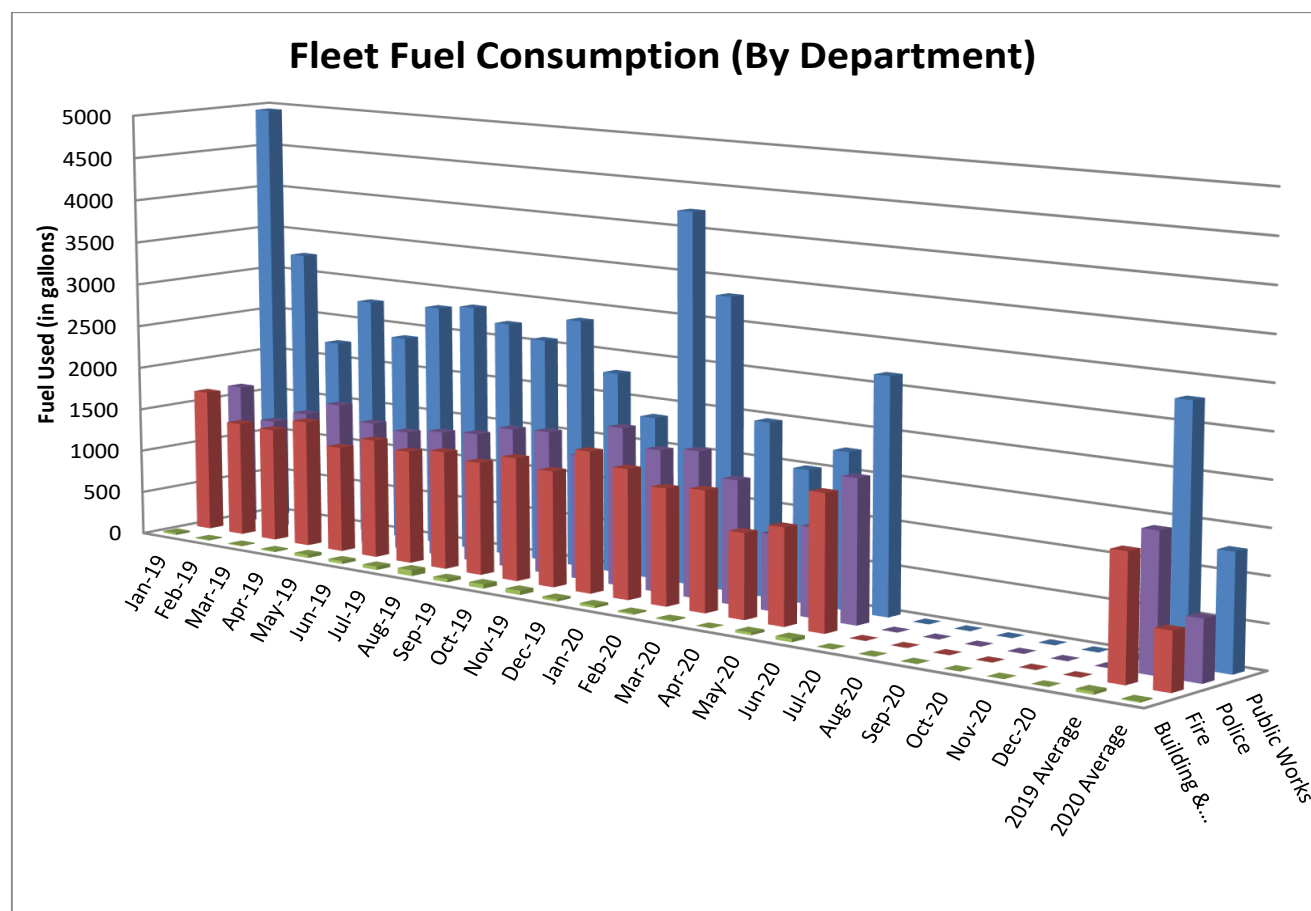
Actually, the subject line is a tad misleading! It really wasn't a nightmare but it did provide great drama for our neighbors 4 and 6 year old boys, watching your guys come and remove the large branch, hanging precariously from our neighbors parkway tree. This is just a shout out to your guys for a prompt response and efficient performance as they finished up and I am sure headed to their next assignment.

It is a pleasure to watch our Village work so well. Good management leads to great results. Thank you.

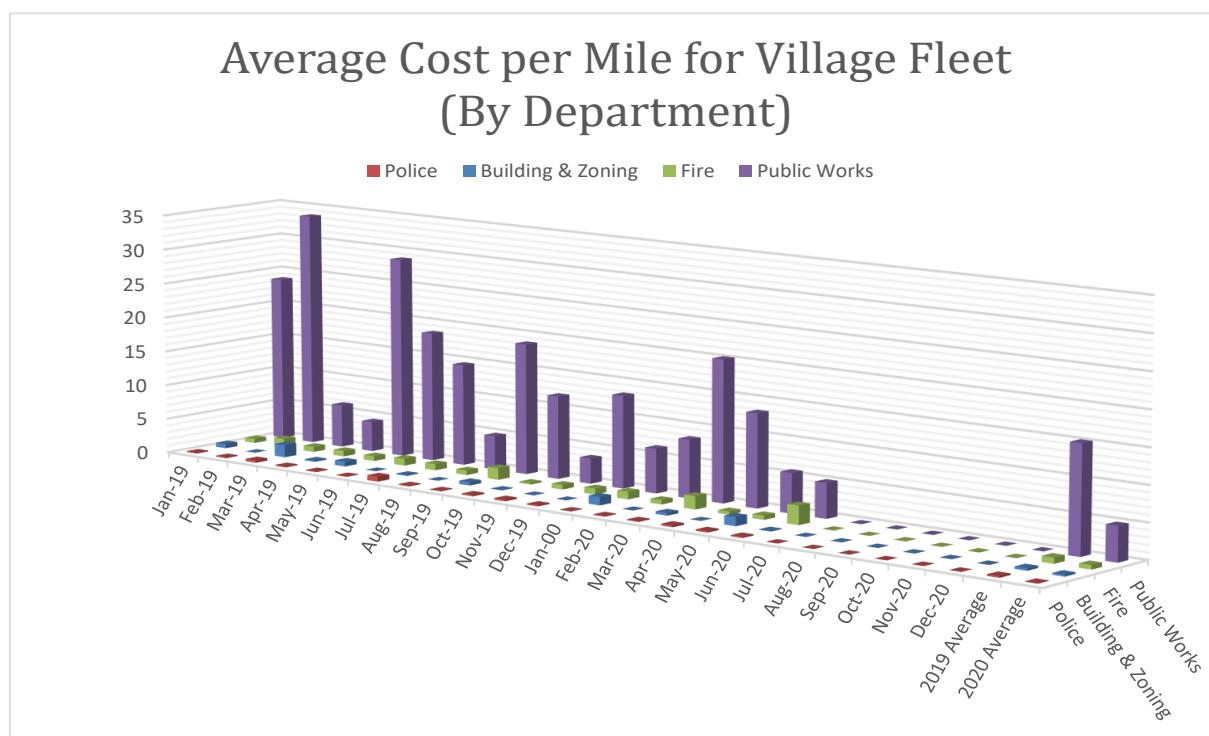
Orlando



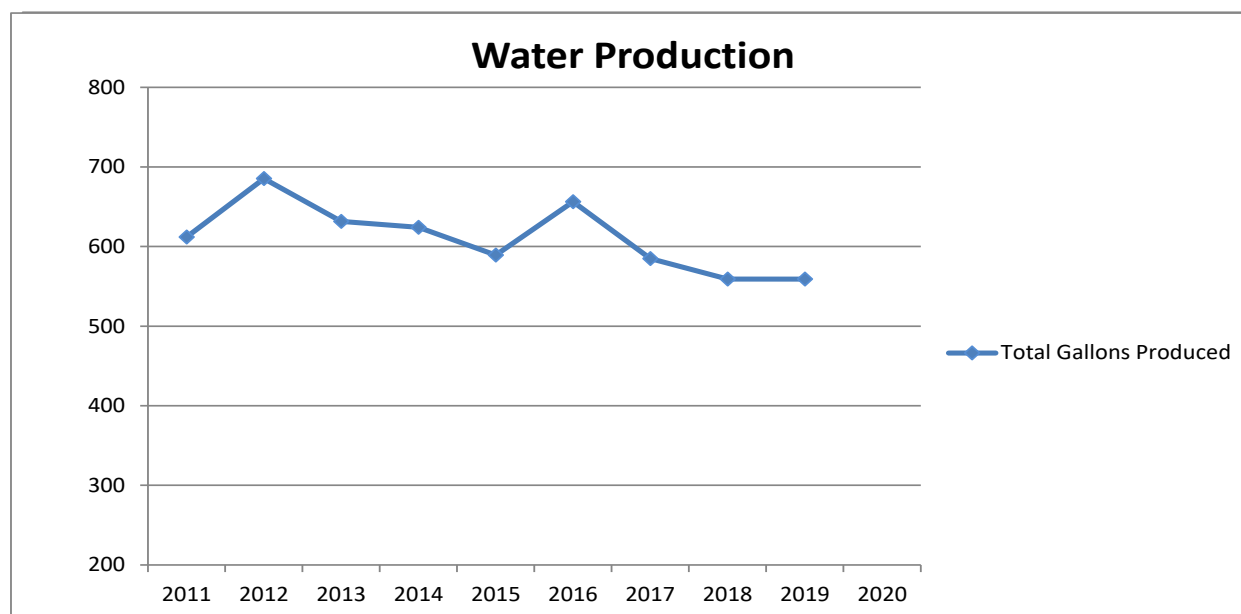
A core function of Public Works are related to the completion of work orders for several categories, including administrative, forestry, park maintenance, municipal property maintenance, right-of-way, snow and ice, street lighting, and storm water system maintenance. This chart shows the number of hours worked on major activities.



Tracking fuel consumption allows staff to make informed decisions relating to the municipal vehicle fleet, including the number of vehicles in each department, the types of vehicles purchased and the type of fuel source used. Dramatic fluctuations in fuel consumption can occur during events such as heavy snowstorms. (Output measure)



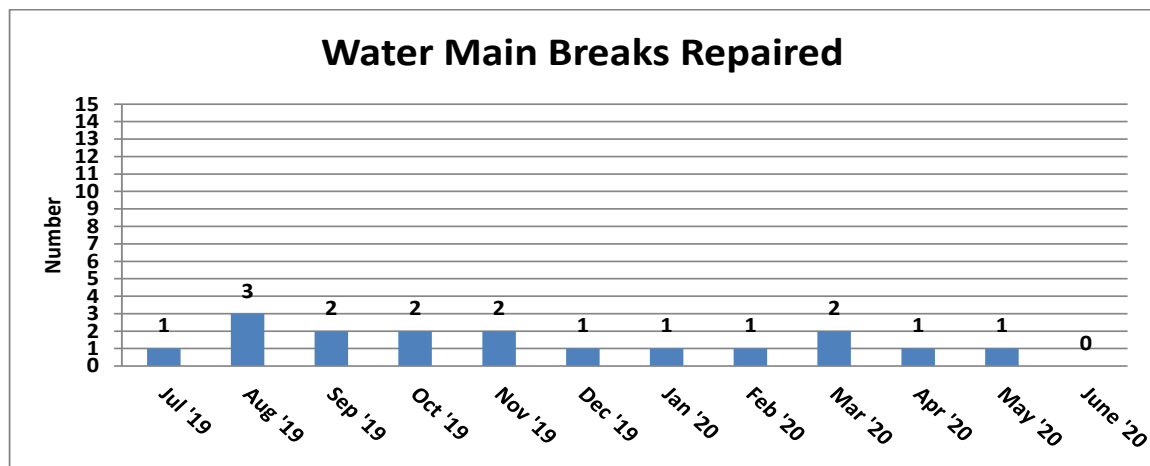
Vehicle cost per mile is an initial indicator of an efficient fleet operation. With basic cost per mile information in hand, all components that feed into that cost can be scrutinized and measured. These components include labor rates, fuel costs and parts costs. Looking further into the Village' vehicle cost per mile, staff can measure other components such as average vehicle age. When vehicles are replaced within their life cycle, the impact is usually positive.



From 2012 to 2015, there was a steady decline in the annual volume of water produced and used by our community. This trend was altered in 2016 due to dry weather leading to increased watering of lawns and landscaped areas.

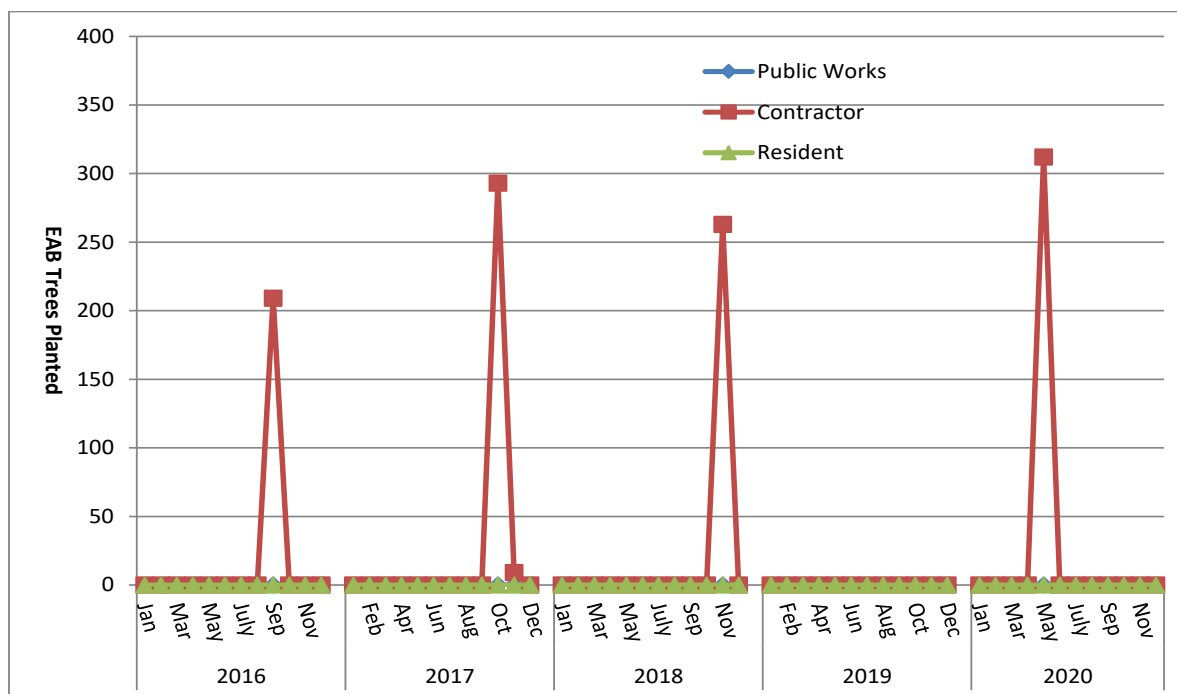
	2012	2013	2014	2015	2016	2017	2018	2019	2020
January	47.229	49.905	53.387	49.414	49.301	46.667	45.868	44.227	43.867
February	44.311	44.679	47.574	44.590	45.801	40.952	41.098	41.452	41.645
March	45.379	47.903	50.717	47.756	53.467	44.543	43.155	43.946	43.552
April	47.426	49.241	48.801	48.025	55.963	49.974	45.098	43.570	40.662
May	55.957	55.637	53.786	51.788	60.273	49.588	48.065	45.339	44.834
June	72.098	52.697	54.277	49.314	63.819	56.169	46.114	45.489	51.130
July	88.490	60.383	57.475	52.978	68.751	53.755	57.074	59.526	
August	71.191	64.299	58.865	57.018	66.229	54.746	54.067	61.419	
September	60.446	54.801	52.535	49.748	58.664	53.928	46.809	44.786	
October	54.287	51.133	50.722	47.667	45.838	47.169	44.369	43.476	
November	48.533	49.229	48.117	44.274	42.120	42.335	42.089	41.475	
December	50.002	51.850	47.938	46.754	46.088	44.961	45.305	44.379	
Total	685.349	631.757	624.194	589.326	656.314	584.787	559.111	559.084	265.69
Avg	1.873	1.731	1.710	1.615	1.793	1.598	1.532	1.532	1.460
% incr/decr	12.01%	-7.82%	-1.20%	-5.59%	11.37%	-12.23%	-4.59%	0%	

The highlighted months are the lowest for each of these months in the last 9 years. The highest monthly production in the last 8 years occurred in July of 2012. In 2019, our daily average was 1.53 million gallons per day.

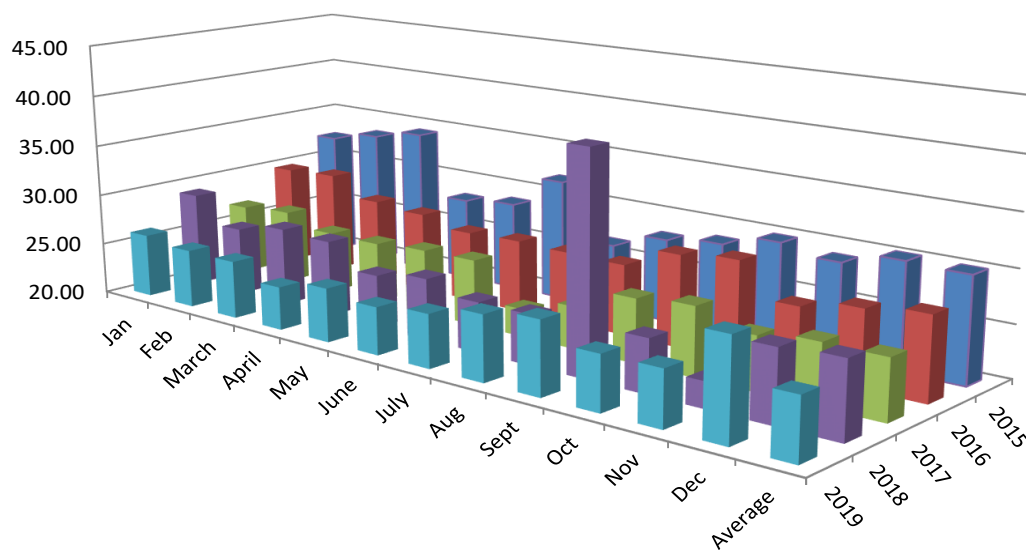


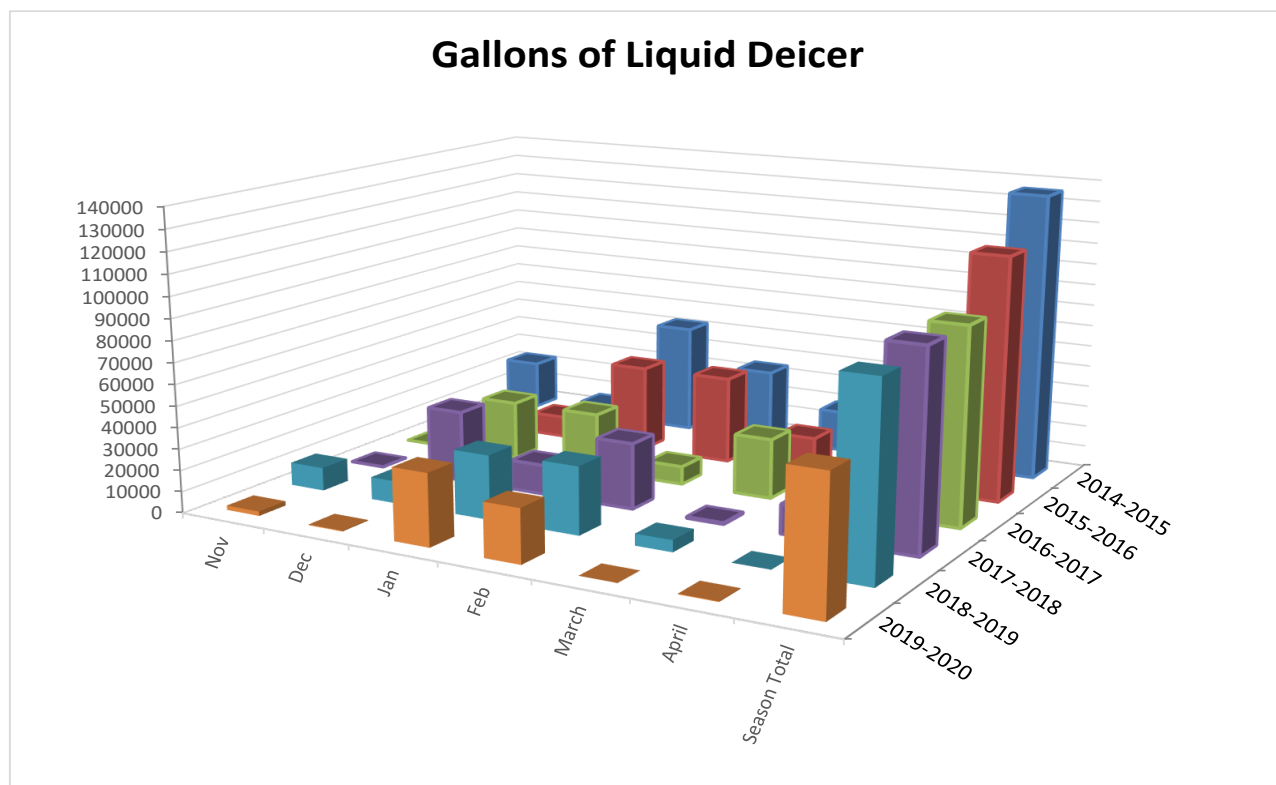
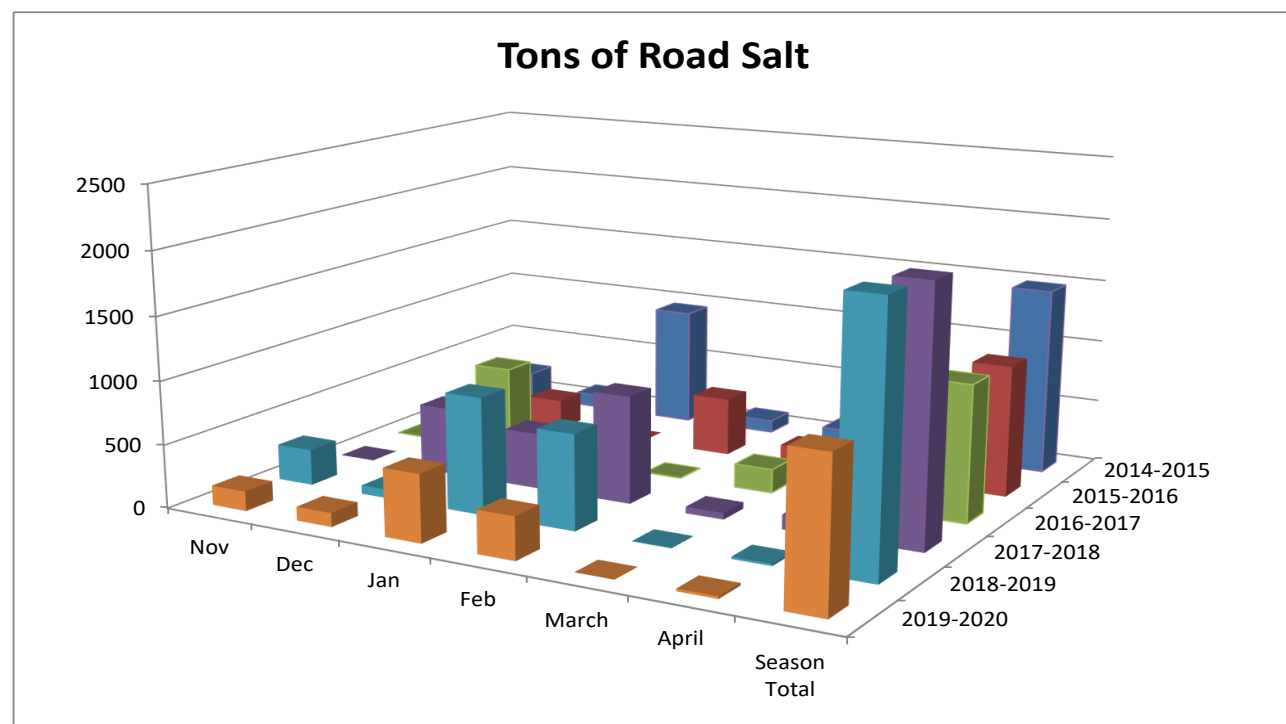
A water main break can be a hole or crack in the water main. Common causes of breaks in the water main include: age, pipe material, shifting in the ground attributed to fluctuations in moisture and temperature (below and above the frost line), corrosive soil that causes a thinning of the water main pipe, improper backfill, severe changes in water pressure (hammer) which has several causes and physical contact (damage) by excavating contractors.

Emerald Ash Borer Tree Replacement Program



Percentage of Refuse Recycled by Month/Year







COMMUNITY DEVELOPMENT DEPARTMENT

MONTHLY INFORMATION REPORT

June 2020

HIGHLIGHTING DATA METRICS
TO IDENTIFY OPERATIONAL TRENDS
AND
FACILITATE INFORMED DECISION MAKING

505 TELSER ROAD
LAKE ZURICH, IL 60047

DEPARTMENT NARRATIVE

During the month of June 2020, the Community Development Department was engaged in the following activities:

BUILDING & ZONING DIVISION:

Commercial permits issued for Construction:

195 S Rand: Starbucks – interior remodel
1350 E IL Rt 22: Mariano's Starbucks Kiosk – interior remodel
932 Donata Ct: Phase 3 Brewery – interior build out
64 N Old Rand Rd: Stompin Grounds coffee shop – interior build out

Outside Table Service Permits issued:

583 N Rand: Zin Gastro Pub
127 S Rand: Sushi Kushi 4 U
932 Donata: Phase 3 Brewery
330 S Old Rand: The Chapel

Commercial Occupancy Permits issued:

1350 IL Rt 22: Mariano's Starbucks Kiosk

FOIA Requests: Total number of FOIA requests: 13

PLANNING DIVISION:

Planning and Zoning Commission (PZC) Activity: On Wednesday, June 17, 2020, the PZC conducted its regularly scheduled monthly meeting as an electronic online meeting. The following applications were considered:

1. *Stompin' Grounds Café at 64 N Old Rand Road (Alpine Shopping Center)* - Continued Hearing – The hearing had been continued in May to allow surrounding property owners to be notified. No additional comment had been received by staff either ahead of or at the online meeting. The Applicant, Ms. Cison, members of the PZC or staff had no further comment to add. The public hearing was therefore closed and the PZC voted to recommend approval of the special use permit. The application was scheduled to be presented to the Village Board for consideration on July 6.
2. *Companion Animal Hospital at 917 South Rand Road (Deerpath Commons)* – Jason Sfire of the Fidelity Group presented the application for a Special Use Permit to allow Companion Animal Hospital as a tenant in the westerly 2,200 square foot corner unit at 917 South Rand Road (formerly occupied by Eddie Z's Blinds and immediately adjacent to SW Massage). Mr. Sfire also answered questions of the PZC. There were no objectors to the proposal. Following the close of the public hearing, the PZC voted to recommend approval of the special use permit. The application was scheduled to be presented to the Village Board for consideration on July 6.
3. *Wildwood Estates of Lake Zurich - 24909 West Signal Hill Road (The Hummel Property)* - Mr. Greg & Ms. Mona Schmitt of Prestige Development presented their application requesting Annexation, Zoning

and Subdivision of the property for a new residential subdivision to be known as Wildwood Estates of Lake Zurich. Following their detailed presentation, Mr. Schmitt answered a number of questions of the PZC. Staff also provided additional comment and background on the preservation of the open land that would remain undeveloped. Surrounding property owners who had signed on to participate asked questions and provided comment. Written comments provided ahead of the hearing were read into the record by Village staff. Following the close of the public hearing, the PZC voted to recommend approval of the PUD. The next step would require a public hearing of the Village Board to consider the annexation agreement containing the terms and conditions of the development along with the long-term maintenance of the remaining open land. Due to publishing and notification requirements, the hearing would be scheduled no earlier than July 20. Consideration of an ordinance for the PUD is also likely to be presented to the Village Board for approval at that time.

New Zoning Applications received.

The following applications are scheduled to be considered at the July 15, 2020 meeting to the PZC.

1. *Luxury Car Wash and Detailing – 499 S. Rand Road (Fidelity):* Fidelity Group is proposing the establishment of a car wash and detailing center at its property at 499 South Rand Road at their auto center just north of Target. Car washes (of which detailing is a component) is classified as a special use in the B-3 district requiring a public hearing and final approval by the Village Board.
2. *Somerfield Mixed-Use Development – 99 Quentin Road (Cummings Property):* Mr. Joe Elias of Vintage Luxury Homes submitted an application for Development Concept Plan (Preliminary Plan) approval to develop the 18.43-acre property with approx. 4.6-acres of commercial along Route 22 including a drive-through coffee shop, bank, two general retail sites and a gas station at the corner of Route 22 at Quentin Road. The remaining approx. 9.8 acres to the south will be developed with 60 residential townhomes within 15 buildings. Stormwater management facilities and a centrally location open space are also proposed on the property.

Development Planning:

1. *Somerfield at 99 Quentin Road (Cummings Property):* The application for a Planned Unit Development (PUD) is scheduled to be considered by the PZC at their electronic online meeting on July 15.
2. *Avery Ridge at 24168 Midlothian Road (Raupp Property).* Members of the village's Development Review Team (DRT) and permitting staff had a pre-construction meeting with the general contractors and construction supervisors of M/I Homes. M/I intended to begin development work on the property as soon as possible. A tree removal permit was issued allowing them to begin that work. Staff was concurrently ready to issue a permit to allow the demolition of the Raupp family pole barn on the property. Following that, earthwork (mass grading) would begin and be completed in 6 weeks, underground utility installation in 8-10 weeks followed by paving. The developers have received their IDOT permit, EPA permits and Army Corps permit, which required them to pay approximately \$126,000 in wetland mitigation credits. They indicated that a model home would likely be completed on the property by early October to allow for home sales to begin. The development propose the construction of 35 new single-family homes on 19 acres of land. The Raupp family home will remain and be incorporated into a residential lot within the subdivision.
3. *35 W Main Redevelopment (Former Bank of America Building).* The owner and developer, Mr. Don Malin informed staff that all carpeting and duct work for the 35 West Main building had been

removed. The Malins were in discussions with potential investors to determine the feasibility of establishing an approximately 3,000 square foot higher-end restaurant. They anticipated a decision within the upcoming weeks.

After receiving a positive recommendation from the PZC on May 20, staff had prepared to transmit the recommendation for approval of the PUD ordinance to the Village Board for consideration at the June 15 meeting. However, prior to transmittal of the packets, Mr. Malin informed Assistant Village Manager Witherow and Community Development Director Saher that the adjacent property owner, Mr. Jim Bestios of Offbeat Music was no longer willing to allow the project's drive-through lane to encroach onto his property. Mr. Bestios cited reasons that the loss of the approximately 5-foot wide sliver would lower the value of his property as it was being marketed for sale. In light of this, Mr. Malin began exploring other options of establishing the drive-through lane on the property, as he believed that the provision of such a drive-through lane was important to the success of attracting the right tenant to the property.

4. 133 W. Main Street Redevelopment with a Korean Barbeque Restaurant. Assistant Manager Witherow received communication from Song Choe, the proprietor of Blue Ridge Korean BBQ in Park Ridge who was set to enter into a redevelopment agreement to purchase the Village property at 133 West Main and open a Korean BBQ restaurant on this site prior to the COVID-19 onset. Song Choe stated that the Park Ridge restaurant opened last week after 3 months for take-out only as they did not have space for outside seating. Business had been sluggish and they were looking for ways to address the current challenges in today's environment. They inquired if the Village would allow some modifications to the original RDA. They were seeking to establish a sit-down restaurant in half of the building with both indoor and outdoor seating. The Village currently rents the other half of the building to an insurance agency. The Choes are desirous to leave the insurance agency there for the time being. They consider it too risky to build out the entire building at this moment. They plan, however, to expand into the remaining area once the restaurant has been established. They want to start small first, and are willing to put this as a condition into a revised RDA and to expand into whole area at a later time. Assistant Manager Witherow and TIF Attorney Kathleen Orr were reviewing the current RDA for any potential modifications and anticipate continued discussion with Mr. Choe.

Later in the month, Village TIF Attorney, Kathleen Orr revised the original redevelopment agreement (RDA) between the Village and Mr. Song Choe to purchase the Village-owned building at 133 West Main Street and establish the restaurant.

5. McDonald's on Ela Road. McDonalds began scheduling their final inspections with the Building Department. They indicated that they were hoping to be open for business on Friday, July 10.
6. Wildwood Estates at the Hummel Property (Honey Lake Road): Assistant Manager Witherow, Director Saher, and Planner Verbeke participated in a conference call with Steve Smith and Kevin Scheiwiller from Citizens for Conservation (CFC) which is headquartered in Barrington to discuss the potential for wetland restoration of the Hummel property. There is a significant wetland encompassing this site, with the developable property affronting Honey Lake Road. Mr. Scheiwiller had walked the site and stated that much work needed to be completed to restore it to its original state. They intend to develop a long-term restoration plan, and the earliest work could begin would be approximately two years. Yamin Yamin, representative of the owner of the Nabs properties to the south along Route 22 had also expressed an interest in talking with CFC, as these sites have high-quality wetlands and little developable acreage. The development was presented to the PZC on June 17.

7. Former Napa Auto Parts Building 201 S Old Rand Road. The Community Development Department issued a notice to the owner of the former NAPA building on the southwest corner of Route 22 and South Old Rand Road informing him that he must file a demolition permit to demolish the building. The Village originally required the demolition to occur in mid-April, but, due to the COVID-19 situation, granted an extension. If no permit is filed immediately, the Village would seek a court order to demolish the structure, which had been a frequent location for graffiti during the past months.
8. Life Time Construction at 400 N Rand Road. Community Development Director Saher reached out to Life Time to obtain additional information on the status of resuming their project in Lake Zurich. Director Saher was informed by Aaron Koehler that the answer was not as simple as providing a date. Rather, he explained that Life Time had suffered serious losses in membership revenue during the COVID-19 pandemic due to the closure of all their clubs. However, he indicated that in mid-June, clubs were slowly resuming operations but with greatly reduced membership. They anticipate that it will take no less than two more months of operations to regain a more healthy cash flow. In light of that he stated that they would be able to resume their construction projects nationwide no sooner than September 1. There may be a few construction projects that are funded locally by developers or Real Estate Investment Trusts (REITs) that may resume sooner. However, the construction of the Lake Zurich facility is funded directly by Life Time.

In the interim, Mr. Koehler stated that Life Time would continue to maintain its local construction supervisors to coordinate with the Village. They intended to carry out smaller projects related to site work to ensure that the property is properly maintained. Additionally, he was aware that the IDOT permit had a time limit on it and so would prioritize work related to that permit. He assured Director Saher that none of this will change Life Time's long term plans for all their projects and clubs. He stated that the company as a whole will continue to grow. However, in the interim he was asking for some flexibility in the schedule for the project and also stated that in the coming months he intended to visit the site and would provide an in-person or virtual update to the Village Board at a scheduled meeting.

9. Companion Animal Hospital in Lake Zurich. The Application was presented to the PZC on June 17.
10. Canterbury Estates - Block G – Schwermer. Greg Schwermer, owner of the 3.3 acre parcel located at 80 Genesee Street placed the site up for sale. Director Saher reached out to Mr. Schwermer and was informed that the investment financing for the Canterbury Estate development was no longer available. Mr. Schwermer stated he would consider being a joint investor or would also be willing to sell the site in its entirety. Staff had held discussions in the past with potential developers who had expressed an interest in the site, and would contact them to determine if such interest still exists.
11. Concept of an Outlot at the Chase Bank Property (444 S Rand Road). Community Development Director Saher was contacted by William Graft of Graft & Jordan, attorney for the property managers, Crosstown Capital Partners. Mr. Graft indicated that Crosstown intended to reopen the discussion on creating an outlot at the corner of the property. In September 2018, Crosstown had first presented this idea to the Village Board at a courtesy review but later shelved it because Chase Bank did not grant their approval. Mr. Graft indicated that Crosstown had worked very hard during these challenging times to achieve important company milestones, including renewed leases and new businesses at their properties. One of these was to make the most out of this underutilized property. Mr. Graft additionally stated that Chase Bank no longer held veto authority on the property thereby removing one more obstacle towards accomplishing this milestone.

12. 300 North Rand Road and 881 North Old Rand Road. Assistant Village Manager Witherow, Community Development Director Saher and Planner Verbeke had a virtual meeting with Mr. Rick Cortopassi and his developer Mr. Bogdan Klek of K Development to discuss a revised concept to develop the properties at 300 North Rand Road and 881 North Old Rand Road. The revised concept consists of three 10-unit condo buildings, three stories each and at a height no greater than the Life Time Building. This concept did not propose a commercial component and was of a lower density than previous concepts that staff had discussed as recently as last September.

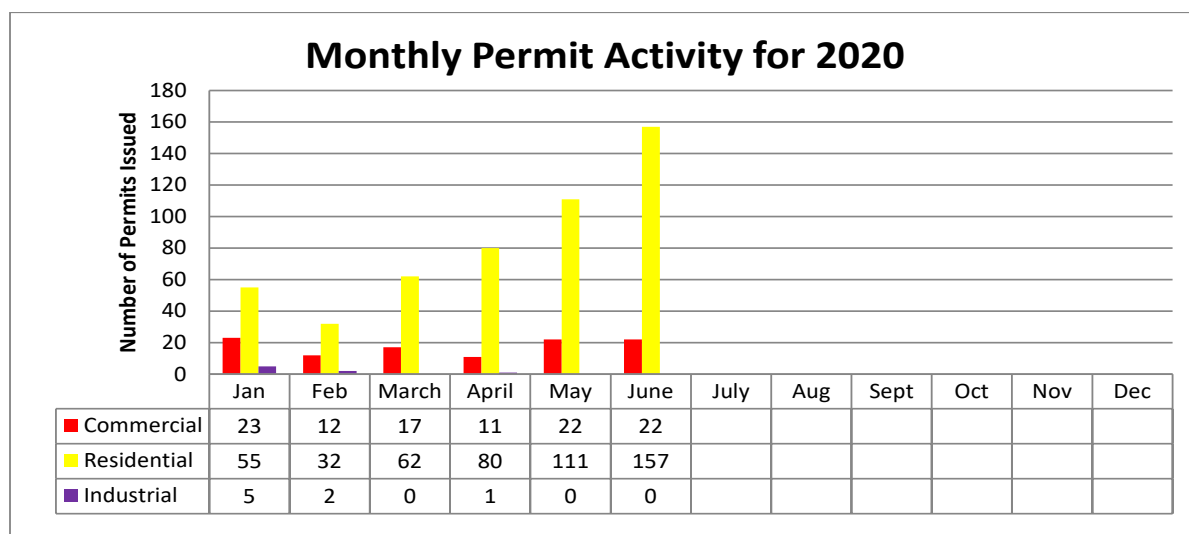
On further discussion and receiving feedback from staff, the developer further revised the concept to provide an option with a commercial component. Staff had also advised the developer of the requirements for lake access. The developer presented the concept at a courtesy review of the Village Board on June 15.

13. Kildeer Creek Stabilization Project. As part of its infrastructure goal of addressing stormwater management, the Village began restoration of a portion of Kildeer Creek and the adjacent Cedar Creek detention pond. This project would restore the creek and surrounding area to a more stable, native condition. Construction of the streambank and detention pond improvements would include clearing, new protective shoreline armoring, and native plant restoration. The project is a cooperative effort between the Village and the Coventry Creek Homeowners Association, and is funded by the Village of Lake Zurich, Lake County Stormwater Management Commission, and Coventry Creek Subdivision Special Service Area (SSA). Construction was scheduled to begin on July 6, 2020, with a completion targeted for November 30, 2020 (weather permitting).

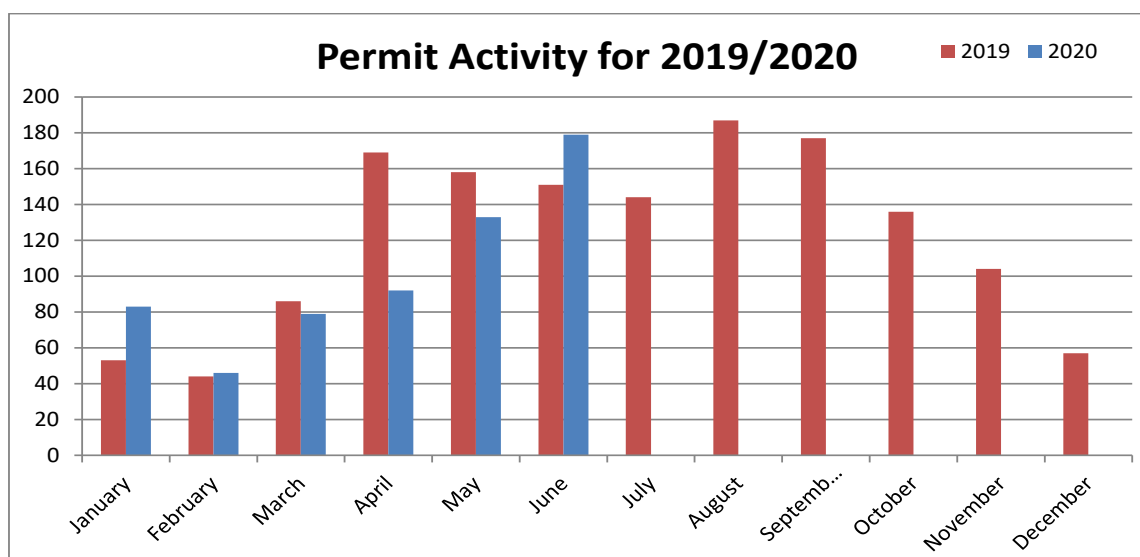
14. Dentist Office at the former Fifth Third Bank Building - 660 South Rand Road. A year ago, staff had reported that an orthodontist from Vernon Hills was seeking to establish her practice in Lake Zurich. She intended to purchase the vacated Fifth Third Bank building in front of Home Depot and remodel it for her dentist office. The concept included building out the former drive-through ATM area at the rear of the bank to be used for additional interior office space. The office space would accommodate up to 6 examination rooms. Staff completed its review and issued a building permit for new office at this location. The project cost is approximately \$1.2 million for the remodel and includes the 2,000 square-foot addition in the area of the former drive-through facility.

15. Joe's Barbershop Property at 265 North Rand Road. The Community Development Department was approached by a developer, Mr. Jerry Solowiej to redevelop the former Joe's Barbershop property at 265 N Rand Road. The developer proposed to demolish the existing building and completely redevelop the site with a new building containing a restaurant/deli with outdoor seating on a portion of the lower level and two 2nd floor residential units above. The residential units would be provided with their own garage parking spaces. Staff provided initial feedback on the concept, but encouraged the developer present it to the Village Board for Courtesy Review. The developer indicated that they would present the concept at the July 6 meeting of the Village Board. This property had been the subject of a courtesy review last year by the Blue Ridge Korean Barbeque restaurant, the owners of which had since worked with the Village on a property in the Main Street Area.

Economic Development Activities. Staff forwarded nine potential manufacturing sites to the Japan External Trade Organization (JETRO) and Lake County Partners (LCP) to assist in efforts to locate the new facility to Lake Zurich. LCP has a long relationship with the Illinois Department of Economic Opportunity and Intersect Illinois, and can coordinate with these state agencies in developing recruitment strategies at the state level.

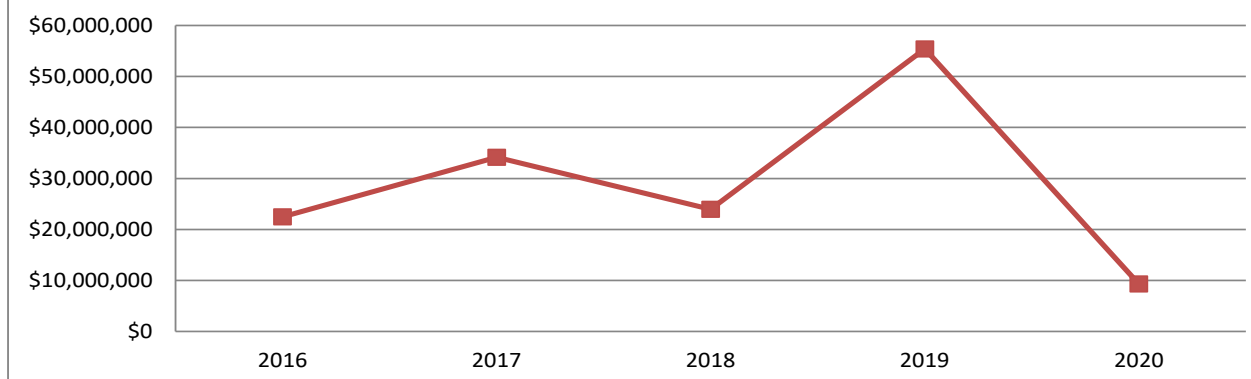


The chart above represents the total of permit activity for 2020.



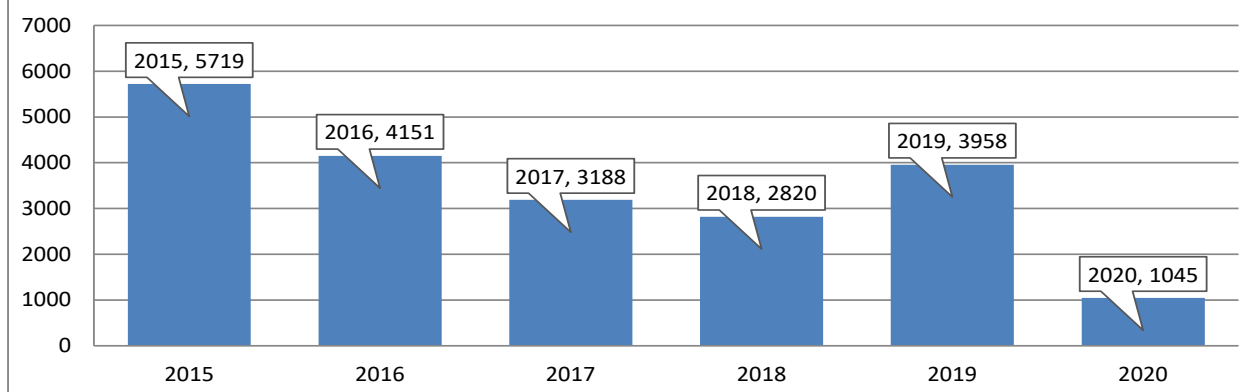
The chart above shows permit activity by month for 2020 compared to 2019.

Construction Value of New Permits: January-December 2016-2020

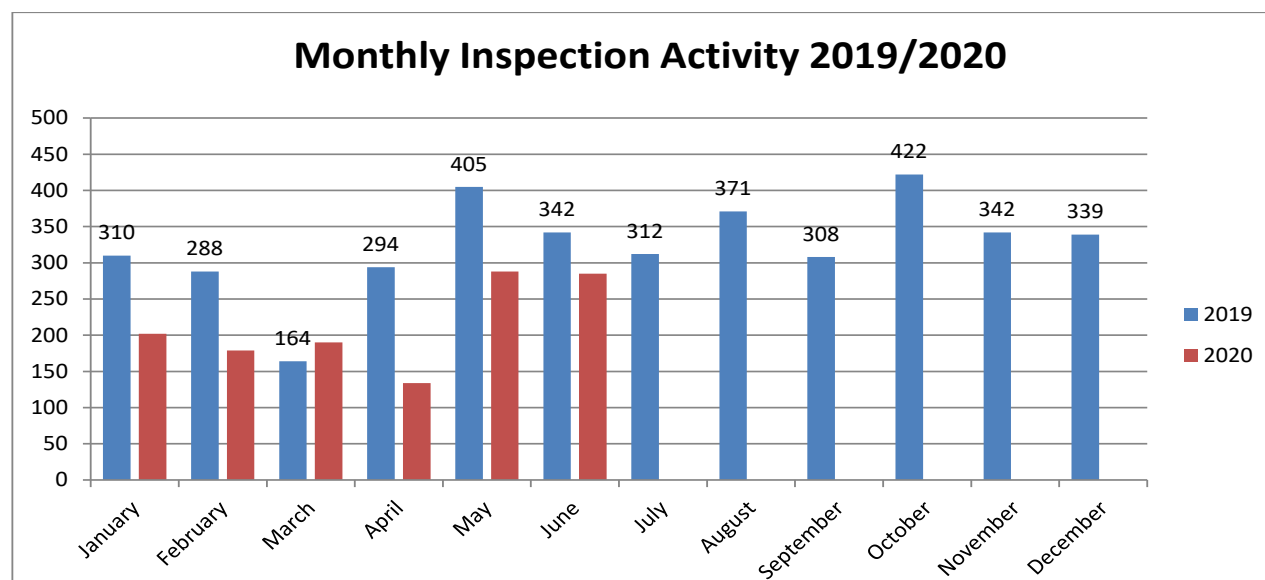


This chart tracks construction value of permit activity by year. Comparable data will not be available until the end of the year.

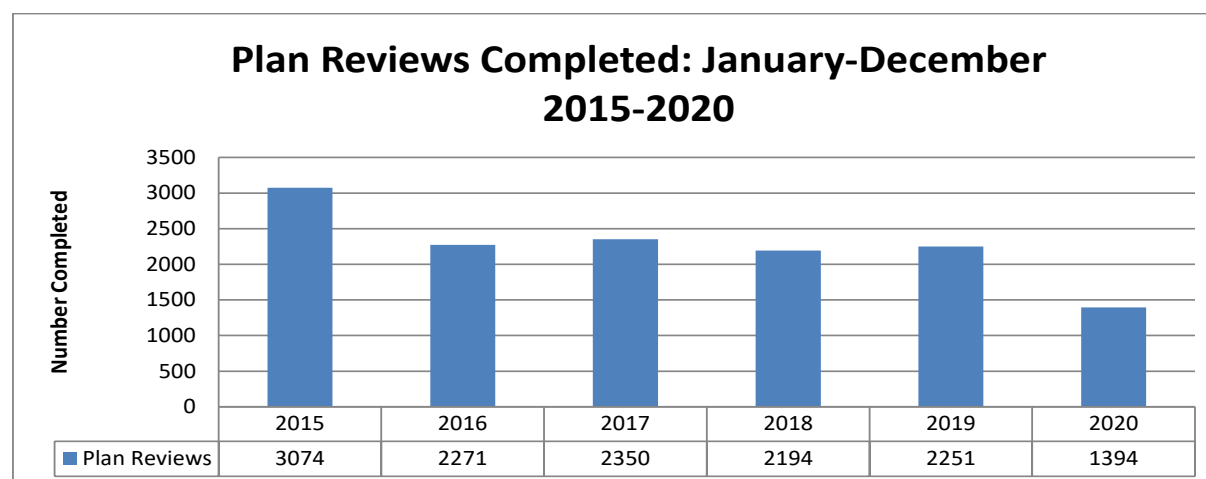
Inspection Activity: January-December 2015-2020



This graph illustrates the number of inspections performed by year. Comparable data for 2020 will not be developed until the end of the year.

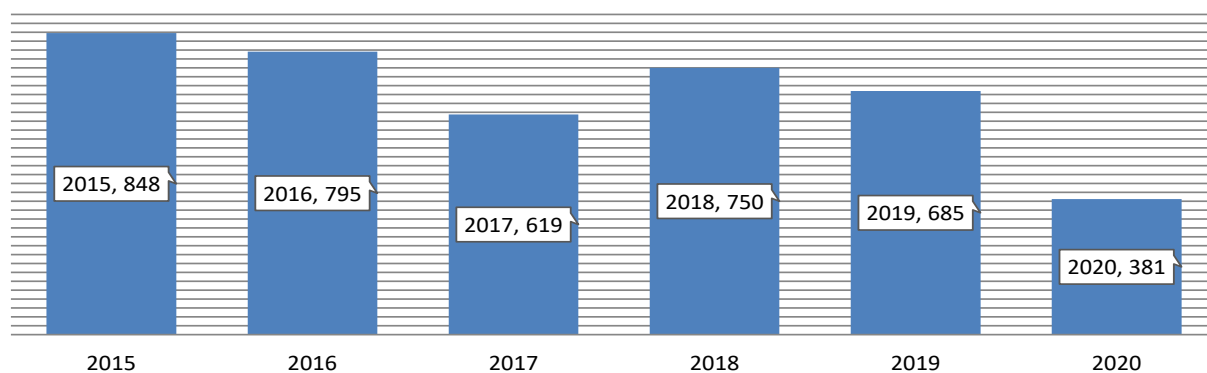


This chart indicates monthly totals of inspection activity comparable between 2020 and 2019.

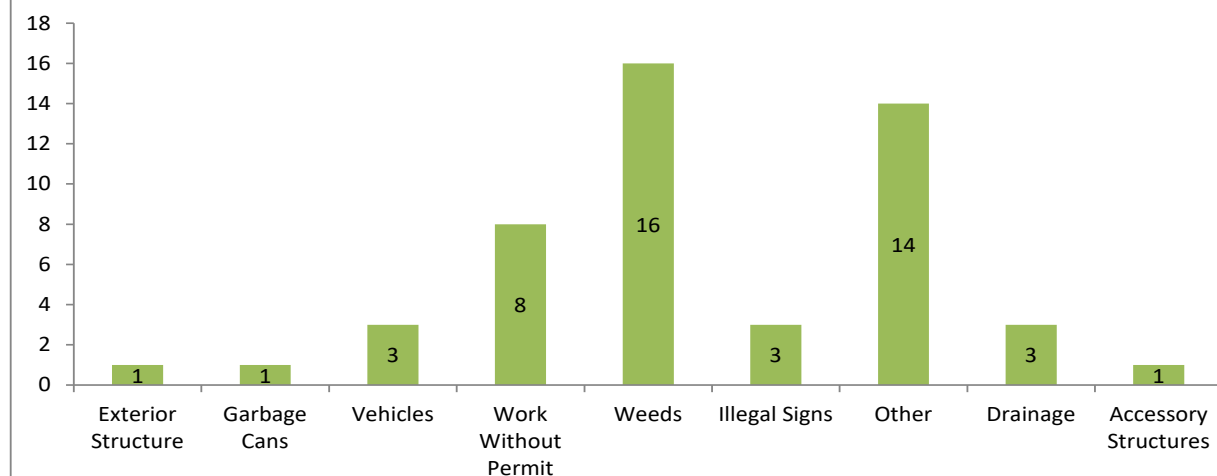


This graph illustrates the number of plan reviews performed by year. Comparable data for 2020 will not be developed until the end of the year.

Contractor Registrations January-December (applied for) 2015-2020



Common Code Violations - Details





PARKS & RECREATION DEPARTMENT

MONTHLY INFORMATION REPORT

June 2020

HIGHLIGHTING DATA METRICS
TO IDENTIFY OPERATIONAL TRENDS
AND
FACILITATE INFORMED DECISION MAKING

70 E. MAIN STREET
LAKE ZURICH, IL 60047

Departmental Narrative

The Park and Recreation Department officially moved into the modular units at Paulus Park late June in preparation to be open to the public the week of July 6th. The department will be working on relocating the two preschool rooms at St. Peter's to the program trailers throughout the month of July in preparation for our Fall Yellow Brick Road early childhood programs. This will eliminate the need to rent program spaces at St. Peter's and allow us to better meet lower group size restrictions for our two-year-old, three-year-old and four-year-old programs. Jenna Stanonik, Recreation Supervisor responsible for our childhood programs, is working on developing additional policies and procedures related to COVID-19 to be released to our registered participants prior to the Fall session. At this time, we have only experienced one cancelation for the Fall preschool program in regards to COVID-19.

After the June 15th Village Board meeting, the team worked on contacting all 150 previously registered day camp participants and refunds for the canceled 2nd session/post camp session. Around this time, the department also begun to take applications for shelter rentals that comply with the Governor's Phase 4 orders of groups no larger than 50. Applications for shelter rentals can be picked up at the modular units Monday-Friday 8:30am-4pm or online at LakeZurich.org.

On the evening of Friday, June 26th, the department received guidance from the Illinois Department of Public Health in regards to parameters associated with beach openings. The department along with Public Works and Innovation, worked hard to make sure our aquatics staff and beaches were ready to open to Lake Zurich residents only on Monday, July 6th, following the IDPH limited capacity (30 feet group distancing) parameters. Please visit lakezurich.org for the Summer 2020 Beach User rules/procedures and Beach FAQs. Also visit lakezurich.org/openbeach to view the capacity status at Paulus Park in real time, a new feature courtesy of the Innovation Department. This has assisted staff to communicate availability at Paulus Park Beach before individuals even leave their homes. We are continuing to closely monitor what other communities are doing for additional best practices. We remain focused on balancing keeping people as safe as possible, while allowing everyone to enjoy the summer as best they can. During the period that the beaches were closed, the department did experience vandalism at the beach sites which included graffiti on the modular units, destruction of fencing at Paulus Park, destruction of a lifeguard stand at Breezewald, picnic benches burnt and thrown in the lake at Paulus Park, piers placed in the water at Paulus resulting in the loss of 8 legs and unauthorized use of the sprayground pad for skateboarding resulting damage to the pad. HR was notified and police reports were completed. The department hopes to have the sprayground operational mid-July as the epoxy and surfacing product that is needed for patching has been ordered but is not anticipated to be received for approximately 2-3 weeks per the company.

In addition to the efforts to get the beaches up and running, the Academy of Performing Arts Coordinator, Mollee Johnson, and her dance team organized a drive thru pick up for dance families to receive their Spring recital costumes at our Buffalo Creek location on Monday, June 15th for over 300 dancers (costumes are ordered in January with pick up typically mid-April). Due to COVID-19, the pick-up of costumes was delayed and the end of year recital previously scheduled to run at the LZHS Performing Arts Center was postponed.

As the State entered Phase 4, the staff have been working hard to determine an appropriate way to facilitate an end of year wrap up performance. Mike Muir and the Knights of Columbus have offered the use of their 8,000 square foot Lake Zurich facility equipped with a dance floor and sound system for Saturday, July 18th and Sunday, July 19th. The large spaces allowed for dancers to perform and viewing for a limited audience (2 individuals per dancer) to be socially distanced meeting the Governor's restrictions of a group size no larger than 50 as well as to have separate entrances and exits. Dances were to be scheduled over the course of the two days in 20-minute increments which includes arrival (temperature checks/hand sanitizer), brief rehearsal of dance, socially distanced seating of audience, performance and departure. The department was also working with Michael Duebner to capture all dances and create a compilation video to be sent to all our dance families. However, the APA team and Department was forced to switch gears and deviate from this plan. Due to the recent COVID-19 happenings in our community and out of concern for the health and welfare of our dance instructors and participants, particularly those in our program who are at a higher risk, we decided to cancel our July 18/19 rescheduled recital. It was decided to hold a Car Costume Parade to bring our season to a close. On Saturday, July 18th, our costume ready dancers and their families will line up at 9:45 am in the parking lot of the Knights of Columbus. The parade will start at 10:00 am (The lineup will take place on Surryse in front of the Knights building beginning at 9:45 am.). The teachers will be along the route with their signs and music to wave goodbye to our season. An APA staff member will be at the start to lead the parade.

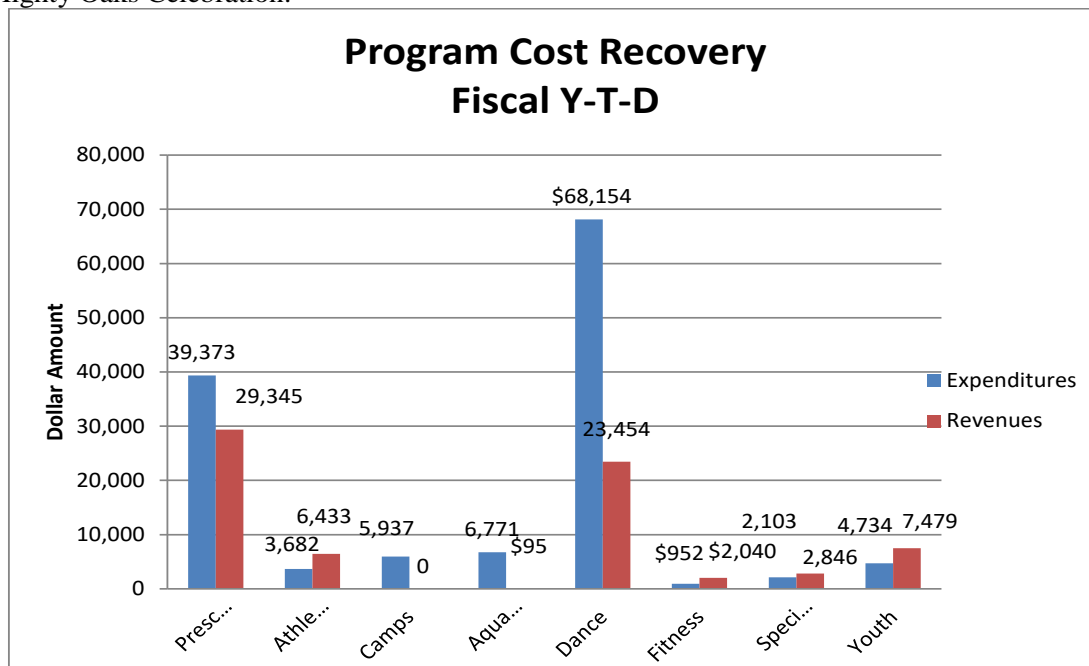
Staff are continuing to work with Burke and PlayIL in regards to the installation of the Breezewald Park playground. The Village was notified that PlayIL had an opening and will begin to install the equipment as of the week of 7.13.20. The department anticipates 2-3 weeks for the playground to be installed and an independent audit of the structure to be completed. The Department will work on organizing a ribbon cutting ceremony of the lakeside playground for early August.

In preparation for the summer, the department has finalized the Fall brochure and program offerings set to hit households later this July for resident registration priority week on August 3rd. Due to the uncertainty with COVID-19, we are not looking to add any new programs or contractors at this time. We are also encouraging our contractors to include or continue to offer virtual programs they may have.

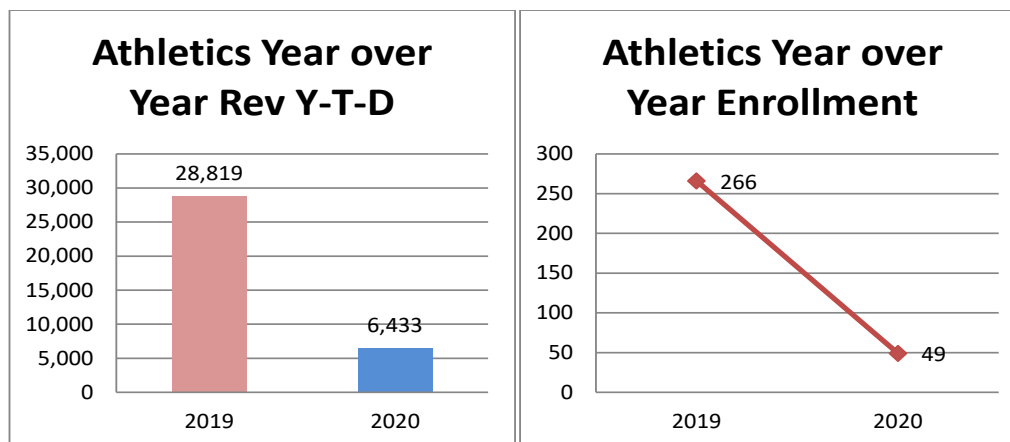
The Village continues to operate the weekly Farmers Market held in Paulus Park on Fridays from 3-7pm as it is designated as an essential operation by the State through 9/11 and follows recommendations and restrictions outlined by the Illinois Farmers Market Association. As the market transitioned this summer from a special event towards an outdoor market venue, our weekly attendance is approximately 550 market goers and 15 market vendors. New procedures for the market have been well received with only 1 formal complaint being received regarding the desire for all market goers to wear face coverings. (Approximately 98% of market goers do wear masks; will continue to evaluate.) For a listing of vendors at the market or to view all the new procedures, please visit the Farmers Market FB or webpage at lakezurich.org.

The department will be approaching the Village Board in the upcoming months regarding the status of Fall events when further information on event restrictions are released by the

Governor's Office. Fall events include Rock the Block, Cruise Nights and the Ancient Oaks Mighty Oaks Celebration.

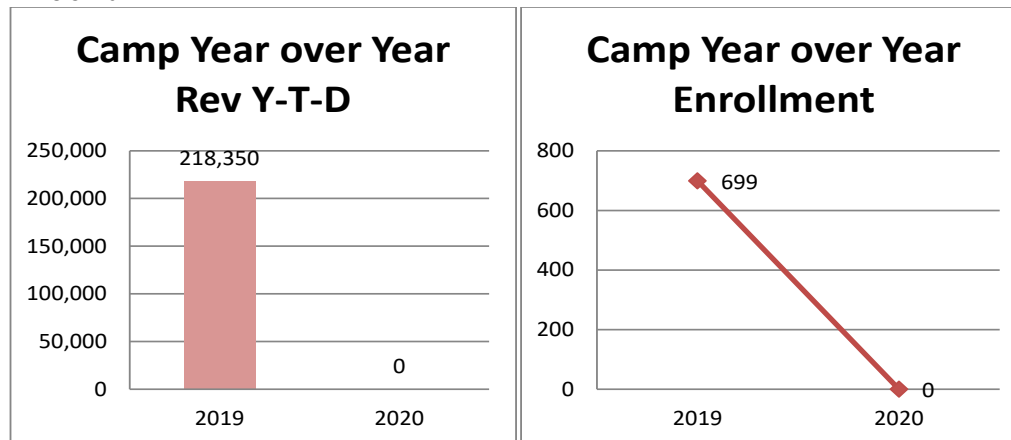


Dance expenses are higher than revenue due to recital costume ordering of approximately \$25K for the season. Revenue across all program departments is down due to COVID-19 cancellations/program hiatus. Preschool staff was paid for 2 weeks prior to being furloughed; dance staff were paid for two weeks of initial shut down prior to moving the program virtually for the remainder of the season.

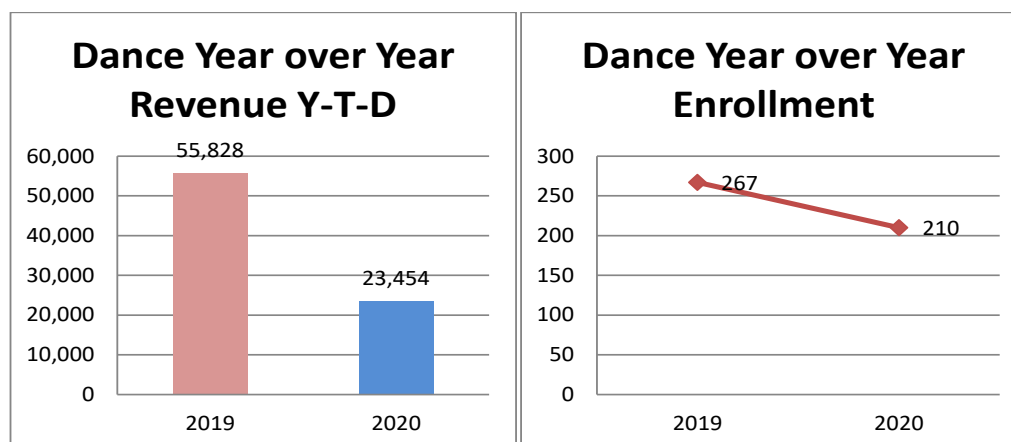


Athletic programs include the following independent contractors: tennis, tae kwon do, golf, soccer, parent child sports and tee ball. 2020 did project a loss of revenue in this department due to the relocation of karate in their own stand-alone facility in downtown Lake Zurich. COVID-19 refunds and missed revenue for March-May is projected to be approximately \$12K; in person

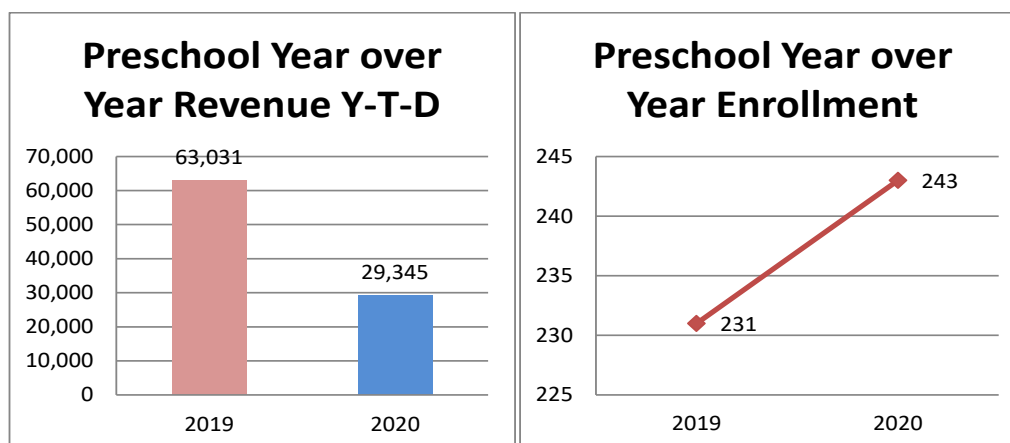
programming is expected to resume when the state enters Phase 4 of the Governor's Restore Illinois Plan



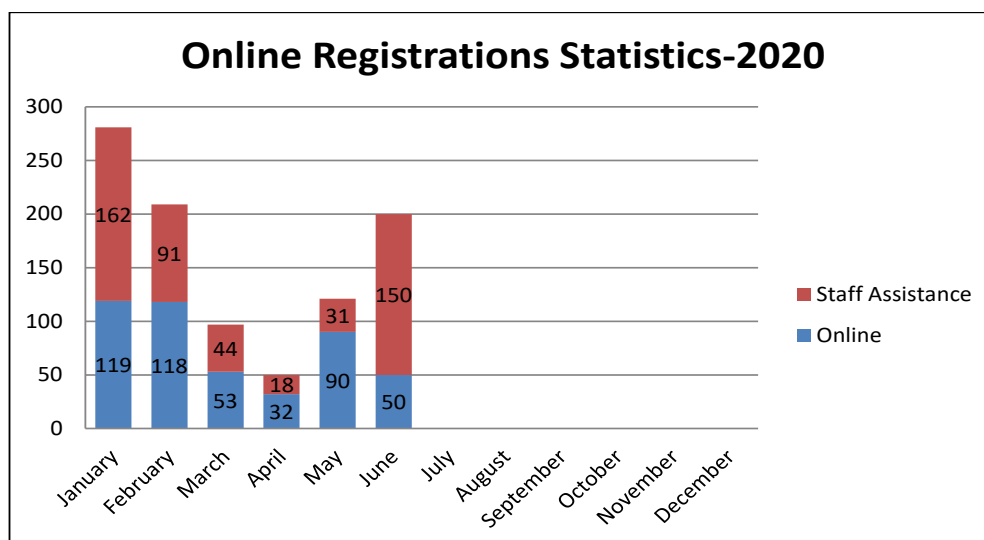
Camp programs include Kamp Kiddie camp, Camp Alpine, Teen camp, build a camp options, weekly specialty camps, the lunch punch program and Safety Town Camp. Canceled all camp as of 6.15.20.



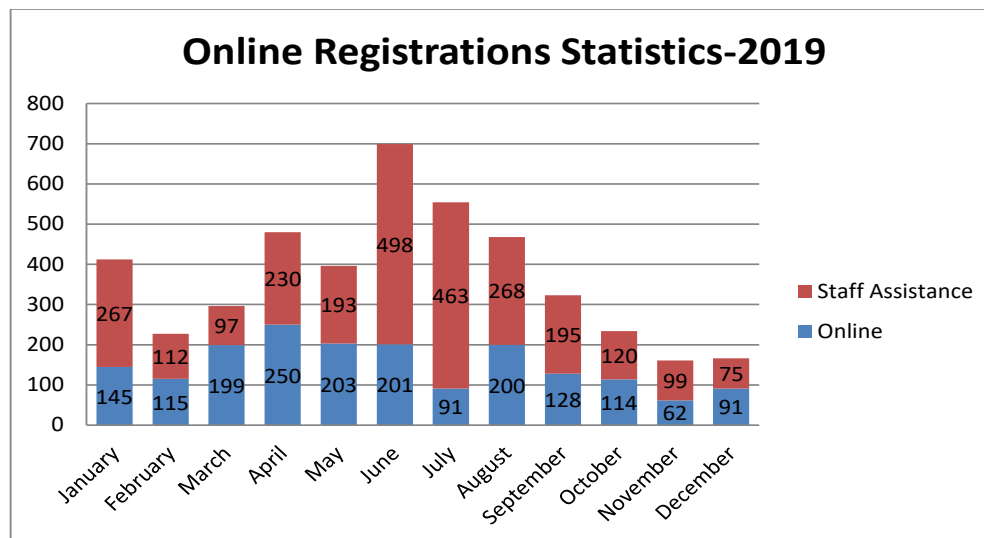
Dance programs include Ballet/Tap, Pointe, Jazz, Company, Lyrical, Hip Hop, Mom & Me classes, etc. The Academy of Performing Arts also offers winter and summer camp/class options. COVID-19 refunds for March were \$10,000. Enrollment is down due to cancellations experienced in Spring registration (moved all summer classes to virtual Zoom classes for all levels).



Preschool includes Terrific Twos, Lunch Bunch, Preschool (3yrs-4yrs). Classes take place in three locations: The Barn, St. Peter's Church and Buffalo Creek. COVI-19 refunds for March-May will amount to approximately \$30,000. (Enrollment is up year over year which includes registrations for the FY20-21 school year.)



Online registration is available to all residents and non-residents enrolling in programs. Beach membership and facility rentals must be made in person at the Barn. Payments made at the beach are NOT included in these numbers. Decrease in registrations is attributed to lower enrollment due to COVID/shelter in place. Registration has been handled during this time solely by the Rec Director and Supervisors; guest service associates have been furloughed since early April. Numbers do not include processing for refunds, credits, POS and rentals.





At the Heart of Community

FINANCE DEPARTMENT

70 East Main Street
Lake Zurich, Illinois 60047

(847) 438-5141
LakeZurich.org

AGENDA ITEM

12/4

MEMORANDUM

Date: July 13, 2020
To: Ray Keller, Village Manager *PK*
From: Diane Gleich, Senior Accountant
Subject: Annual Treasurer's Report for Fiscal Year 2019

Issue:

The attached Annual Treasurer's Report is required to be prepared each year by Illinois State Statute. The report has been submitted to the Village Clerk and filed with the County Clerk before the end of June 2020.

Analysis:

As the statute defines, the report must contain information regarding revenues, a summary statement of financial condition, a detailed list of vendor payments in excess of \$2,500 for the fiscal year and annual compensation for any employees paid during the period, current or former. The statute does allow for employee compensation to be listed in groups per ranges. In order to comply with the state statute, the village must also publish the report in its entirety in a local newspaper of general circulation, certified by the Village Clerk. The report was published on June 24, 2020. It was filed with the County Clerk's Office by June 30th. The report will also be posted on the Village's website, to allow for any interested parties to easily view the report at their convenience.

Recommendation:

The Annual Treasurer's Report for the fiscal year ended December 31, 2019 is hereby submitted for informational purposes.

w/attachments: Annual Treasurer's Report for FY 19

cc: Bane Thomey, Director of Finance

**VILLAGE OF LAKE ZURICH, ILLINOIS
 ANNUAL TREASURER'S REPORT
 FISCAL YEAR ENDED DECEMBER 31, 2019**

The report that follows complies with the publication requirement as defined in the Illinois Compiled Statutes Chapter 65 Section 5/3.1-35-65:

REVENUES: Major revenue sources for the fiscal year included property taxes 11,006,718, telecommunications taxes 592,676, utility taxes 1,276,499, sales taxes 9,230,561, local use taxes 662,382, shared income tax 2,089,504, charges for services 18,217,595, grants 759,376, investment income 672,793, and miscellaneous 920,245 for a total of \$45,428,349.

SUMMARY STATEMENT OF VILLAGE FINANCIAL CONDITION:

**Change in Net Position
 For the Fiscal Year Ended December 31, 2019**

	Governmental Activities	Business-type Activities	Total Village Wide
Category	2019	2019	2019
Revenues:			
Program revenues:			
Charges for services	\$ 10,786,317	\$ 7,431,278	\$ 18,217,595
Operating grants	740,143	-	740,143
Capital grants	19,233	-	19,233
General revenues:			
Taxes	13,267,664	-	13,267,664
Intergovernmental	12,052,144	-	12,052,144
Investment earnings	510,432	162,361	672,793
Other	449,173	9,604	458,777
Total revenues	37,825,106	7,603,243	45,428,349
Expenses:			
General Government	2,003,371	-	2,003,371
Public Safety	22,631,359	-	22,631,359
Highways and Streets	5,281,079	-	5,281,079
Culture and Recreation	1,878,294	-	1,878,294
Economic Development	1,408,997	-	1,408,997
Interest on long-term debt	1,000,955	-	1,000,955
Water/Sewer	-	5,593,327	5,593,327
Total expenses	34,204,055	5,593,327	39,797,382
Change in Net Position	3,621,051	2,009,916	5,630,967
Beginning net position	39,594,517	41,654,846	81,249,363
Change in Acct. Principle	-	-	-
Ending net position	43,215,568	43,664,762	86,880,330

VENDOR DISBURSEMENT \$2,500 AND HIGHER: CC Aiston Consulting Ltd 2500; Applied Concepts Inc. 2514; Alexander Equipment Co., Inc 2538; Mid American Water 2588; Binder Lift LLC 2588; American Gases Corp 2616; FSS Technologies, Inc 2646; Gametime Inc. 2650; Runnion Equipment Company 2654; Suburban Accents, Inc 2665; Flame Engineering Inc 2685; Grainger 2689; NIPSTA 2695; Gasaway Distributors Inc. 2709; Entenmann-Rovin Company 2709; Spring Align Of Palatine Inc. 2743; Lions Total

Care 2765; Schwartz, Craig 2812; Winter Equipment Company 2842; St Peter's Church 2955; LZ Police Pension Fund 2955; Lake County Collector 2992; Il Municipal League 3000; Dependent Specialists, Inc 3000; Fastenal Company 3004; Great Lakes Fire & Safety 3013; Toshiba Financial Services 3025; US Digital Designs, Inc 3089; E S R I Inc. 3100; Zoos Are Us, Inc 3100; Aladtec, Inc 3123; 911 Tech Inc. 3300; Meridian Medical Technologies, Inc 3335; Murray & Trettel, Inc 3375; American Green 3384; Park Place Technologies LLC 3445; Parker Systems, Inc 3445; Frankenstitch Promotions, LLC 3500; ATR Transmission Remanufacturing In 3535; Mike'S Towing, Inc 3553; Central Polygraph Service, Ltd 3570; Plea Association 3572; Axon Enterprises, Inc 3712; Incstores, LLC 3727; Diversified Audio Group, Inc 3750; LZ Fire Pension Fund 3754; Rental Max LLC 3757; Arlington Power Equipment Inc. 3810; Cutler Hardware/Workwear 3824; Geske & Sons Inc 3864; AFC International, Inc 3964; Construction & Geotechnical 3976; Busy Beaver Inc 3985; Personnel Strategies, LLC 4000; BKV Group 4000; Datasource 4167; Braniff Communications Inc. 4180; Casper True Value 4204; Ej Equipment, Inc. 4226; Geib Industries Inc. 4226; Cricket Theatre Company 4253; United Laboratories 4361; Intime Services Inc 4380; Okeh Electric Company 4404; Metro Door & Dock, Inc 4493; Potsie'S Inc. 4500; Terracon Consultants, Inc. 4500; CALEA 4595; Insight Public Sector, Inc 4646; Kondic, Jennifer 4651; Lake County Partners 4691; Everbridge Inc 4785; G.W. Berkheimer Co., Inc 4922; Govtempusa, LLC 4939; Mediastar 4950; Ela Soccer Club 5000; National Business Furniture 5004; U S A Bluebook 5102; Petroleum Technologies Eqpt., Inc 5118; Frontline Public Safety Solutions 5188; Acres Enterprises, Inc 5219; Power DMS, Inc 5342; US Gymnastics Training Center 5369; American Mobile Staging, Inc 5420; TM Production Services, Inc 5425; Vermont Systems, Inc. 5493; P&G Keene Electrical Rebuilders Llc 5527; Sherman Mechanical Inc 5538; Stanley Security Solutions 5567; Commerical Recreation 877-89684 5587; Second City Appraisal LLC 5800; Viking Chemical Company 5914; Mabas Division IV 5948; LZ Family Martial Arts Academy 5959; SES 5991; Hallmark Promotions, Inc 6063; Conserv Farm Supply 6170; Interstate Power Systems, Inc 6191; K-Tech Specialty Coatings, Inc 6344; Moretti, Kathryn A. 6380; Baxter & Woodman, Inc 6489; Chapman & Cutler LLP 6500; Wickstrom Ford 6628; JLT Towers RE (North America) Inc 6683; Thompson Elevator Insp Service Inc 6747; Best Technology Systems, Inc 6765; Atlas Bobcat, LLC 6772; Sprayer Specialties Inc. 6952; Speer Financial Inc 6978; KNS Property Management Inc 6991; Earthchannel Communications, Inc 6995; Bella Cain Inc 7000; Music In The Box, Inc 7025; Precision Land Surveyors, Inc 7098; Golden Fence, Inc 7100; US Postmaster 7158; Nisei Dojo Inc 7272; AEC Fire Safety & Security 7291; University Of Illinois Urbana-Champ 7400; M & R Electrical Contractors Inc 7489; EOSullivan Consulting LLC 7500; Servicemaster Cleaning & Restoratio 7555; West Side Exchange 7655; Nipas 7715; Telcom Innovations Group, LLC 7746; Henry Schein Ems 7890; Northeast Multi-Regional Trng. 8110; Service Sanitation, Inc 8265; Swalco 8333; Vortex Technologies Inc. 8415; Perfect Cleaning Service Corp 8425; Air One Equipment 8447; Addison All Sports Company, Inc 8500; Lexipol, LLC 8556; Eso Solutions, Inc 8711; City Electric Supply 8719; Altorfer Industries, Inc 8806; Performance Paving Ltd 8940; Fleet Safety Supply 9161; Weight Watchers North America, Inc 9546; Otis Elevator Company 9745; Barrington Transportation Co. 9844; CDM Smith, Inc 9961; CMRS - Postage By Phone 10000; Northern Illinois University 10010; Top Notch Services Inc. 10075; Northwest Municipal Conference 10147; Sterling Codifiers 10187; Keller-Heartt Oil., Inc 10303; J U L I E Inc. 10393; Kiesler Police Supply, Inc. 10439; CET Commercial Development 10461; HBK Water Meter Service Inc. 10532; Civic Plus 10698; Il Dept Of Employment Security 11079; Soil Eng & Testing Consultants, LLC 11120; Paddock Publications Inc. 11124; Windstream 11230; Environmental Aquatic Mgmt LLC 11500; Carbon Day Automotive 11539; Prospan Manufacturing Co., Inc 11559; Hitchcock Design Inc 11610; Rush Truck Center - Springfield 11792; Stryker Sales Corporation 11830; Mobotrex 11918; Hot Shots Sports 12006; Lake County, Illinois CVB 12075; Commonwealth Edison 12115; Rain For Rent 12206; Peter Baker & Son

Company 12682; Mohawk Resources Ltd 12824; Fireground Supply 13299; Concentric Integration, LLC 13800; JMK Design, Ltd 13956; Dinges Fire Company 14526; WI Dept Of Revenue 14617; Foster & Foster, Inc 14730; AAA Tent Masters Inc 14872; The Tree Medix 14875; Meade, Inc 15408; SNI Solutions 15800; Call One, Inc 16359; Gewalt Hamilton Associates, Inc 16651; Resource Management Associates 16729; AES Environmental, Inc 16730; NRC 16775; R.A. Adams Enterprises, Inc. 17451; KK Stevens Publishing Company 17469; G&C Glass Mirror & Construction 17544; A.M. Landscape & Design, LLC 17556; Toshiba Business Solutions, USA 17611; Elegant Embroidery Inc 17809; Rainbow Collision Center, Inc 17935; Clark Baird Smith LLP 18028; Dixon Engineering, Inc 18505; Kloss Distributing Company, Inc 18571; Alpha Paintworks, Inc 18690; Tyler Technologies, Inc 19200; Me Simpson Co., Inc 19980; Vision Service Plan Of Illinois 20015; Health Endeavors, SC 20115; Fischer Bros Fresh Concrete, Inc. 20294; Abbey Paving Sealcoating Co., Inc 21100; Home Depot Credit Services 21140; Suburban Laboratories, Inc. 21258; Thelen Materials, LLC 21647; Fop Fraternal Order Of Police 21835; Rasco Mason Contractors 22000; The Prestwick Group, Inc 22102; Suburban Elevator Company 22436; Hastings Asphalt Services Inc 23912; MBL Recycling, Inc 26990; On Time Embroidery, Inc 28206; Nicor Gas 28363; Copenhaver Construction, Inc 29170; LAI, Ltd 29277; Northern Il Police Crime Lab 29523; J & M Displays, Inc 30000; Dell USA LP 30192; Baker Tilly Virchow Krause, LLP 30550; Andres Medical Billing 30815; Municipal Emergency Services, Inc 31320; Dynamic Environmental Services, LLC 31627; Joseph D Foreman Company 31760; Compass Minerals American Inc 32075; Metropolitan Industries Inc. 32330; Motorola Inc. 32375; Traffic Control & Protection Inc 32632; AT & T 32830; Napa Auto Parts 33078; Terrain Group 33727; Nei Brothers 34160; Radicom Inc. 34349; Leadingit Solutions, Inc 37200; Local 150 38521; Superior, LLC 39454; Dataprose, LLC 40766; State Industrial Products Corp 43603; Martin Enterprises Heating/Air Cond 46473; Team Reil, Inc 46695; Esscoe LLC 46735; Crystal Maintenance Plus Corp 46744; IAFF 48320; Clarke Environ Mosquito Mgmt 48435; Monroe Truck Equipment, Inc 49466; Americana Landscape Group, Inc 50179; Village Of Hawthorn Woods 52870; Currie Motors Frankfort Inc. 55443; Patriot Pavement Maintanence 60000; Ford Excavating & Wrecking Co., Inc 61594; Christopher B. Burke Eng., Ltd 63954; Tax Exempt Leasing Corp 66361; CDW Government Inc. 70066; L & T Painting Inc 71000; Klein Thorpe & Jenkins 71360; Sutton Ford Inc 72560; Dahme Mechanical Industries Inc 76638; Albarran, Luis 80000; Bonnell Industries Inc 86027; Aflac Inc. 90464; Il Department Of Transportation 90689; Mc Ginty Brothers Inc. 94217; BS&A Software 100431; Gatso USA, Inc 102990; Standard Life Insurance Company 103650; Midwest Salt LLC 109547; Village Of Kildeer 118312; Xlem Water Solutions USA, Inc 120722; Layne Christensen Company 129254; TCF National Bank - Equipment Finan 131975; Constellation New Energy, Inc. 140545; Lake County Treasurer 141505; Suburban Concrete Inc 149014; Bradford Lake Zurich 5 LLC 161667; US Bank National Assoc. 174848; Rush Truck Center -Grayslake 178891; Bell Fuels Inc. 179668; Sebert Landscaping 207167; Inland Bank 218752; Special Recreation Association 221582; Motorola Business Solutions, Inc 229648; Il EPA 244414; Berger Excavating Company 306700; Lake Zurich Pol Pnsn Fund 322607; Aegion Corporation 347277; Peapod LLC. 348773; Dynegy Energy Services Llc 359517; IPPFA 363440; Vian Construction Co., Inc 375875; ICMA 404472; American Express 451664; Midwest Operating Eng L/150 455000; Cecchin Plumbing & Heating, Inc 491731; Sawyer Falduto Asset Management LLC 498580; Lake Zurich School Dist #95 510343; Amalgamated Bank Of Chicago 525367; Global Emergency Products 548177; Illinois Dept Of Revenue 636875; Chicagoland Paving Contractors, Inc 696701; I M R F 779779; Manhard Consulting Ltd 794788; I R M A 894477; Cornerstone National Bank & Trust 1141641; Builders Paving, LLC 1442122; Lake County Public Works Dept. 2029457; I P B C 2239444; Bank Of New York Mellon 2521791; US Dept Of The Treasury 3916695

EMPLOYEE COMPENSATION, Less Than \$25,000: A. Acosta, A. Albiter, K. Amato, C. Andrews, A. Arden, O. Armagno, P. Bailey, B. Bailey, C. Barnett, M. Baygood, J. Beaudoin, Z. Berman, E. Berton, N. Bianchi, W. Borst, G. Bourke, K. Boyce-Zanello, P. Braithwaite, G. Brown, M. Brown, S. Brown, M. Buffo, B. Burch, G. Butz, L. Carolin, K. Carter, T. Cianci, J. Cocanig, T. Davis, E. Davis, M. Downing, H. Eder, M. Euker, J. Fabbrini, R. Feery, J. Filantres, C. Finlon, C. Flannery, A. Fuchs, N. Furio, J. Gannon, M. Gaschler, R. Gerling, S. Gibson, C. Gorey, J. Gorey, J. Gorey, N. Gralinski, D. Graunke, A. Gritsonis, A. Gross, K. Gustafson, T. Hardin, J. Harper, A. Hefner, C. Heiss, E. Hepler, M. Hert, J. Higgins, E. Hunt, K. Hunt, E. Husak, C. Hutton, M. Ignatenko, M. Jackson, E. Johlie, K. Johnson, M. Johnson, T. Jones, J. Kadzielawski, K. Kauffman, K. Keenan, J. Kelly, M. Kelly, C. Kieda, A. Kowalski, A. Kowalski, R. Kutsor, J. Lavin, J. Lewis, H. Lightfoot, M. Long, M. Lucas, E. MacDonald, S. Mazzalunga, M. McBride, L. McBride, J. McKay, B. Melnychuk, C. Mescha, A. Mescha, S. Meyer, A. Miller, A. Mohs, P. Monahan, E. Morabito, S. Netzel, W. Nickles, C. Oberg, K. Oleksy, V. Paradiso, N. Patterson, T. Paul, H. Paulus, R. Perocho, K. Peterson, L. Port, D. Powers, T. Poynton, O. Pratt, A. Proksa, H. Putman, P. Quast, S. Ramont, A. Reily, A. Reninger, J. Riddle, J. Rogalski, J. Rowley, M. Ruiz, C. Ryan, H. Ryan, J. Sabia, M. Schroeder, D. Schultz, K. Schwichtenberg, K. Schwichtenberg, N. Seidl, J. Shaw, E. Shaw, A. Sicco, J. Simpson, M. Spacone, A. Sparkowski, J. Sprawka, B. Staroszczyk, E. Strack, A. Szady, R. Tevaga, N. Thigpen, D. Thornton, N. Titterton, E. Tyndorf, N. Ullman, S. Weber, M. Weider, G. Weider, L. Wenzel, N. Westfall, S. Willsie, L. Wooster, J. Wu **\$25,000-\$49,999:** S. Baima, J. Bartoli, G. Brendle, S. Cascio, A. Kadzielawski, L. Kaminski, J. Kramer, N. Puga-Leon, N. Risicato, B. Spata, O. Taylor, M. Webb, D. Weber, S. Young **\$50,000-\$74,999:** L. Biondo, M. Brown, S. Fenton, P. Fuhs, N. Gerling, D. Gleich, M. Hernandez, E. Hill, G. Kingery, S. Kroll, A. Lonski, R. Loyal, V. McCormack, J. Michaels, P. Neyfeldt, N. Petroff, A. Popiolek, J. Reusch, A. Schutz, M. Sikorski, M. Smith, J. Sprow, J. Stanonik, F. Stefka, S. Steiner, A. Tanner, M. Vazquez, T. Verbeke, J. Vormittag, W. Wierer **\$75,000-\$99,999:** S. Abbott, J. Alber, T. Brown, A. Campbell, M. Cernock, H. Cipolla, B. Corral, J. Corral, S. Creech, J. Cuellar, K. Glasder, M. Griffiths, A. Harper, E. Harrison, A. Hartmann, A. Holub, R. Kleinheinz, K. Kordell, R. Kulig, C. Lovelace, S. Matheson, M. Meyer, S. Mjoen, K. Mogge, S. Parnell, D. Pearson, P. Penkava, K. Schroeder, J. Schuler, C. Siemers, P. Steffy, B. Stodola, S. Walkington, M. Wicinski, M. Wiltgen, R. Wojcik **\$100,000-\$124,999:** B. Arden, D. Bartoli, C. Beidelman, R. Bene, I. Bereza, C. Boeckmann, C. Booth, D. Bradstreet, J. Brooks, R. Butler, B. Caputo, S. Cornell, D. Erb, M. Frey, S. Frost, D. Garcia, D. Gibson, J. Hall, M. Hautzinger, C. Hedquist, A. Heer, K. Hols, J. Holden, K. Humiston, J. Johnson, S. Knight, J. Kraus, B. Lucas, K. Michehl, R. Mitch, S. Nemeth, S. Norman, S. Paulus, G. Pilaski, P. Rainey, D. Reid, S. Ritchie, E. Ryan, D. Santoyo, S. Schmitt, A. Skalski, S. Stapleton, P. Stone, P. Struga, J. Vanacker, J. Wascow, R. Witt, B. Yee, A. Young **\$125,000 and Greater:** D. Anderson, B. Blaauw, M. Brown, J. Christopherson, J. Duebner, C. Gaffney, T. Goodyear, J. Grant, A. Grunder, J. Hartman, J. Henriksen, B. Hoops, S. Husak, R. Johnson, T. Johnston, L. Kammin, R. Keller, J. Kelly, M. Kempf, J. Malcolm, S. Pavlock, D. Pilgard, J. Radtke, P. Rotstein, S. Saher, A. Sieber, D. Thiergood, M. Wenzel, R. Witherow

Bane Thomey

Village Treasurer

I hereby attest that the above report is a true and correct copy of the annual Village Treasurer's account filed with my office, that it was published or posted as required by Section 3.1-35-65 of the Illinois

Municipal Code, on the ____ day of _____ in the _____, a newspaper
of general circulation published in the Village of Lake Zurich.

Village Clerk

Subscribed and sworn to before me this ____ day of _____ 2020, by
_____, the Village Clerk of the Village of Lake
Zurich.

[Seal Affixed here]