

VILLAGE OF



GURNLEE

ILLINOIS

Annual Comprehensive Financial Report

FOR THE FISCAL YEAR ENDED APRIL 30, 2024

Thomas B. Hood - Mayor
Patrick Muetz - Administrator
Andy Harris - Clerk

Jeanne Balmes - Trustee
Greg Garner - Trustee
Quin O'Brien - Trustee
Cheryl Ross - Trustee
Karen Thorstenson - Trustee
Kevin Woodside - Trustee

VILLAGE OF GURNEE, ILLINOIS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
APRIL 30, 2024

Prepared by:

Finance Department

VILLAGE OF GURNEE, ILLINOIS

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INTRODUCTORY SECTION

This section includes miscellaneous data regarding the Village including:

- List of Elected Officials
- Organization Chart
- Transmittal Letter
- GFOA Certificate of Achievement for Excellence in Financial Reporting

Elected Officials & Executive Staff



Thomas B. Hood
Mayor



Andy Harris
Clerk



Jeanne Balmes
Trustee



Greg Garner
Trustee



Quin O'Brien
Trustee



Cheryl Ross
Trustee



Karen Thorstenson
Trustee



Kevin Woodside
Trustee

Patrick Muetz
Village Administrator

Chris Velkover
Information Systems Director

David Ziegler, P.E.
Community Development Director

Austin Pollack
Assistant to the Administrator

Ellen Dean
Economic Development Director

Brian Smith
Police Chief

Christine Palmieri
Human Resources Director

Nicholas Leach
Village Engineer

John Kavanagh
Fire Chief

Brian Gosnell
Finance Director

Tracy Velkover
Planning Manager

Heather Galan, P.E.
Public Works Director

Operational Overview

The Village of Gurnee provides services considered comparable with the vast majority of other municipalities in the United States including centralized administrative services, planning & zoning, building inspections, code enforcement, engineering, police services, 911 communications dispatch, fire prevention, fire rescue, emergency medical services, infrastructure and fleet maintenance and finally, water and wastewater conveyance and utility billing. Services and contract management duties are assigned to each Department as outlined in the Departmental descriptions in this section.

ORGANIZATIONAL STRUCTURE

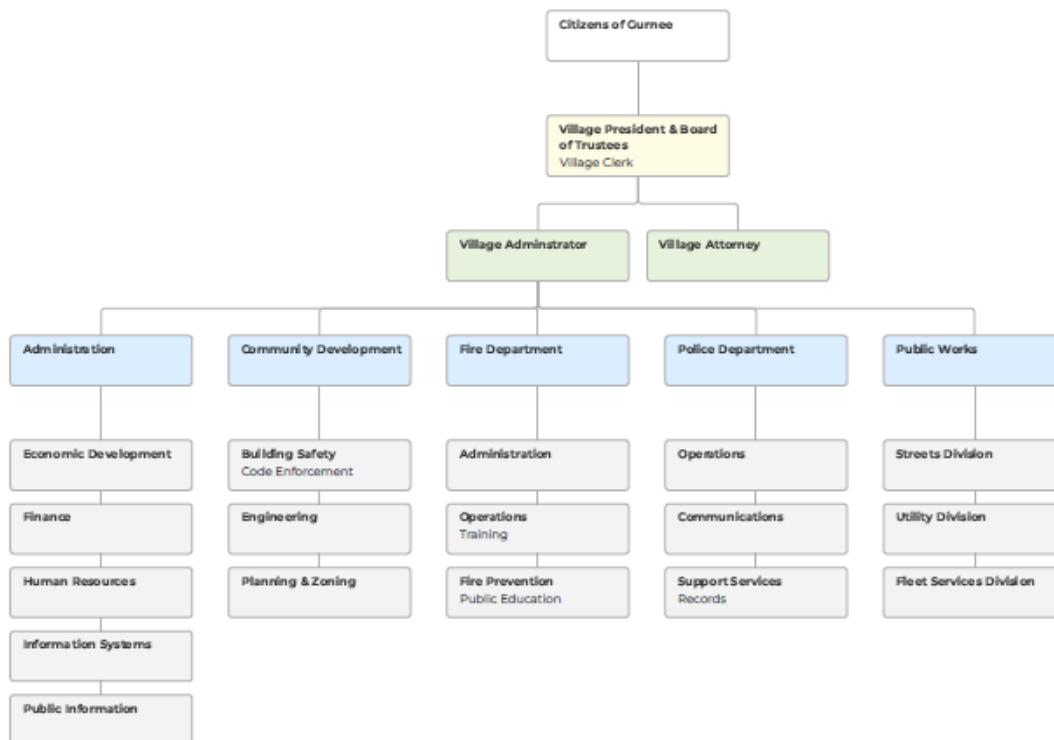
As a unit of local government, the Village is governed by an elected Village President and a six-member Village Board elected at large with overlapping terms. The Village Clerk is elected for a four-year term and the Village Treasurer is appointed by the Board. The President selects and appoints key administrative officials with the concurrence of the Village Board including the Village Administrator, Village Attorney and several Department Heads.

The Village Administrator manages the day-to-day operations of the Village under the guidance and direction of the Village Board. Appointed Department Heads manage the operations directly related to their Department's responsibilities.

PRIMARY OPERATING GOAL

The primary operating goal of the Village is **"to provide the highest possible services to the Village's citizens, visitors and businesses while keeping taxation and other charges at a minimum."**

Organization Chart





Thomas B. Hood, Mayor

www.gurnee.il.us

October 15, 2024

To the Village President, Village Trustees, and Citizens of the Village of Gurnee:

Transmittal of the Annual Comprehensive Financial Report

Please read this Transmittal Letter in conjunction with Management's Discussion and Analysis.

The Annual Comprehensive Financial Report (ACFR) of the Village of Gurnee for the year ended April 30, 2024, is submitted herewith. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with Village. The internal control structure is designed by management to provide that transactions are recorded and reported according to prescribed policies and procedures. The internal control structure is intended to provide reasonable, but not absolute, assurance that these objectives are 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 valuation of costs and benefits requires estimates and judgments by management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of all the funds of the Village. All disclosures necessary to enable the reader to gain an understanding of the Village's financial activities have been included.

Use of the Report

The Village recognizes that the ACFR is management's report to its governing body, constituents, oversight bodies, resource providers, investors, and creditors. Therefore, a copy of this report will be sent to the elected officials, Village management personnel, bond rating agencies, and other agencies such as financial institutions and government agencies. A paper copy is available at the Gurnee Village Hall and can also be found online at the Village website www.gurnee.il.us.

Independent Audit

State statutes require an annual audit by independent certified public accountants. Lauterbach & Amen, LLP audited the Village's records and their opinion is included in this report.

The Village and the Services it provides

The Village of Gurnee was incorporated as a Village in 1928 with 200 residents and has grown to approximately 30,706 residents (2020 Census). The Village experienced a majority of its growth from 1970 to 2000. During that timeframe, the Village grew from 2,738 to 28,834 residents. The Village is located in central Lake County, Illinois and lies approximately 38 miles north of the City of Chicago, Illinois and eight miles west of Lake Michigan. The Village covers an area of approximately thirteen and one-half square miles. Located within commuting distance of Chicago, Illinois and Milwaukee, Wisconsin, approximately 59% of its land is zoned residential, 21% commercial, 8% industrial, and 12% parks/open space.

The Village is a home-rule unit by virtue of its population. As a home-rule unit, the Village has no tax rate or debt limitations, nor is it required to sponsor a referendum to issue debt or increase property taxes. The Village President and six-member Board, elected to four-year overlapping terms, govern the Village.

The Village Clerk is elected for a four-year term, and the Village Treasurer is appointed by the Board. Additionally, the Board appoints a Village Administrator, Attorney and other key Department Heads. The Village Administrator oversees the day-to-day operations of the Village. Village services are divided into five major units; Administration, Community Development, Police, Fire and Public Works. Police Department services include consolidated emergency 911 communications and Fire Department services include emergency medical care. The Public Works Department maintains Village sewers, water mains, streets, street lights, sidewalks, and trees.

The Village has 217.45 budgeted full-time equivalent positions, with 170.25 or 78.3% of these dedicated to public safety. Subsequent to the reporting period, the Village opened a third Fire Station to serve residents and contract customers on the Southeast portion of the community. At the end of FY 2018/2019, the Fire Department secured a Staffing for Adequate Fire and Emergency Response (SAFER) grant through FEMA. This grant partially offsets the personnel costs of six additional firefighter/paramedics utilized to staff the third fire station.

325 North O'Plaine Road, Gurnee, Illinois 60031-2636 Administration 847-599-7500
Building & Engineering 847-599-7550 Fax 847-623-9475

Factors Affecting Economic Condition

Tourism/Retail. The Village of Gurnee is a major hospitality center best known for three major tourism attractions: Gurnee Mills Mall; Six Flags Great America/Hurricane Harbor; and Great Wolf Lodge Illinois. With 23 million visitors annually the Village boasts 1738 hotel rooms and 125 restaurants. The FY 2023/2024 tourism season continued to benefit from a strong consumer and pent-up pandemic demand for leisure travel as well as the introduction of a new ride, Sky Striker, this year which provided yet another reason to visit.

Gurnee Mills, at nearly two million square feet, with close to 200 stores including 17 anchors, is the third largest mall in Illinois and a regional tourist attraction typically visited by more than 20 million people each year. Gurnee Mills was purchased in 2007 by Simon Property Group, which has been updating the facility, creating a hybrid center with both outlet and full service stores including a full service Macy's which opened in 2013. The tenant pipeline is kept full, and vacancies are typically short-lived. Relationships developed with the Simon family of tenants in other properties around the U.S. support local leasing efforts and position Gurnee Mills as a "first to market" location for new retail entrants to the Chicagoland market. During the core of the pandemic, in FY 2020/2021, new tenancies at Gurnee Mills included national retailer Five Below, locally owned and fully renovated Top Shelf Ice Arena and Beyond the Edge hockey training, Frontline Defender – apparel for military and first responders, All Star Sports - a licensed sportswear and novelties shop, and the Air Force National Guard recruiting office. In FY 2021/2022 Hobby Lobby took occupancy of 55,000 square feet of a former Sears Grand anchor box, and 2nd & Charles opened in the former Neiman Marcus Last Call space. Top Shelf Ice Arena added a new bar & grill which is open to the public. Marcus Cinemas continues to innovate and invest in its Gurnee location, the most recent addition being "The Wall", a communal sports viewing venue showing multiple games on giant screens, with recliner seating, and a diverse food & bar menu. In FY 2022/2023, Kohl's comprehensively remodeled to add a Sephora Beauty. Joe's Boots, Revolver apparel, Charming Sofia, and China Experience Restaurant were among the many retailers and restaurants opened; and permits were issued for a new Mrs. Fields & TCBY and Cinnabon. Remodels/relocations in FY 2022/2023 included Bath and Body Works, Lids, and Journey's. FY 2023/2024 brought the opening of Mrs. Fields & TCBY, Cinnabon, Lola's Tacos and Tequila, Lovisa Jewelry, Spencer's, Goddess Hair Care, Michoacan Ice Cream, Under Armour, All Star Sports, Pawny's, Shawarma King, and Dippin Dots/Doc Popcorn. Investments like these – of all sizes and types - augment the regional appeal of this retail and entertainment destination center.

Six Flags Great America, a 300-acre theme park and 20-acre outdoor water park, attracts 2.5 million visitors each year and is one of the top attractions in Illinois. The Village receives 4% on each admission ticket, season pass, or membership sold at the park. As part of the Six Flags Entertainment Corporation, the world's largest regional theme park company – now with 42 parks across North America as a result of a July 1, 2024 merger of equals with Cedar Fair, Six Flags benefits from capital commitment and new rides to keep its offerings current. In 2020, no new rides were introduced as the park was closed during the pandemic. In 2021, Hurricane Harbor waterpark reopened as a separate attraction with its own entry gate separate from the theme park, featuring the world's tallest water coaster, Tsunami Surge, originally planned for 2020. In 2022, the emphasis was on remodels of in-park dining establishments. The 2023 season brought a new Special Events & Festivals series including Flavors of the World, Neon Nights – an extravagant nighttime parade and fireworks, and Viva La Fiesta; culinary enhancements; a new in-park beer garden and continued park beautification. In 2024, Six Flags Great America enhanced its thrill-ride inventory with the addition of Sky Striker, a pendulum ride which will send riders 172 feet into the air, swinging at speeds of 75 miles per hour. In a rare move, an announcement has already been made regarding the new ride for 2025 - a dive coaster, "Wrath of Rakshasa" which features the world's steepest drop (171 feet at a 96-degree angle) and most inversions (five) of any dive coaster. Rakshasa will be installed in the County Fair section of the Park.

Great Wolf Lodge Illinois became the company's 17th resort (now one of 22) in North America when it opened in July 2018 following a comprehensive renovation of the property formerly operated as Key Lime Cove. The property is a 414-room, full-service resort featuring over 80,000 square feet of water park facilities; 7,800 square feet of flexible meeting space with built-in A/V technology; mini golf; climbing wall, ropes course; mini bowling; arcade; its very own Build-a-Bear workshop; MagiQuest immersive adventure; and multiple restaurants featuring small plates, craft cocktails, and handmade pizza and pasta. In FY 2020/2021, during the pandemic, while it was closed to the public, Great Wolf executed a partnership with the United States Navy to house recruits for a 14-day quarantine period before they were to report to basic training; the waterpark resort subsequently reopened to strong demand as leisure travel resumed. The resort has adeptly navigated the tight labor market to generate strong revenues throughout FY 2022/2023 and FY 2023/2024. Of the Gurnee resort's Pack Members (employees), 95% are from Lake County and 56 of them live in Gurnee. In addition to its year-round activities, the Lodge's annual Summer Camp-In, Howl-o-Ween, and Snowland celebrations are family favorites. Great Wolf Lodge has achieved a year-round occupancy rate of 80% surpassing 120,000 annual room nights.

The safety and security of millions of visitors depends upon the close working relationship which exists between the Big 3 and the Gurnee Police Department. Gurnee's Community Partnership for Safety Program formalizes this relationship. In FY 2021/2022 financial commitments were secured to fund two K-9 units as well as to plan for future installation of Flock Automated License Plate Reader camera systems in areas of high visitor traffic. Simon Property Group, owner of Gurnee Mills, utilizes the expertise of the Gurnee Police Department to educate its shopping center managers around the U.S. on the efficacy of the Flock system. Great Wolf Lodge has also adopted the Flock system and has implemented a daily parking fee of \$15 to deter unwanted traffic in and around the Lodge. The Village continues to address panhandling in commercial areas by connecting individuals with community service agencies; installing signage reminding the motoring public of better ways to provide assistance; and engaging with businesses to offer support.

All of Gurnee's major tourist attractions and the majority of its retail inventory are located near the I-94 & Grand Avenue intersection with vehicular volume of 82,000 on I-94 and 43,000 on Grand Avenue respectively.

Completion of Illinois Department of Transportation construction projects at Routes 41 & 132 in FY 2021/2022 improved traffic flow and aesthetics and is expected to help to stimulate the East Grand Avenue commercial corridor on Gurnee's eastern boundary in the years to come.

With the adoption by the Village Board of a Small Business Capital Grant program in FY 2021/2022, matching grants of up to \$10,000 became available to commercial property owners and owners of retail/restaurant/entertainment businesses to support them in making capital investment. In FY 2022/2023, the Village Board again appropriated funding for this program and \$254,013 was awarded to 21 recipients, including two larger grants of \$50,000 awarded via competitive application process toward projects with a minimum investment of \$100,000. The appropriation for FY 2023/2024 was again \$250,000 of which \$148,132 was awarded in "Impact" grants to 17 recipients and \$100,000 was awarded to two recipients of \$50,000 "Transformational" grants. Of these two, one project was completed and one was withdrawn.

Industrial/Office. In addition to its commercial activity, the Village of Gurnee also boasts a strong industrial base with approximately 9% of land zoned for industrial uses. The Class A, CenterPoint Business Center and Grand Tri-State Business Park located west of I-94 between Grand Avenue and Washington Street include signature firms Jabil Healthcare (formerly Nypro), Kalle USA, PurposeBuilt Brands (maker of Weiman products, Goo Gone, and other well-known consumer cleaning brands), Ohio Medical, Marantec, and Luxor Furniture. A point of local pride was the opening in FY 2020/2021 of Abbott Laboratories' COVID-19 test kit manufacturing facility, one of just two in the nation providing the breakthrough BinaxNOW rapid test kit; with the waning of the pandemic, production at this plant ceased in FY 2022/2023. One of the newest entrants to the business parks, AZ Polymers, a locally owned producer of high grade polycarbonate sheeting, commenced production in a 90,000 square foot manufacturing facility. Restaurant Depot, a restaurant wholesale facility opened in FY 2022/2023 in a 44,000 square foot commercial warehouse on a 7-acre site near Grand Avenue. FY 2023/2024 transactions included the sale of 1.4 acres (few left in the business park) for potential future development and the sale of a 43,000 square foot existing office building for future occupancy by its new owner, Consumers Trust Credit Union, and additional tenants.

Because Grand Tri-State and CenterPoint offer quick access to the retail and dining opportunities of Grand Avenue, easy access to the I-94 tollway, and tollway visibility, they attract a variety of service/office and entertainment businesses in addition to the more traditional manufacturing/distribution uses. Among these are the 30,000 square foot Abbott Laboratories Employee Credit Union (ALEC), Consumers Credit Union, Legat Architects, Columbia College, DeVry Educational Institute, Ultimate Gymnastics, Launch Trampoline Park/Family Entertainment Center recently remodeled and expanded, Extreme Flight Simulation, and craft distillery Pips Meadery which produces its award-winning mead in its 2,000 square foot production facility with an adjacent taproom and cocktail lounge open to the public. Major portions of the parks are managed by CBRE and Tri-State Realty. They have benefited from a 2016 "hyberbuild" investment by Comcast; expansion of the fiber network enabled internet speeds of up to 10 GBps and a wider range of services to attract additional advanced manufacturing and technology-intensive companies to this area with reduced startup cost.

Outside of Tri-State/CenterPoint, other office and industrial nodes also are experiencing new investment. Gurnee's newest Class A office development, the 30,000 square foot Bellewater Place, on Dilleys Road, has attracted a variety of professional and service office tenants with its elegant common areas and tailored suites. Medical facilities located throughout the community such as the Advocate Condell Immediate Care Center, Greenleaf Center, Vista Health System, NorthShore University Health System, and Northwestern Medical provide invaluable health services and employment opportunities for residents.

Lake County is the second largest manufacturing county in Illinois with one out of every seven jobs in the county being provided by the manufacturing sector. In FY 2022/2023 the College of Lake County opened its 170,000 square foot Advanced Technology Center, repurposing the former Lowe's home improvement center to provide industry-relevant career pathways for area students and to support the workforce needs of Lake County employers. The 2022-2023 academic year represented the first year of instruction in this world-class facility. Continuing into the 2023/2024 academic year, the ATC curriculum included programs in Industrial Technology and Welding and Fabrication Technology.

FY 2023/2024 Development Highlights:

Commercial:

- Lola's Tacos & Tequila - a new concept by a successful locally owned chain of restaurants - completed a remodel of the former Chicago Woodfire Pizza space and opened at Gurnee Mills
- Mochinut, a popular national brand of Mochi donuts and Koren rice flour hotdogs; a Bullfrog Spas showroom for customized "jet pack" hot tubs and spas; and Milan Laser opened at Gurnee Town Center
- New Tenants at Gurnee Mills included Mrs. Fields/TCBY, Spencer's, Cinnabon, Lovisa Jewelry, Pawny's, All Star Sports, Goddess Hair Care, Michoacan Ice Cream, Shawarma King (a 2nd location of a popular Gurnee locally owned restaurant), Under Armour, and Dippin Dots/Doc Popcorn. Remodels/relocations included Bath and Body Works and Journey's. Construction was ongoing during the year for a future Round1 Entertainment Center (one of three in Illinois) in 70,000 square feet of the former Sears Grand anchor box space. Plans were in development for demising of the former Bed Bath & Beyond anchor box space for two future tenants, Primark, a new apparel retailer, and Boot Barn, a relocation/expansion of an existing tenant.
- Club Pilates opened at Gurnee Town Center
- LoveSac, a modern furniture retailer, opened a showroom at 6430 Grand Avenue
- Shoe Carnival opened a new store at Grand Hunt Center 6539 Grand Avenue
- Gurnee Balloons, a party décor provider and studio, opened at 4655 Old Grand Avenue
- Discount Tire completed construction on a new freestanding retail store/service center on the site of a long-vacant Krispy Kreme at 1508 Nations Drive
- Pips Meadery, craft distillery, completed construction at 1350 Tri-State Parkway
- HOTWORX fitness studio opened at 6641 Grand Avenue
- Olivia's Italian Restaurant opened in long-vacant space formerly occupied by Bodega Restaurant at 750 S. Rt. 21
- Texas Roadhouse submitted plans for a freestanding, 7900 square foot restaurant to be built on a newly created outlot of the former Toys r Us site on Gurnee Mills Circle East.
- Graham Enterprise began site redevelopment and construction on a new tunnel car wash with nine self-serve vacuum bays at 3419 Grand Avenue, previously the site of Citgo fuel station.
- Shoe Carnival received approval for a new Tenant Finish at Grand Hunt Plaza
- Baxter Credit Union (BCU) moved several doors south from its original location in Menard's Center. It completed a comprehensive tenant finish remodel and opened in the larger 5,200 square foot space at 6411 Grand Avenue Following the departure of Anthony Buick GMC - now Woody's Buick GMC which built and opened a new 33,700 square foot dealership on Northridge Drive, the former Anthony dealership building at 7225 Grand Avenue had been vacant until purchased this year by McCullough Kubota, exclusive distributor of Kubota for Cook, Lake, and McHenry counties.
- Casey's General Store was under construction and opened in a new 4,300 square foot fuel station/convenience store located at 391 S. Hunt Club Road
- Site Plan was submitted for review by Bank of America to demolish the former Baker's Square Restaurant at 6411 Grand Avenue (on Gurnee Mills ring road) for construction of a new 4,700 square foot retail bank branch.
- Remodels/Expansions/Additions at Gurnee Dodge 7255 Grand Avenue; Gurnee Volkswagen 6301 Grand Avenue; Sam's Club 6570 Grand Avenue; Eagle Fence 3660 Washington Street; Harbor Coin 5250 Grand Avenue; Ryse Athletic Club submitted plans and began construction to nearly double its space in Northern Lights at 5328 Grand Avenue.

Industrial/Office:

- Restaurant Depot, a commercial wholesaler of food and kitchen supplies, opened its newly constructed restaurant supply facility on seven acres near Grand Avenue & I-94 SDM Transport, a vehicle/equipment transport logistics company, began construction on a new 53,000 square foot industrial building at 1500 N, Delany to serve as its headquarters office and maintenance facility.
- Provida Family Health completed an expansion/remodel of additional office suites at 1425 N Hunt Club Road

- Forest Orthodontics & Pediatric Dentistry purchased the 5/3 Bank Building at 7500 Grand Avenue and began a comprehensive remodel into a 14,500 square foot dental office. Practice originated in Lake Forest which serves as its other location.
- Zuma Law relocated/expanded at Riverside Plaza, 401 N. Riverside Drive.
- In another example of commercial uses in industrial areas, Sapphire Motors, indoor automotive sales, opened at 83 Ambrogio Drive.
- #13 Tire Distributors opened at 3841 Swanson Court
- Children's Dentistry of Lake County opened after a comprehensive remodel of a former bank building at 5384 Grand Avenue
- Veterans Assistance Commission of Lake County closed on the purchase of property at 5626-5652 Northridge Drive and received zoning approvals for future construction of a 3-story, 40,000 square foot office building with uses that include a teaching kitchen, computer lab, outdoor tranquility zone, and fitness area – serving Lake County veterans and their families at low or no-cost
- ProREZ Coatings Midwest (performance floor coatings) opened at 173 Ambrogio Drive; Natural Stone (countertop contractor since 1963 in Lake Forest) opened a facility at 4310 Lee Avenue; Straight Freight (transportation logistics) at 135 N. Greenleaf; Electrical Concepts Plus (formerly K&A Graphics) relocated to 1300 N. Rt. 41; H Services (electrical contractor) opened at 101 Ambrogio Drive; Elite Ambulance (private ambulance service) opened at 1333 N. Delany Road.
- ARCOA/Waukegan Computer (data destruction, remarketing and recycling of IT assets) opened in a 16,000 square foot facility at 263 Ambrogio Drive.
- Additional office tenants, including many healthcare/medical, included Women's Health Care Group at 25 Tower Court; Waggoner Behavioral Health (ABA therapy provider) at 6121 Washington Street; QC Kinetics (regenerative medicine) at 15 Tower Court; ZM Protech (IT training/consulting) at 6071 Washington Street; Apex Pediatric Therapy (autism/speech/occupational therapy) at 105 N. Greenleaf; Action Behavior Centers (autism therapy) at 25 Tower Court; Advanced Fertility Center at 30 Tower Court; Hawthorn Behavioral Health at 15 Tower Court.
- SDM Transport submitted plans for new construction of vehicle transport office headquarters at 1500 N. Delany Road
- Frontier Soups, manufacturer of dry soup mixes which are distributed nationally, took occupancy of 2011 Swanson Court
- United Stone Works, granite and stone fabricator, took occupancy of 1514 St. Paul Avenue
- First Care Transportation, dispatch center for medical transport, opened at 4237 Grove Avenue

Long-Term Financial Planning. The Village continues robust Long-Term Financial Planning by annually updating its Multi-Year Financial Forecast along with the Multi-Year Capital Plan. The Village updated its Strategic Plan in FY 2022/2023 to outline the direction over the next several years. The Plan was last updated in 2015.

The Village prepared and presented the first Multi-Year Financial Forecast (MYFF) in 2015 to identify current and future financial trends and develop solutions or strategies to guide financial and programmatic policy decisions. The MYFF is updated annually and presented to the Village Board as a precursor to the Multi-Year Capital Plan and Annual Budget. The Village does not levy a property tax, relying largely on economically sensitive revenues to fund operations and capital. As such, it is important to analyze the Village's financial condition based on past, current and projected economic conditions. Long-term financial planning is identified in the Village's strategic plan as a priority for the Village.

The Village prepares and presents a Multi-Year Capital Plan (MYCP) annually in conjunction with the Annual Budget process. The MYCP provides a 5-year spending plan in each of the Village's capital and infrastructure systems which include Transportation System, Stormwater Management System, Water & Sewer System, Vehicles & Equipment, Technology and Buildings & Building Improvements. Plans are presented in detail for the immediate two fiscal years with broader priorities identified in the out years. The MYCP identifies available and needed funding to maintain each area or system based on maintaining a certain level of service or standard for infrastructure.

The Village enhanced its long-term financial planning in 2017 by creating and adopting a Fiscal Contingency Plan. Due to the Village's reliance on economically sensitive revenue sources to fund operations, the Plan provides a framework and strategy to respond to unanticipated adverse fiscal conditions that impact the Village's financial sustainability. The Plan identifies metrics that would trigger additional financial reporting and contingency action items to be considered in such a situation. The Village instituted its fiscal contingency plan for the first time in late March 2020 in response to the COVID-19 crisis as noted earlier.

The Village's mission is to;

Engage... *our residents, businesses, and visitors in an ongoing dialogue about their ideas, needs, and concerns.*

Preserve ... *our neighborhoods, open spaces, financial well-being, and community traditions, in line with our values.*

Advance... *our services in response to community needs, encourage responsible development, and continuously foster a safe and welcoming environment.*

To help translate that Mission into reality, the Strategic Plan update identified six Strategic Priorities that will be at the forefront of Village operations over the next several years. These priorities include:

Financial Sustainability...*A financially responsible organization*
Well-Maintained Infrastructure...*Infrastructure that supports our community*
Effective Communication...*A transparent, responsive government*
A Stable, Well-Trained Workforce...*A capable, dedicated workforce*
A Safe Community...*A safe, secure community*
Lifestyle Vitality...*A connected, welcoming community.*

It is from this mission statement and key performance areas that all major goals and objectives are judged. Each department and division have strategic initiatives to support the mission and key performance areas.

Financial Policies. The Village has several specific policies to guide financial operations. These policies relate to accounting and financial reporting, budgeting and revenue management, debt management, cash management and investments, purchasing, and economic development. Some of the most significant policies include:

General Corporate Fund Balance Policy

- Maintain an unassigned fund balance in the General fund to fund operations for a period of at least four months ("Cash Flow Commitment"). The goal is to have a Cash Flow commitment in the General fund that is adjusted annually with the adoption of the budget and is calculated as 60-65% of the General fund expenditures (not including transfers to fund capital projects).
- Assign a portion of fund balance in the amount of debt service payments for general obligations, alternate revenue source, and governmental debt for the following year. These funds may be assigned in either the General fund or the Debt Service fund. ("Debt Service Assignment")
- Unassigned fund balance will be reviewed annually during the budget process. Should the unassigned fund balance for the General Fund balance drop below 60%, the Village Board will be notified. Reductions will be resolved by either implementing a new, recurring revenue source or reducing expenditures. Balances in excess of 65% may be transferred to the Capital Improvements fund to support future capital projects.

Debt Policy

- Long-term debt will not be used to finance current operations. The highest priority for the issuance of long-term debt will be to further the Village's Capital Improvement Program. Long-term debt is defined as bonded debt whose maturity is at least ten years from the date of original issue.
- Long-term debt will be used only for capital projects that cannot be financed from current revenue sources. Where capital improvements or acquisitions are financed through the issuance of debt, such debt will be retired in a period not to exceed the expected life of the improvement or acquisition.
- The Village will issue long-term debt for refunding of other outstanding debt for the purpose of interest rate savings. As a guide, the minimum net present value savings shall be 2% of the par value of the proposed new bonds to be issued.
- The Village, a home-rule community, will adopt the threshold set forth by State statutes for non-home rule municipalities' limitation of the amount of debt that may be legally incurred. The limitation set by the Statute is 8.625% of the most recent Equalized Assessed Valuation of the real estate in the corporate boundaries of the Village.

Investment Policy

- The Village will purchase only those investments allowable under the Illinois Public Funds Investment Act.
- All trades, where applicable, will be executed by delivery vs. payment to ensure that securities are deposited in an eligible financial institution prior to the release of funds. Securities will be held by a third-party custodian as evidenced by safekeeping receipts.

Purchasing Policy

- All purchases made from one vendor for a particular item or like types of items in excess of \$20,000 must be accomplished by a contract or purchase order through the formal bidding process or by a bid waiver approved by the Village Board. Purchases made in conjunction with the State of Illinois Joint Purchase Contracts Program satisfy all bid requirements.
- In the event of an emergency affecting the public health, welfare, or safety, a contract may be let or a purchase made, to the extent necessary to resolve the emergency without a formal bid. The Village Administrator shall file his authority for such an expenditure in writing with the Village Board. The Village Board shall, at their next regular meeting, confirm whether an emergency actually existed. If an emergency existed, the Village Board shall confirm the necessary emergency expenditures.

Capital Asset Policy

- The Village will capitalize land improvements, vehicles, machinery & equipment, computers, furniture & fixtures with an acquisition cost of \$25,000 or more; capitalize building improvements with an acquisition cost of \$50,000 or more; and capitalize infrastructure costs such as roads/streets, water & sewer systems and storm water drainage with an acquisition cost of \$250,000 or more.

Fiscal Contingency Plan

- Two consecutive quarters of negative prior year and budget variances trigger actions to include;
 - A formal assessment of the duration of the fiscal stress.
 - Increased monitoring and reporting on the financial condition to the Village Board.
 - Adherence to the Fund Balance policy limits.
 - Identification of operating adjustments to be considered to offset the fiscal stress.

Awards and Acknowledgments

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 for its Annual Comprehensive Financial Report for the fiscal year ended April 30, 2023. In order to be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized annual comprehensive financial report, whose contents conform to program standards. Such reports must satisfy 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 our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the Village of Gurnee received the GFOA's Distinguished Budget Presentation Award for its 2024/2025 fiscal budget. In order to qualify for the Distinguished Budget Presentation Award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

Sincerely,



Patrick A. Muetz
Village Administrator



Brian C. Gosnell
Director of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Village of Gurnee
Illinois**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

April 30, 2023

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

This section includes:

- Independent Auditor's Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Other Supplementary Information

INDEPENDENT AUDITOR'S REPORT

This section includes the opinion of the Village's independent auditing firm.



INDEPENDENT AUDITORS' REPORT

October 15, 2024

The Honorable Village President
Members of the Board of Trustees
Village of Gurnee, Illinois

Opinions

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 Gurnee, Illinois (the Village), as of and for the year ended April 30, 2024, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Gurnee, Illinois, as of April 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements - Continued

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Gurnee, Illinois' basic financial statements. The other supplementary information is presented for purposes of additional analysis and are 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 other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Village of Gurnee, Illinois
October 15, 2024

Other Information

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

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

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF GURNEE, ILLINOIS
MANAGEMENT'S DISCUSSION & ANALYSIS

April 30, 2024

The Village of Gurnee's (the Village) discussion and analysis is designed to explain significant financial issues, provide an overview of the Village's financial activity, identify changes in the Village's financial position, identify material deviations from budget, and identify individual issues and concerns.

This document should be read in conjunction with the Transmittal Letter and financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Village's basic financial statements are comprised of three components: 1) Village-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report contains other supplementary information in addition to the basic financial statements.

USING THE FINANCIAL SECTION OF THIS ANNUAL REPORT

Financial statements are presented from two perspectives: government-wide and major fund. These perspectives allow the user to address relevant questions, broaden a basis for comparison and enhance the Village's accountability.

Village-wide Financial Statements

The Village-wide financial statements are designed to be corporate-like. Governmental and business-type activities are consolidated into columns, which add to a total of government activities.

The Statement of Net Position combines and consolidates governmental funds, current financial resources with capital assets and long-term obligations. It uses the accrual basis of accounting and total economic resources measurement focus. The Statement of Net Position can be found in the financial section of this report.

The Statement of Activities focuses on the growth and net costs of various activities. General taxes and other resources pay for these activities. The Statement of Activities summarizes the costs of various governmental services and can be found in the financial section of this report.

The governmental activities reflect the Village's basic services, which are police, fire, emergency dispatch, public works, community development and administration. Shared state sales and income taxes, home rule sales taxes, amusement taxes, food & beverage and hotel and resort taxes finance the majority of these services. The Village has not levied a property tax for corporate purposes since 2000.

The business-type activities reflect private sector type operations, where the fees for service are intended to cover the costs of operation, including debt service and depreciation. The Village's water and sewer user fees finance the majority of these services. The Village also maintains a Golf Fund to account for the land owned by the Village for Bittersweet Golf Course. Operations of the course are contracted to an outside firm through a concession arrangement.

Fund Financial Statements

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. The Village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

VILLAGE OF GURNEE, ILLINOIS
MANAGEMENT'S DISCUSSION & ANALYSIS

April 30, 2024

Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. The focus is on major funds rather than fund types.

The governmental fund presentation is presented with current financial resources measurement focus and modified accrual accounting basis. This method recognizes resources when they are available for use in the operation. This is the manner in which the financial plan is usually developed. The flow and availability of resources is a clear and appropriate focus of any analysis of the government. Funds are established for various purposes and the fund financial statements allow the demonstration of sources and uses and/or budgeting compliance associated therewith.

While the total column of the enterprise funds' financial statements are the same as the business type column on the Village-wide financial statements, the governmental funds' total column requires reconciliation because of the different measurement focus (current financial resources versus total economic resources) which is reflected on the page following each statement. The flow of current financial resources will reflect bond proceeds and inter-fund transfers as other sources and uses, as well as capital expenditures and bond principal payments as expenditures. The reconciliation eliminates these transactions and incorporates the capital assets and long-term obligations into the governmental activities column in Village-wide statements. The fund financial statements can be found in the financial section of this report.

The Village as Trustee

The Village is trustee, or fiduciary, for its Police and Fire pension plans. All of the Village's fiduciary activities are reported in a separate Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position. The Village excludes these activities from the Village's other financial statements because the Village cannot use these assets to finance its operations. The Village is responsible for ensuring that assets reported in these funds are used for their intended purposes. The fiduciary financial statements can be found in the financial section of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the information provided in the Village-wide and fund financial statements. The notes to the financial statements can be found in the financial section.

Other Information

In addition to the basic financial statements, this report also includes certain required supplementary information related to budgetary information and the Village's progress in funding its obligation to provide pension benefits to employees. Nonmajor fund information can be found immediately following the required supplementary information.

VILLAGE OF GURNEE, ILLINOIS
MANAGEMENT'S DISCUSSION & ANALYSIS
April 30, 2024

VILLAGE-WIDE STATEMENTS & ANALYSIS

Net Position

The following chart reflects the Condensed Statement of Net Position (in thousands):

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Current and Other Assets	54,212	50,822	11,510	10,817	65,723	61,639
Capital Assets	75,644	75,413	67,618	65,469	143,262	140,881
Total Assets	129,856	126,235	79,128	76,285	208,984	202,520
Deferred Outflows of Resources	22,971	18,605	1,011	1,016	23,982	19,620
Total Assets and Deferred Outflows	152,827	144,839	80,140	77,301	232,966	222,140
Current Liabilities	6,574	4,964	1,940	1,118	8,514	6,082
Noncurrent Liabilities	48,253	44,330	4,795	5,437	53,047	49,768
Total Liabilities	54,826	49,294	6,735	6,555	61,561	55,850
Deferred Inflows of Resources	6,908	7,075	1,146	1,195	8,054	8,270
Total Liabilities and Deferred Inflows	61,734	56,369	7,881	7,751	69,615	64,120
Net Position:						
Net Investment in Capital Assets	75,064	75,413	63,928	61,290	138,992	136,702
Restricted	1,217	2,170	—	—	1,217	2,170
Unrestricted	14,811	10,887	8,331	8,261	23,143	19,148
Total Net Position	91,092	88,470	72,259	69,550	163,351	158,020

*Variation in values may occur due to rounding

The Village combined net position increased by \$4,705 thousand from \$158.0 million to \$163.4 million. Governmental Activities net position increased by \$2.1 million. Total assets and deferred outflows increased \$8.0 million from \$144.8 million to \$152.8 million. The largest changes in Governmental Activities current assets include cash & investments increases of \$2.0 million from \$40.5 million to \$42.4 million. Receivables - Net of Allowances increased \$481 thousand from \$9.9 million to \$10.4 million due primarily to increases in taxes receivable. Inventories increased \$70 thousand due to greater road salt and parts inventory. Net capital assets increased \$231 thousand. Deferred outflows increased \$1.7 million due to changes in Retiree Benefit Plans which increased \$2.7 million. Total liabilities and deferred inflows increased \$6.4 million from \$56.4 million to \$62.8 million. Current liabilities increased \$1.5 million due primarily to increases in the current portion of long-term liabilities. Noncurrent Liabilities increased \$4.3 million due to increases in NPL and OPEB liabilities. Deferred inflows increased \$600 thousand due to deferred property taxes and RBP.

Business-Type Activities net position increased \$2.6 million. The largest changes in Business-Type Activities Current Assets include an increase of cash and receivables of \$240 thousand and receivables net of allowances of \$305 thousand. Net Capital Assets increased \$2.1 million due to aggressive water main replacement program. Deferred Outflows decreased \$127 thousand due to decreased IMRF liability. Total Liabilities and Deferred Inflows decreased \$183 thousand from \$7.75 million to \$7.57 million. Current Liabilities increased \$822 thousand due to increases in accounts payable and other payables. Noncurrent Liabilities decreased \$898 thousand due to decreases in OPEB and IMRF liabilities. Deferred Inflows decreased \$107 thousand due to deferred leases.

VILLAGE OF GURNEE, ILLINOIS
MANAGEMENT'S DISCUSSION & ANALYSIS

April 30, 2024

Activities

Governmental Activities are segregated by functional area for program revenues and expenses. General and Business-Type Revenues are allocated among Charges for Services; Operating and Capital Grants/Contributions; Taxes; Interest Income; Miscellaneous Revenue; and Interfund Transfers, as applicable. Expenses are allocated among General Government; Public Safety; Highway and Streets; Interest on Long-Term Debt; Golf; and Water and Sewer, as applicable.

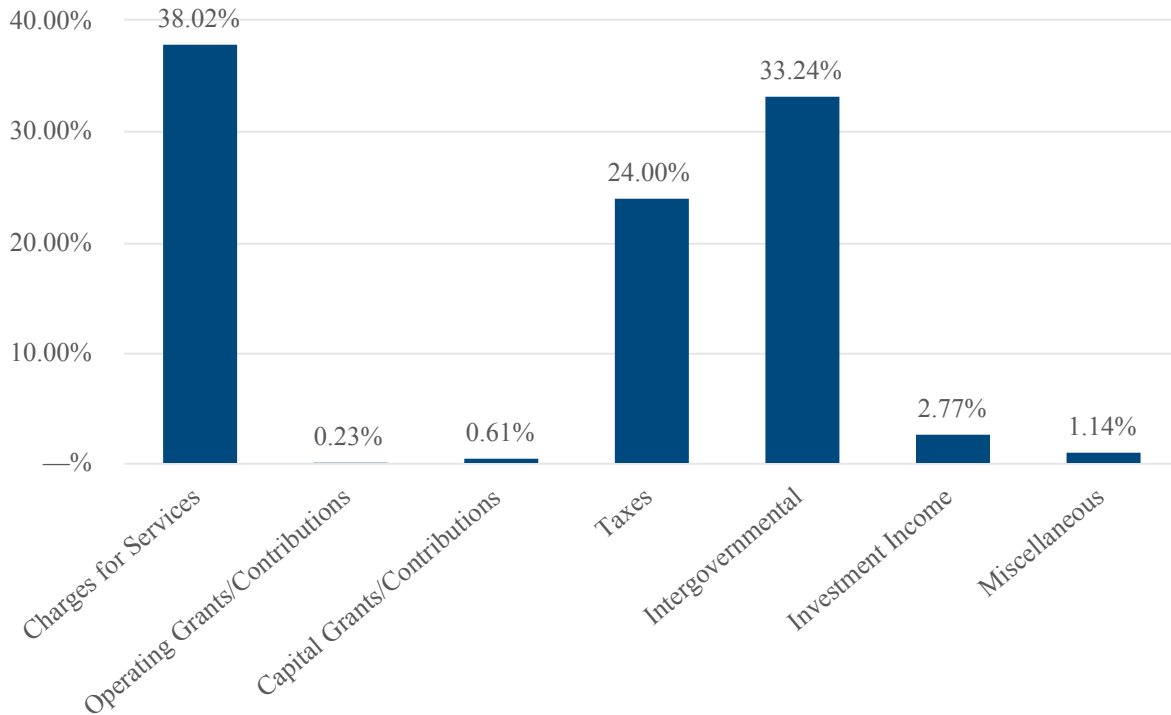
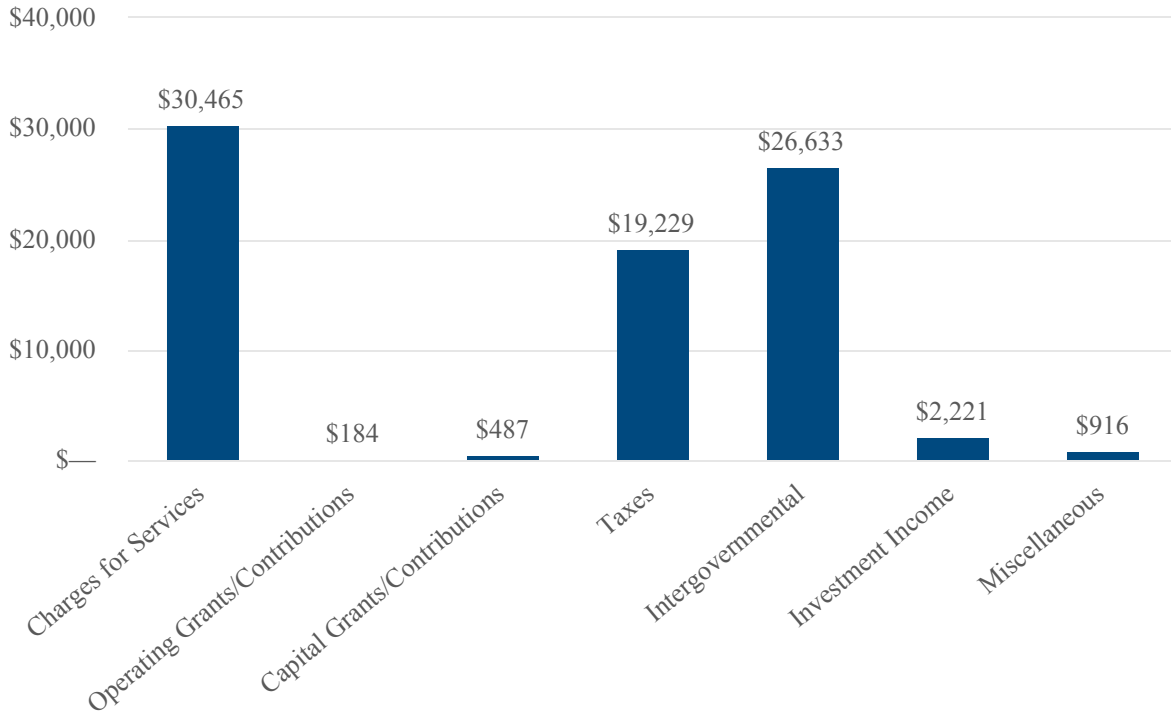
The following chart reflects the Condensed Changes in Net Position (in thousands):

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
REVENUES						
Program Revenues:						
Charges for Services	20,041	16,186	10,425	9,704	30,465	25,891
Operating Grants/Contributions	184	234	—	—	184	234
Capital Grants/Contributions	487	75	—	—	487	75
General Revenues:						
Taxes	19,229	19,747	—	—	19,229	19,747
Intergovernmental	26,633	25,353	—	—	26,633	25,353
Investment Income	1,931	813	290	212	2,221	1,025
Miscellaneous	827	435	89	—	916	435
Total Revenues	69,332	62,844	10,803	9,916	80,136	72,760
EXPENSES						
General Government	13,258	13,099	—	—	13,258	13,099
Public Safety	35,420	32,192	—	—	35,420	32,192
Highways and Streets	17,074	14,666	—	—	17,074	14,666
Interest on Long-Term Debt	—	67	—	—	—	67
Golf	—	—	30	26	30	26
Water and Sewer	—	—	9,648	8,326	9,648	8,326
Total Expenses	65,753	60,024	9,678	8,351	75,431	68,375
Excess/Deficiency Before Transfers	3,580	2,820	1,125	1,565	4,705	4,385
Transfers	(1,500)	(2,000)	1,500	2,000	—	—
Change in Net Position	2,080	820	2,625	3,565	4,705	4,385
Net Position - Beginning as Restated	89,013	87,650	69,634	65,985	158,646	153,636
Net Position - Ending	91,092	88,470	72,259	69,550	163,351	158,020

*Variation in values may occur due to rounding

**VILLAGE OF GURNEE, ILLINOIS
MANAGEMENT'S DISCUSSION & ANALYSIS
April 30, 2024**

Fiscal Year 2023/2024 Revenues



VILLAGE OF GURNEE, ILLINOIS
MANAGEMENT'S DISCUSSION & ANALYSIS

April 30, 2024

For the fiscal year ended April 30, 2024 Government-wide revenues were \$80.1 million. Charges for service is the largest category representing 38.0% of revenues, followed by intergovernmental revenues at 33.2%, and taxes at 24.0%.

Government-wide intergovernmental revenues increased \$1.3 million from the previous year. The largest type of Intergovernmental Revenues is sales taxes in the General Fund. In addition, charges for services increased \$3.9 million from the previous year. The largest type of charges for services are water and sewer fees in the Utility Fund.

- Governmental charges for services include dispatch services, ambulance fees, police security charges, and various development fees. Governmental charges for services increased from \$16.2 million to \$20.0 million largely due to interfund charges for health insurance and fleet services.
- Business-Type charges for services are primarily water and sewer charges for service and increased \$720 thousand.

Government-wide intergovernmental revenues increased from \$25.4 million to \$26.6 million.

- The Village receives 2.0% of all sales purchases within its jurisdiction; this consists of 1% of the State sales tax rate and a 1% home rule sales tax (effective January 1, 2015). Village-wide sales taxes increased by \$1.0 million.
- Income taxes increased \$385 thousand from \$4.7 million to \$5.1 million.
- Investment income increased by \$1.1 million from \$813 thousand to \$1.9 million.

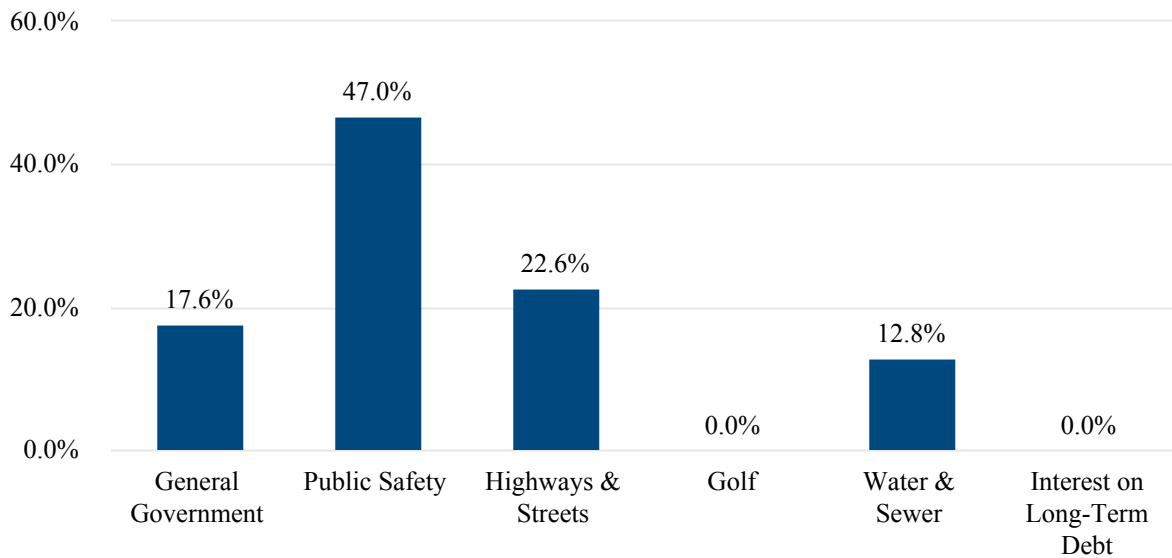
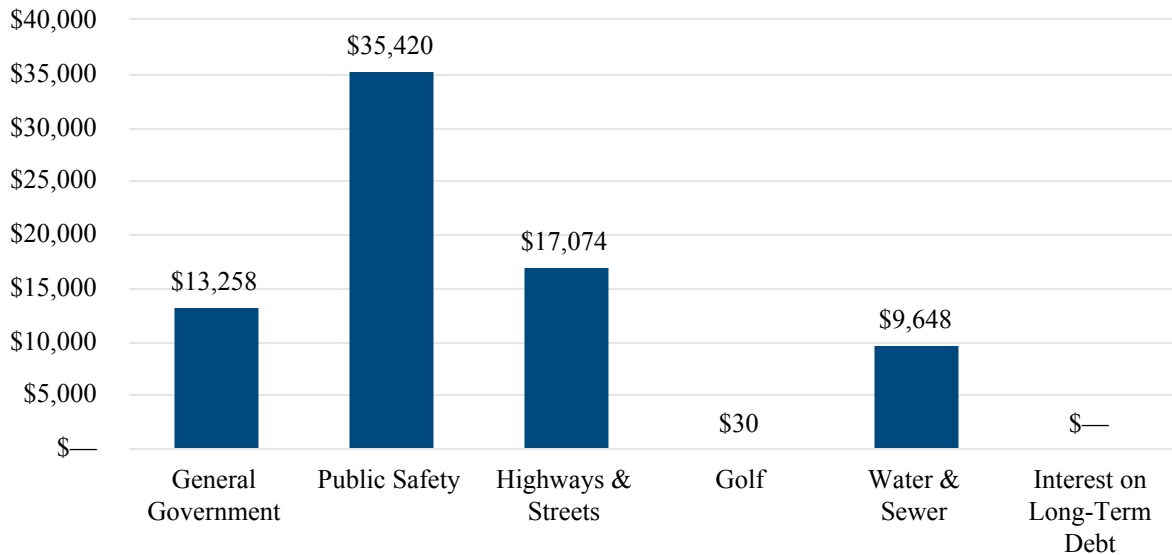
Government-wide taxes decreased \$518 thousand from \$19.7 million to \$19.2 million.

- The amusement tax is 4% (effective May 1, 2018). Amusement taxes decreased \$0.2 million from \$4.0 million to \$3.8 million.
- The hotel tax is 6% (effective May 1, 2018). Hotel taxes decreased \$0.1 million from \$2.4 million to \$2.3 million.
- The food and beverage tax is 1%. Food and beverage taxes increased \$0.2 million from \$2.6 million to \$2.8 million.
- The Village imposes a 6% telecommunications tax. Telecommunication (excise) taxes decreased \$119.2 thousand from \$547.5 thousand to \$532.2 thousand. Telecommunication taxes will continue to decline as consumer behaviors change to communication methods not subject to the tax.

**VILLAGE OF GURNEE, ILLINOIS
MANAGEMENT'S DISCUSSION & ANALYSIS**

April 30, 2024

Fiscal Year 2023/2024 Expenses



Total Government-wide expenses increased \$7.1 million or 10.3%, from \$68.4 million to \$75.4 million.

Governmental activities expenses increased \$5.7 million or 9.5%, from \$60.0 million to \$65.8 million.

General government expenses increased \$0.2 million or 1.2% from \$13.1 million to \$13.3 million. Included are the costs associated with the Administration, Human Resources, Finance, Information Systems, Engineering and Building & Zoning divisions, as well as the Village's contractual obligations and debt service. The Village's contractual obligations include voluntary contributions to the Gurnee Days Corporation and Lake County Convention Bureau. The Village also participates in revenue sharing agreements with Gurnee Mills, Great Wolf Lodge and Six Flags among others. The largest increases included interfund transfers for health insurance and capital.

VILLAGE OF GURNEE, ILLINOIS
MANAGEMENT'S DISCUSSION & ANALYSIS

April 30, 2024

Public safety expenses increased \$3.2 million, or 10.0%, from the previous year. Public safety consists of the operation of the Village's police department, fire department, and emergency dispatch departments. The Village had several open and vacated positions throughout the fiscal year within the Police and Fire Departments resulting in significant increases in overtime. Salary and pension contribution increases also contributed to the overall increase.

Highways and streets, including public works, vehicle maintenance and the Village's routine repair and maintenance projects, increased \$2.4 million or 16.4% from the prior year primarily due to increased road program, capital and health insurance expenses.

Interest expenses decreased \$67 thousand or 100.0% from the previous fiscal year.

Business-type activities expense increased \$1.3 million from \$8.4 million to \$9.7 million. Business-Type activities consists of the Village's Water and Sewer, and Golf Course enterprise funds.

The Village owns the land where Bittersweet Golf Club is located. A private company was supposed to operate the course and clubhouse, but the Club went into foreclosure in 2009. In late fiscal year 2010/2011, the Village bought out the remaining 21 years on a Bittersweet lease held by First Merit Bank. Currently, an independent entity, Golfvisions Inc., operates and manages the golf course. The Village received no revenue from the golf course during the fiscal year. Golf Fund expenses consisted of \$30 thousand amortization of the leasehold.

Water and Sewer expenses increased \$1.3 million from \$8.4 million to \$9.7 million. This is primarily due to increased water usage resulting in higher payments to the Village's water supplier Central Lake County Joint Action Water Agency and an increase in the wholesale rate.

GOVERNMENTAL FUNDS

The focus of the Village's governmental funds is to provide information about near-term inflows and outflows of resources as well as the balance of spendable resources. In particular, the unassigned fund balance for each fund is a useful measure of the net resources available to the fund at the end of the fiscal year. As of April 30, 2024, the Village's governmental funds had combined ending fund balances of \$46,300,604, an increase of \$2,435,598 from the 2023 ending fund balances of \$43,865,006.

The General Fund had excess revenues over expenditures of \$5,647,529 in the current year, prior to transfers out of \$3,000,000, resulting in a net increase to fund balance of \$2,647,529. The increase was due to an increase in charges for service of \$4.6 million related to health insurance interfund transfers. Expenditures saw an increase of \$594,429 from the prior year related to health insurance interfunds, increases in personnel related costs and capital project costs..

Fund balance decreased by \$607 thousand in the Motor Fuel Tax Fund due to spending funding from prior fiscal years.

Fund balance increased by \$0.7 million in the Capital Improvement Fund due to transfers from the General Fund.

VILLAGE OF GURNEE, ILLINOIS
MANAGEMENT'S DISCUSSION & ANALYSIS

April 30, 2024

BUDGET HIGHLIGHTS

The Village adopts a budget on a fund basis consistent with generally accepted accounting principles. The budget document is the result of the Village's financial and operational planning process and serves as the guide for implementing those plans. The process brings together input from the elected officials, senior managers, departmental staff and the public to shape the Village's goals and objectives. While the Finance Director projects what fund balances will remain at the end of the current fiscal year to determine a "bottom line," as well as standard increases as dictated in union contracts and the like, the Departments are responsible for assessing current conditions, programs and needs. The Village Administrator and Finance Director meet with the individual department heads to discuss their initial funding requests. They review major operating changes, discuss objectives and review capital project requests. An effort is made to combine requests across departments and to discuss more efficiently accomplishing departmental goals. Any unjustified items are cut from the budget at this time.

A series of public hearings are held in the spring. The Village Administrator, Finance Director and individual department heads are present at the hearings to address issues and concerns by the Village President, Trustees and public. The tentative budget must be available for public inspection at least ten days prior to passage and a notice of public hearing must be published in a local newspaper at least one week prior to the hearing. After the public hearings, the budget may be further revised and passed without further inspection, notice or hearing. The final budget is passed in April.

The Illinois State Legislature requires employers, who have employees in the Illinois Municipal Retirement Fund, to post compensation packages of employees making \$150,000 or more annually on their municipal web site 6 days before the compensation package is approved and to post compensation packages of employees making \$75,000 or more annually on their web site 6 days after approving their budget. The Village complied with all legal requirements. Information regarding compensation packages for all Village employees can be found on the Village's website at <https://www.gurnee.il.us/government/transparency-portal/compensation-reports>.

This report includes budget and actual comparisons for the General Fund. The General Fund is the major fund component of the governmental activities statements and accounts for the bulk of the Village's revenue receipts and disbursements related to government services. The Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual, can be found in the required supplementary information section of this report, the Schedule of Revenues - Budget and Actual, and the Schedule of Expenditures - Budget and Actual can be found in the other supplementary information section of this report.

VILLAGE OF GURNEE, ILLINOIS
MANAGEMENT'S DISCUSSION & ANALYSIS

April 30, 2024

The following chart reflects the General Fund Budgetary Highlights (in thousands):

	Budget	Actual	Variance from Budget	Percentage Difference
REVENUES				
Taxes	10,257	11,085	828	8.1%
Intergovernmental	30,242	31,502	1,259	4.2%
Charges for Service	10,581	10,437	(144)	(1.4%)
Licenses and Permits	1,345	1,539	194	14.5%
Fines and Forfeitures	1,106	970	(136)	(12.3%)
Investment Income	775	1,505	730	94.2%
Miscellaneous	160	790	630	393.7%
Total Revenues	54,467	57,828	3,361	6.2%
EXPENDITURES				
General Government	14,279	13,524	(755)	(5.3%)
Public Safety	34,768	33,312	(1,456)	(4.2%)
Highways and Streets	3,716	3,492	(224)	(6.0%)
Capital Outlay	1,705	1,736	32	1.9%
Total Expenditures	54,467	52,064	(2,403)	(4.4%)
Net Change in Fund Balance	—	5,764	5,764	—%

*Variation in values may occur due to rounding

General fund revenues were over budget by \$3.4 million or 6.2%.

Taxes were \$0.8 million or 8.1% ahead budget largely due to better than expected performance from Hotel, Food & Beverage, Amusement and Resort taxes.

Licenses and permits were \$194 thousand, or 14.5%, ahead largely because of the timing of a major development that was delayed resulting in lower than expected building permit fees.

Fines and forfeitures were \$136 thousand, or 12.3%, behind budget. Fines and Forfeitures include red light camera violations, court fines, DUI fines, parking fines and false alarm fines. Significant negative variances include red light violations due to intersections being offline for maintenance and court fines.

Miscellaneous revenue was \$630 thousand, or 393.7%, ahead budget. The variance is almost entirely due a reimbursement from workers compensation claims and reimbursements for the police academy training.

Intergovernmental revenues were \$1,259 thousand, or 4.2%, over budget. Sales Taxes are the largest revenue source for the Village and posted a positive variance of \$1.1 million or 5.3%. Other positive variances in this category include Income Tax (+\$360 thousand).

Investment income was over budget by \$730 thousand or 94.2% due to unrealized rising interest rates and unrealized gains on investments.

General government expenditures were \$755 thousand, or 5.3%, under budget. The largest items contributing to the variance were salaries and benefits due to vacant positions throughout the year. The Village budgets for full employment. Rebate agreements were also lower than anticipated due to the timing of openings

VILLAGE OF GURNEE, ILLINOIS
MANAGEMENT'S DISCUSSION & ANALYSIS

April 30, 2024

Public safety expenditures were \$1,456 thousand, or 4.2%, under budget. The largest items contributing to the positive variance were salaries and wages and employee benefits due to employee turnover.

Highways and streets classified expenditures were \$224 thousand, or 6.0% under budget. The largest items contributing to the positive variance were; salaries and wages due to employee turnover, supplies due to lower than anticipated expenses for electricity and contractual services due to lower maintenance expenses.

The Village contributes to the Police and Firefighters' Pension funds from General Fund revenues absent a property tax levy. Fiscal year 2023/2024 employer contributions were made based upon an independent actuarial calculation which was taken from the most recent audited fiscal year which ended prior to fiscal year budget completion (April 30, 2023). The Illinois Municipal Retirement Fund (IMRF) covers employees, other than those covered by Police and Firefighters' Pension plans, hired in positions that meet or exceed a prescribed hourly standard. See Note 4, Employee Retirement System - Defined Benefit Pension Plans section for more information.

- Police Pension: The lump sum employer contribution for fiscal year 2023/2024 increased \$77 thousand, or 3.0%, from \$2.55 million to \$2.63 million.
- Firefighters' Pension: The lump sum employer contribution for fiscal year 2023/2024 increased \$91 thousand, or 4.3%, from \$2.11 million to \$2.20 million.
- IMRF: The Village employer rate decreased from the previous calendar year from 11.15% in 2023 to 9.22% in 2024.

In addition to providing pension benefits, the Village provides other post-employment benefits to its retirees (OPEB) in the form of health insurance. This is a single employer defined benefit plan that includes employees, retirees, and Public Safety Employee Benefits Act (PSEBA) employees. All retirees contribute 100% of the actuarially determined premium to the plan. Public Safety employees who are classified as catastrophically disabled in accordance with the Public Safety Employee Benefit Act (820 ILCS 320) do not pay insurance premiums. The Village is responsible for the PSEBA employee and his/her spouse insurance coverage until death and the employee's children until age 25 with certain exceptions. As of April 30, 2024, the total OPEB liability each was \$8.42 million.

The total OPEB liability as a percentage of covered-employee payroll was 34.66%. The Village does not fund the liability in advance, but uses a "pay as you go" method. The Village has two PSEBA employees. The cost of providing insurance coverage for the PSEBA employees account for the majority of the \$8.42 million actuarial accrued liability. The accounting for this liability is in accordance with Statement No. 75 of the Governmental Accounting Standards Board.

Different measurement focus and bases of accounting are used in the accounting and financial reporting for the Village's governmental activities and government funds even though the financial statements for each essentially address the same Village operations. The economic resources measurement focus and the accrual basis of accounting are used for governmental activities. On the other hand, the current financial resources measurement focus and modified accrual basis of accounting are used for the governmental funds. To reconcile the fund balances of the governmental funds with the net position of governmental activities as of April 30, 2024, the Village has provided a reconciliation in the basic financial statements section of this report. The most significant reconciling items include:

- \$75.6 million of capital assets are included in the assets of governmental activities. Over the course of time, these costs were recorded as expenditures in the governmental funds.
- \$16.8 million in long-term deferred outflows/inflows related to pensions is not reported in the governmental funds.

VILLAGE OF GURNEE, ILLINOIS
MANAGEMENT'S DISCUSSION & ANALYSIS

April 30, 2024

- \$2.2 million of various Village tax revenues are deferred in the funds because they will be collected after year-end but are not available soon enough to pay for the current period's expenditures.
- \$49.9 million of long-term liabilities are not included in the governmental funds because they are not due and payable during the current period. Instead, payments are recorded as expenditures when due and payable.

CAPITAL ASSETS

The Village's investment in capital assets for its governmental and business-type activities is shown below (net of accumulated depreciation). Readers desiring more detailed information on capital asset activity should refer to Note 3 - Detail Notes on All Funds, Capital Assets section of this report. The following chart reflects the Capital Assets (in thousands):

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Land	34,508	34,508	5,039	5,039	39,547	39,547
Construction in Progress	536	—	—	2,056	536	2,056
Building and Improvements	16,659	16,533	1,821	1,878	18,480	18,411
Vehicles	5,730	6,014	1,621	1,462	7,351	7,476
Equipment	1,681	1,707	916	744	2,597	2,451
Leasehold Improvements	—	—	165	186	165	186
Water Plants and Mains	—	—	35,965	31,491	35,965	31,491
Sewer Plants and Mains	—	—	12,803	13,104	12,803	13,104
Storm Sewers	—	—	9,289	9,509	9,289	9,509
Infrastructure	16,110	16,651	—	—	16,110	16,651
Subscription Assets - Software	419	559	—	—	419	559
Total Net Capital Assets	75,644	75,972	67,618	65,469	143,262	141,440

*Variation in values may occur due to rounding

The Village's total capital assets, net of accumulated depreciation, increased by \$1.8 million from last fiscal year to the current fiscal year. Governmental Activities capital assets increased by \$0.3 million or 0.4% and Business-Type Activities increased by \$2.1 million or 3.3%.

Additions in the Governmental Funds consisted primarily of Fire Station #3. Additions in the Business-Type Funds consisted of water main and vehicles.

**VILLAGE OF GURNEE, ILLINOIS
MANAGEMENT'S DISCUSSION & ANALYSIS**

April 30, 2024

DEBT ADMINISTRATION

The table below shows the Village's bonded debt (in thousands):

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Subscription Arrangements	687	451	—	—	687	451
IEPA Loans	—	—	3,690	4,659	3,690	4,659
Total Debt	687	451	3,690	4,659	4,377	5,110

*Variation in values may occur due to rounding

The Village does not have any outstanding bonded debt. The Village utilized a low-interest IEPA Loan for the construction of the Knowles Road Water Tower. The loan is a 20-year obligation. The Village utilized a 10-year promissory note to finance Fire Station #3, which was paid off early.

The Illinois General Assembly has set no limits for home rule municipalities on the amount of debt outstanding; however, the Village adopted a Debt Policy in December 2005 that uses the non-home rule limitation of 8.625% of the most recent Equalized Assessed Valuation (EAV) of the property within the Village's corporate limits. The Village's outstanding debt as of April 30th is 0% of EAV. Readers desiring more detailed information on debt activity should refer to Note 3 - Detail Notes on All Funds, Long-Term Debt of this report.

ECONOMIC FACTORS

The Village's 2023 Equalized Assessed Valuation (EAV) increased \$46,153,560 to \$1,325,717,325 from \$1,279,563,765. Most Village property is located in Warren Township. There was \$4,390,824 of new property.

	Real Estate	Railroad	EAV	New Property	Annexations
Warren & Waukegan Townships	\$1,324,260,062	\$1,457,263	\$1,325,717,325	\$2,508,783	\$0

The principal property taxpayers in Gurnee have remained stable for the past ten years. In both 2015 and 2024, the Mills Corporation (Gurnee Mills Mall) was the highest property taxpayer and Six Flags Great America was the second highest property taxpayer. The top ten principal property taxpayers pay 10.9% of all property taxes in Gurnee. Most of these property tax payers are commercial endeavors, lessening the burden on residential owners. The Village of Gurnee does not levy a property tax.

The per capita personal income in Gurnee is \$54,921 and the unemployment rate is 4.3%. This compares to last year's \$50,359 per capita income and 4.8% unemployment rate.

On June 30, 2014 Standard & Poor's rating Services raised its long-term rating to "AAA" from "AA+" on the Village's 2009, 2011 and 2012 (retired) General Obligation bonds.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide residents, customers, investors and creditors with a general knowledge of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning this report may be directed to the Brian C. Gosnell, Director of Finance, Village of Gurnee, 325 North O'Plaine Road, Gurnee, Illinois 60031-2636.

BASIC FINANCIAL STATEMENTS

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements

Governmental Funds

Proprietary Funds

Fiduciary Funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

VILLAGE OF GURNEE, ILLINOIS

Statement of Net Position

April 30, 2024

See Following Page

VILLAGE OF GURNEE, ILLINOIS

Statement of Net Position

April 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Current Assets			
Cash and Investments	\$ 42,436,107	7,999,039	50,435,146
Receivables - Net of Allowances	10,530,054	3,364,029	13,894,083
Prepays	769,207	147,311	916,518
Inventories	476,999	—	476,999
Total Current Assets	54,212,367	11,510,379	65,722,746
Noncurrent Assets			
Capital Assets			
Nondepreciable	35,044,305	5,038,690	40,082,995
Depreciable	82,764,830	98,521,287	181,286,117
Accumulated Depreciation	(42,165,624)	(35,941,887)	(78,107,511)
Total Noncurrent Assets	75,643,511	67,618,090	143,261,601
Total Assets	129,855,878	79,128,469	208,984,347
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Items - IMRF	3,125,349	398,331	3,523,680
Deferred Items - Police Pension	10,775,069	—	10,775,069
Deferred Items - Firefighters' Pension	5,248,238	—	5,248,238
Deferred Items - RBP	3,822,217	239,628	4,061,845
Deferred Items - ARO	—	373,304	373,304
Total Deferred Outflows of Resources	22,970,873	1,011,263	23,982,136
Total Assets and Deferred Outflows of Resources	152,826,751	80,139,732	232,966,483

The notes to the financial statements are an integral part of this statement.

	Primary Government		
	Governmental	Business-Type	Totals
	Activities	Activities	
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 1,583,286	1,120,405	2,703,691
Accrued Payroll	804,126	44,061	848,187
Medical Claims Payable	120,584	2,140	122,724
Deposits Payable	141,619	—	141,619
Accrued Interest Payable	—	28,294	28,294
Other Payables	2,305,749	461,064	2,766,813
Current Portion of Long-Term Liabilities	1,618,317	284,089	1,902,406
Total Current Liabilities	6,573,681	1,940,053	8,513,734
Noncurrent Liabilities			
Compensated Absences Payable	976,150	38,810	1,014,960
Net Pension Liability - IMRF	3,169,000	403,295	3,572,295
Net Pension Liability - Police Pension	22,597,754	—	22,597,754
Net Pension Liability - Firefighters' Pension	14,386,131	—	14,386,131
Total OPEB Liability - RBP	6,692,671	460,213	7,152,884
Subscription Arrangements	430,846	—	430,846
IEPA Loans Payable	—	3,452,343	3,452,343
Asset Retirement Obligation	—	440,000	440,000
Total Noncurrent Liabilities	48,252,552	4,794,661	53,047,213
Total Liabilities	54,826,233	6,734,714	61,560,947
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	768,538	—	768,538
Deferred Items - Leases	—	1,018,201	1,018,201
Deferred Items - IMRF	107,115	14,222	121,337
Deferred Items - Police Pension	1,388,893	—	1,388,893
Deferred Items - Firefighters' Pension	2,829,868	—	2,829,868
Deferred Items - RBP	1,813,667	113,705	1,927,372
Total Deferred Inflows of Resources	6,908,081	1,146,128	8,054,209
Total Liabilities and Deferred Inflows of Resources	61,734,314	7,880,842	69,615,156
NET POSITION			
Net Investment in Capital Assets	75,064,420	63,927,599	138,992,019
Restricted - Motor Fuel Tax	953,326	—	953,326
Restricted - Public Safety	263,456	—	263,456
Unrestricted	14,811,235	8,331,291	23,142,526
Total Net Position	91,092,437	72,258,890	163,351,327

The notes to the financial statements are an integral part of this statement.

VILLAGE OF GURNEE, ILLINOIS

Statement of Activities

For the Fiscal Year Ended April 30, 2024

	Expenses	Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
Governmental Activities				
General Government	\$ 13,258,432	7,812,910	80,397	—
Public Safety	35,420,049	9,018,764	103,462	486,865
Highways and Streets	17,074,037	3,209,120	—	—
Total Governmental Activities	65,752,518	20,040,794	183,859	486,865
Business-Type Activities				
Golf	30,242	—	—	—
Water and Sewer	9,647,828	10,424,644	—	—
Total Business-Type Activities	9,678,070	10,424,644	—	—
Total Primary Government	75,430,588	30,465,438	183,859	486,865

General Revenues

Taxes

Amusement Tax

Hotel Tax

Food and Beverage Tax

Telecommunications Tax

Other Taxes

Motor Fuel Tax

Home Rule Sales Tax

Intergovernmental - Unrestricted

Sales Tax

Income Tax

Replacement Tax

Investment Income

Miscellaneous

Internal Activity - Transfers

Change in Net Position

Net Position - Beginning as Restated

Net Position - Ending

The notes to the financial statements are an integral part of this statement.

Primary Government		
Net (Expenses)/Revenues		
Governmental Activities	Business-Type Activities	Totals
(5,365,125)	—	(5,365,125)
(25,810,958)	—	(25,810,958)
(13,864,917)	—	(13,864,917)
(45,041,000)	—	(45,041,000)
—	(30,242)	(30,242)
—	776,816	776,816
—	746,574	746,574
(45,041,000)	746,574	(44,294,426)
3,793,189	—	3,793,189
2,307,973	—	2,307,973
2,772,847	—	2,772,847
534,183	—	534,183
2,886,029	—	2,886,029
1,355,172	—	1,355,172
5,579,469	—	5,579,469
21,207,984	—	21,207,984
5,110,105	—	5,110,105
315,195	—	315,195
1,931,412	289,877	2,221,289
827,270	88,649	915,919
(1,500,000)	1,500,000	—
47,120,828	1,878,526	48,999,354
2,079,828	2,625,100	4,704,928
89,012,609	69,633,790	158,646,399
91,092,437	72,258,890	163,351,327

The notes to the financial statements are an integral part of this statement.

VILLAGE OF GURNEE, ILLINOIS

Balance Sheet - Governmental Funds

April 30, 2024

	<u>General</u>
ASSETS	
Cash and Investments	\$ 31,027,105
Receivables - Net of Allowances	
Taxes	7,665,551
Accounts	—
Other	511,450
Due from Other Funds	108,920
Prepays	745,318
Inventories	<u>276,185</u>
 Total Assets	 <u><u>40,334,529</u></u>
LIABILITIES	
Accounts Payable	1,127,571
Accrued Payroll	789,908
Due to Other Funds	—
Medical Claims Payable	120,584
Deposits Payable	141,619
Other Payables	<u>4,026,702</u>
Total Liabilities	6,206,384
DEFERRED INFLOWS OF RESOURCES	
Property Taxes	<u>768,538</u>
Total Liabilities and Deferred Inflows of Resources	<u><u>6,974,922</u></u>
FUND BALANCES	
Nonspendable	1,021,503
Restricted	—
Committed	—
Unassigned	<u>32,338,104</u>
Total Fund Balances	<u><u>33,359,607</u></u>
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	 <u><u>40,334,529</u></u>

The notes to the financial statements are an integral part of this statement.

Special Revenue	Capital Projects		
Motor Fuel Tax	Capital Improvement	Nonmajor	Totals
742,407	8,883,372	1,783,223	42,436,107
210,919	695,755	—	8,572,225
—	1,230,058	216,321	1,446,379
—	—	—	511,450
—	—	—	108,920
—	—	23,889	769,207
—	—	200,814	476,999
953,326	10,809,185	2,224,247	54,321,287
—	454,782	933	1,583,286
—	—	14,218	804,126
—	—	108,920	108,920
—	—	—	120,584
—	—	—	141,619
—	466,908	—	4,493,610
—	921,690	124,071	7,252,145
—	—	—	768,538
—	921,690	124,071	8,020,683
—	—	224,703	1,246,206
953,326	—	263,456	1,216,782
—	9,887,495	1,612,017	11,499,512
—	—	—	32,338,104
953,326	9,887,495	2,100,176	46,300,604
953,326	10,809,185	2,224,247	54,321,287

The notes to the financial statements are an integral part of this statement.

VILLAGE OF GURNEE, ILLINOIS

Reconciliation of the Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities

April 30, 2024

Total Governmental Fund Balances	\$ 46,300,604
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	75,643,511
Deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Deferred Items - IMRF	3,018,234
Deferred Items - Police Pension	9,386,176
Deferred Items - Firefighters' Pension	2,418,370
Deferred Items - RBP	2,008,550
Various Village tax revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore, are deferred in the funds.	2,187,861
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(1,220,188)
Net Pension Liability - IMRF	(3,169,000)
Net Pension Liability - Police Pension	(22,597,754)
Net Pension Liability - Firefighters' Pension	(14,386,131)
Total OPEB Liability - RBP	(7,918,705)
Subscription Arrangements	(579,091)
Net Position of Governmental Activities	<u><u>91,092,437</u></u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF GURNEE, ILLINOIS

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended April 30, 2024**

See Following Page

VILLAGE OF GURNEE, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended April 30, 2024

	<u>General</u>
Revenues	
Taxes	\$ 11,085,429
Intergovernmental	31,501,609
Charges for Services	10,436,765
Licenses and Permits	1,539,476
Fines and Forfeitures	969,893
Investment Income	1,504,693
Miscellaneous	789,912
Total Revenues	<u>57,827,777</u>
Expenditures	
General Government	13,524,322
Public Safety	33,311,854
Highways and Streets	3,491,598
Capital Outlay	1,736,280
Debt Service	
Principal Retirement	116,194
Total Expenditures	<u>52,180,248</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>5,647,529</u>
Other Financing Sources (Uses)	
Debt Issuance	—
Transfers In	—
Transfers Out	(3,000,000)
	<u>(3,000,000)</u>
Net Change in Fund Balances	2,647,529
Fund Balances - Beginning as Restated	<u>30,712,078</u>
Fund Balances - Ending	<u><u>33,359,607</u></u>

The notes to the financial statements are an integral part of this statement.

Special Revenue	Capital Projects		
Motor Fuel Tax	Capital Improvement	Nonmajor	Totals
—	5,579,469	—	16,664,898
1,355,172	484,592	2,273	33,343,646
—	—	3,548,032	13,984,797
—	—	—	1,539,476
—	—	39,273	1,009,166
37,498	382,343	6,878	1,931,412
—	26,986	10,372	827,270
1,392,670	6,473,390	3,606,828	69,300,665
—	—	—	13,524,322
—	—	27,301	33,339,155
2,000,000	—	1,672,714	7,164,312
—	7,453,405	2,275,250	11,464,935
—	—	43,500	159,694
2,000,000	7,453,405	4,018,765	65,652,418
(607,330)	(980,015)	(411,937)	3,648,247
—	—	287,351	287,351
—	1,650,000	—	1,650,000
—	—	(150,000)	(3,150,000)
—	1,650,000	137,351	(1,212,649)
(607,330)	669,985	(274,586)	2,435,598
1,560,656	9,217,510	2,374,762	43,865,006
953,326	9,887,495	2,100,176	46,300,604

The notes to the financial statements are an integral part of this statement.

VILLAGE OF GURNEE, ILLINOIS

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to
the Statement of Activities - Governmental Activities
For the Fiscal Year Ended April 30, 2024**

Net Change in Fund Balances - Total Governmental Funds \$ 2,435,598

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 Activities the cost of those assets is allocated over their estimated
useful lives and reported as depreciation expense.

Capital Outlays	2,695,521
Depreciation Expense	(2,566,682)
Disposals - Cost	(622,980)
Disposals - Accumulated Depreciation	166,128

The net effect of deferred outflows (inflows) of resources related
to the pensions not reported in the funds.

Change in Deferred Items - IMRF	(1,167,567)
Change in Deferred Items - Police Pension	3,512,355
Change in Deferred Items - Firefighters' Pension	887,261
Change in Deferred Items - RBP	1,562,837

Because various revenues will not be collected for several months after the Village's
year-end, they are not considered available revenues and are deferred in
governmental funds.

31,681

The issuance of long-term debt provides current financial resources to
governmental funds, While the repayment of the principal on long-term
debt consumes the current financial resources of the governmental funds.

Change in Compensated Absences Payable	(46,353)
Change in Net Pension Liability/(Asset) - IMRF	2,374,583
Change in Net Pension Liability - Police Pension	(4,262,625)
Change in Net Pension Liability - Firefighters' Pension	(964,908)
Change in Total OPEB Liability - RBP	(1,827,364)
Issuance of Debt	159,694
Retirement of Debt	(287,351)

Changes in Net Position of Governmental Activities 2,079,828

VILLAGE OF GURNEE, ILLINOIS

Statement of Net Position - Proprietary Funds

April 30, 2024

See Following Page

VILLAGE OF GURNEE, ILLINOIS

Statement of Net Position - Proprietary Funds

April 30, 2024

	Business-Type Activities -		
	Enterprise Funds		
	Golf Course	Water and Sewer	Totals
ASSETS			
Current Assets			
Cash and Investments	\$ 441,970	7,557,069	7,999,039
Receivables - Net of Allowances			
Accounts	4,853	2,307,084	2,311,937
Leases	—	1,052,092	1,052,092
Prepays	—	147,311	147,311
Total Current Assets	<u>446,823</u>	<u>11,063,556</u>	<u>11,510,379</u>
Noncurrent Assets			
Capital Assets			
Nondepreciable	4,494,436	544,254	5,038,690
Depreciable	422,834	98,098,453	98,521,287
Accumulated Depreciation	(257,818)	(35,684,069)	(35,941,887)
Total Noncurrent Assets	<u>4,659,452</u>	<u>62,958,638</u>	<u>67,618,090</u>
Total Assets	<u>5,106,275</u>	<u>74,022,194</u>	<u>79,128,469</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Items - IMRF	—	398,331	398,331
Deferred Items - RBP	—	239,628	239,628
Deferred Items - ARO	—	373,304	373,304
Total Deferred Outflows of Resources	<u>—</u>	<u>1,011,263</u>	<u>1,011,263</u>
Total Assets and Deferred Outflows of Resources	<u>5,106,275</u>	<u>75,033,457</u>	<u>80,139,732</u>

The notes to the financial statements are an integral part of this statement.

	Business-Type Activities - Enterprise Funds		
	Golf	Water and	Totals
	Course	Sewer	
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ —	1,120,405	1,120,405
Accrued Payroll	—	44,061	44,061
Medical Claims Payable	—	2,140	2,140
Accrued Interest Payable	—	28,294	28,294
Other Payables	40,000	421,064	461,064
Current Portion of Long-Term Debt	—	284,089	284,089
Total Current Liabilities	<u>40,000</u>	<u>1,900,053</u>	<u>1,940,053</u>
Noncurrent Liabilities			
Compensated Absences Payable	—	38,810	38,810
Net Pension Liability - IMRF	—	403,295	403,295
Total OPEB Liability - RBP	—	460,213	460,213
IEPA Loan Payable	—	3,452,343	3,452,343
Asset Retirement Obligation	—	440,000	440,000
Total Noncurrent Liabilities	<u>—</u>	<u>4,794,661</u>	<u>4,794,661</u>
Total Liabilities	<u>40,000</u>	<u>6,694,714</u>	<u>6,734,714</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Items - Leases	—	1,018,201	1,018,201
Deferred Items - IMRF	—	14,222	14,222
Deferred Items - RBP	—	113,705	113,705
Total Deferred Inflows of Resources	<u>—</u>	<u>1,146,128</u>	<u>1,146,128</u>
Total Liabilities and Deferred Inflows of Resources	<u>40,000</u>	<u>7,840,842</u>	<u>7,880,842</u>
NET POSITION			
Net Investment in Capital Assets	4,659,452	59,268,147	63,927,599
Unrestricted	<u>406,823</u>	<u>7,924,468</u>	<u>8,331,291</u>
Total Net Position	<u>5,066,275</u>	<u>67,192,615</u>	<u>72,258,890</u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF GURNEE, ILLINOIS

Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds
For the Fiscal Year Ended April 30, 2024

	Business-Type Activities - Enterprise Funds		
	Golf Course	Water and Sewer	Totals
Operating Revenues			
Charges for Services	\$ —	10,424,644	10,424,644
Operating Expenses			
Operations	9,100	7,666,056	7,675,156
Depreciation and Amortization	21,142	1,911,632	1,932,774
Total Operating Expenses	30,242	9,577,688	9,607,930
Operating Income (Loss)	(30,242)	846,956	816,714
Nonoperating Revenues (Expenses)			
Investment Income	55,616	234,261	289,877
Other Income	24,694	63,955	88,649
Interest Expense	—	(70,140)	(70,140)
	80,310	228,076	308,386
Income Before Transfers	50,068	1,075,032	1,125,100
Transfers In	—	1,500,000	1,500,000
Change in Net Position	50,068	2,575,032	2,625,100
Net Position - Beginning as Restated	5,016,207	64,617,583	69,633,790
Net Position - Ending	5,066,275	67,192,615	72,258,890

The notes to the financial statements are an integral part of this statement.

VILLAGE OF GURNEE, ILLINOIS

**Statement of Cash Flows - Proprietary Funds
For the Fiscal Year Ended April 30, 2024**

	Business-Type Activities - Enterprise Funds		
	Golf Course	Water and Sewer	Totals
Cash Flows from Operating Activities			
Receipts from Customers and Users	\$ 44,400	10,080,305	10,124,705
Payments to Employees	—	(1,139,324)	(1,139,324)
Payments to Suppliers	(28,794)	(5,888,337)	(5,917,131)
	<u>15,606</u>	<u>3,052,644</u>	<u>3,068,250</u>
Cash Flows from Noncapital Financing Activities			
Transfers In	—	1,500,000	1,500,000
Cash Flows from Capital and Related Financing Activities			
Purchase of Capital Assets	—	(4,059,900)	(4,059,900)
Principal on Capital Related Debt	—	(488,448)	(488,448)
Interest on Capital Related Debt	—	(70,140)	(70,140)
	<u>—</u>	<u>(4,618,488)</u>	<u>(4,618,488)</u>
Cash Flows from Investing Activities			
Interest Received	55,616	234,261	289,877
Net Change in Cash and Cash Equivalents	71,222	168,417	239,639
Cash and Cash Equivalents - Beginning	370,748	7,388,652	7,759,400
Cash and Cash Equivalents - Ending	<u>441,970</u>	<u>7,557,069</u>	<u>7,999,039</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities			
Operating Income (Loss)	(30,242)	846,956	816,714
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in)			
Operating Activities:			
Depreciation and Amortization	21,142	1,911,632	1,932,774
Other Income	24,694	63,955	88,649
(Increase) Decrease in Current Assets	19,706	(408,294)	(388,588)
Increase (Decrease) in Current Liabilities	(19,694)	638,395	618,701
Net Cash Provided by Operating Activities	<u>15,606</u>	<u>3,052,644</u>	<u>3,068,250</u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF GURNEE, ILLINOIS

Statement of Fiduciary Net Position

April 30, 2024

	Pension Trust	Custodial NE Lake County Consolidated ETSB
ASSETS		
Cash and Cash Equivalents	\$ 1,167,704	2,766,617
Investments		
Illinois Police Officers Pension Investment Fund	75,305,497	—
Illinois Firefighters' Pension Consolidated Investment Fund	58,152,956	—
Receivables - Net of Allowances		
Accounts	—	94,474
Prepays	5,777	—
Total Assets	<u>134,631,934</u>	<u>2,861,091</u>
LIABILITIES		
Accounts Payable	<u>15,694</u>	<u>198,462</u>
NET POSITION		
Restricted for		
Pensions	134,616,240	—
Individuals, Organizations, and Other Governments	—	2,662,629
	<u>134,616,240</u>	<u>2,662,629</u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF GURNEE, ILLINOIS

Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended April 30, 2024

	Pension Trust	Custodial NE Lake County Consolidated ETSB
Additions		
Contributions - Employer	\$ 4,977,456	—
Contributions - Plan Members	1,460,492	—
Total Contributions	<u>6,437,948</u>	<u>—</u>
Investment Earnings		
Interest Earned	5,004,292	144,022
Net Change in Fair Value	7,168,160	—
	<u>12,172,452</u>	<u>144,022</u>
Less Investment Expenses	(74,044)	—
Net Investment Income	<u>12,098,408</u>	<u>144,022</u>
Charges for Services	—	1,152,733
Total Additions	<u>18,536,356</u>	<u>1,296,755</u>
Deductions		
Administration	153,560	—
Benefits and Refunds	6,511,799	—
Professional Services	—	917,269
Total Deductions	<u>6,665,359</u>	<u>917,269</u>
Change in Fiduciary Net Position	11,870,997	379,486
Net Position Restricted for Pensions, Individuals, Organizations, and Other Governments		
Beginning	<u>122,745,243</u>	<u>2,283,143</u>
Ending	<u>134,616,240</u>	<u>2,662,629</u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Gurnee, Illinois (the Village) was incorporated in 1928. The Village is a municipal corporation governed by an elected president and six-member Board of Trustees. The Village's major operations include police and fire safety, highway and street maintenance and reconstruction, building code enforcement, public improvements, economic development, planning and zoning, water and sanitary sewerage services, golf course services, and general administrative services.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Village's accounting policies established in GAAP and used by the Village are described below.

REPORTING ENTITY

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is both legally and substantively separate from the government. Management has determined that there are no fiduciary component units that are required to be included in the financial statements of the Village as pension trust funds and there are no discretely component units to include in the reporting entity.

Police Pension Employees Retirement System

The Village's sworn police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board, with two members appointed by the Village's President, one elected pension beneficiary and two elected police employees constitute the pension board. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining PPERS costs based upon actuarial valuations. 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. Although it is legally separate from the Village, the PPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's police employees. The PPERS is reported as a fiduciary fund, and specifically a pension trust fund, due to the fiduciary responsibility exercised over the PPERS.

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

REPORTING ENTITY - Continued

Firefighters' Pension Employees Retirement System

The Village's sworn firefighters participate in the Firefighters' Pension Employees Retirement System (FPERS). FPERS functions for the benefit of those employees and is governed by a five-member pension board, with two members appointed by the Village's President, two elected from active participants of the Fund, and one elected from the retired members of the Fund. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining FPERS costs based upon actuarial valuations. 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. Although it is legally separate from the Village, the FPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's sworn firefighters. The FPERS is reported as a fiduciary fund, and specifically a pension trust fund, due to the fiduciary responsibility exercised over the FPERS.

BASIS OF PRESENTATION

Government-Wide Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Village's police and fire safety, highway and street maintenance and reconstruction, forestry, building code enforcement, public improvements, economic development, planning and zoning, and general administrative services are classified as governmental activities. The Village's golf course and water and sewer services are classified as business-type activities.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations.

The Village's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The Village first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (general government, public safety, highways and streets, etc.). The functions are supported by general government revenues (sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which 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.

The net costs (by function or business-type activity) are normally covered by general revenue (sales tax, intergovernmental revenues, investment income, etc.).

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Government-Wide Statements - Continued

The Village does not allocate indirect costs. An administrative service fee is charged by the General Fund to the other operating funds that is eliminated like a reimbursement (reducing the revenue and expense in the General Fund) to recover the direct costs of General Fund services provided (finance, personnel, purchasing, legal, technology management, etc.).

This government-wide focus is more on the sustainability of the Village as an entity and the change in the Village's net position resulting from the current year's activities.

Fund Financial Statements

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories.

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The Village electively added funds, as major funds, which either have debt outstanding or a specific or community focus. The nonmajor funds are combined in a column in the fund financial statements.

A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The various funds are reported by generic classification within the financial statements. The following fund types are used by the Village:

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fund Financial Statements - Continued

Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Village:

General Fund is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is a major fund.

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village maintains one major special revenue fund, the Motor Fuel Tax Fund. The Motor Fuel Tax Fund is used to account for the restricted revenues used for the maintenance and construction of streets and roads as approved by the Illinois Department of Transportation. The Village maintains three nonmajor special revenue funds.

Capital projects funds are used to account for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The Village maintains one major capital projects fund. The Capital Improvement Fund is used to account for the acquisition and improvement of Village property including infrastructure and general capital assets. The Village maintains one nonmajor capital projects fund, the Fleet Services Fund.

Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the Village:

Enterprise funds are required to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Village maintains two major enterprise funds, the Golf Course Fund and the Water and Sewer Fund. The Golf Course Fund accounts for the construction and operation of a municipal golf course. The Water and Sewer Fund accounts for the provision of 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, maintenance, financing and related debt service, billing and collections.

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fund Financial Statements - Continued

Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support Village programs. The reporting focus is on net position and changes in net position and is reported using accounting principles similar to proprietary funds.

Pension trust funds are used to account for assets held in a trustee capacity for pension benefit payments. The Police Pension Fund accounts for the accumulation of resources to pay retirement and other related benefits for sworn members of the Village's police force. The Firefighters' Pension Fund accounts for the accumulation of resources to pay retirement and other related benefits for sworn members of the Village's Fire Department.

Custodial funds are used to account for assets held by the Village in a purely custodial capacity. The Village maintains one custodial fund. The NE Lake County consolidated ETSB Fund accumulates funds distributed under the State of Illinois 911 Administrator for the payment of approved expenditures related to the joint dispatch operation between the Village of Gurnee and City of Zion.

The Village's fiduciary funds are presented in the fiduciary fund financial statements by type (pension trust and custodial). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the Village, these funds are not incorporated into the government-wide statements.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined below. In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate.

All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued

Measurement Focus - Continued

All proprietary, pension trust, and custodial funds funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows and liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported. Proprietary and pension trust fund equity is classified as net position.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflow is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The Village recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty-day availability period is used for revenue recognition for all other governmental fund revenues, except for sales taxes and utility taxes which use a 90-day period. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, sales and use taxes, franchise taxes, licenses, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

All proprietary, pension trust and custodial funds utilize 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.

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 Village’s enterprise funds are charges to customers for sales and services. The Village also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise 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.

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY

Cash and Investments

For the purpose of the Statement of Net Position, cash and cash equivalents are considered to be cash on hand, demand deposits, and cash with fiscal agent. For the purpose of the proprietary funds "Statement of Cash Flows," cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and all highly liquid investments with an original maturity of three months or less.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, 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.

Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include sales and use taxes, income taxes, and grants. Business-type activities report utility charges as their major receivables.

Inventories

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued

Capital Assets

Capital assets purchased or acquired with an original cost of \$25,000 or more, depending on asset class, are reported at historical cost or acquisition cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Village as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. In the case of the initial capitalization of general infrastructure assets (i.e., those reported by the governmental activities) the government chose to include all such items regardless of their acquisition date. Infrastructure such as streets, traffic signals and signs are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation bases for proprietary fund capital assets are the same as those used for the general capital assets. Donated capital assets are capitalized at acquisition value on the date donated.

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Buildings and Improvements	20 - 50 Years
Vehicles	3 - 15 Years
Equipment	5 - 30 Years
Infrastructure	50 Years
Leasehold Interest	20 - 50 Years
Water Plant and Mains	30 - 75 Years
Sewer Plant and Mains	30 - 75 Years
Storm Sewers	75 Years

Deferred Outflows/Inflows of Resources

Deferred outflow/inflow of resources represents a consumption/acquisition of net assets that applies to a future period and therefore will not be recognized as an outflow of resources (expense)/inflow of resources (revenue) until that future time.

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued

Compensated Absences

The Village accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits.

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

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

Net Position

In the government-wide financial statements, equity is classified as net position and displayed in three components:

Net Investment in Capital Assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted - Consists of net position with constraints placed on the 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 legislations.

Unrestricted - All other net position balances that do not meet the definition of "restricted" or "net investment in capital assets."

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continue

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued

Use of Estimates

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

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all funds. The Village follows these procedures in establishing the budgetary data reflected in the financial statements:

- The Village staff submits to the Board a proposed operating budget for the fiscal year commencing the following May 1. The operating budget includes proposed expenditures, expenses and the means of financing them.
- A public budget hearing is conducted.
- The budget is legally enacted through passage of an ordinance.
- The budget may be amended by the Board of Trustees and the Budget Officer.

The level of control (level at which expenditures may not exceed budget) is each individual fund. The Village Board of Trustees has delegated authority to the Budget Officer to delete, add to, change or create sub-classes within object-classes budgeted previously, with the exception of salaries specifically approved by the Board, but may not change the total budget of a fund. By vote of two-thirds, the budget may be revised by the Board of Trustees. Budgets were adopted for all funds on a basis of accounting consistent with GAAP. During the year, several supplementary appropriations were necessary.

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

The Village maintains a cash and investment pool that is available for use by all funds except the pension trust funds. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments." In addition, investments are separately held by several of the Village's funds. The deposits and investments of the pension trust funds are held separately from those of other funds.

Permitted Deposits and Investments - Statutes authorize the Village to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds.

The Illinois Funds is an investment pool managed by the Illinois Public Treasurer's Office 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. Investments in Illinois Funds are valued at the share price, which is the price for which the investment could be sold.

Village

Deposits. At year-end, the carrying amount of the Village's deposits for governmental and business-type activities totaled \$30,405,312 the bank balances totaled \$31,331,221.

Investments. The Village has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
U.S. Treasury Obligations	\$ 1,678,708	775,556	903,152	—	—
U.S. Agency Obligations	3,301,602	1,755,617	1,545,985	—	—
State and Local Obligations	3,911,110	844,286	3,066,824	—	—
Corporate Bonds	1,586,567	—	607,432	—	—
Illinois Funds	9,551,847	9,551,847	—	—	—
Totals	20,029,834	12,927,306	6,123,393	—	—

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Village - Continued

Investments - Continued. The Village has the following recurring fair value measurements as of April 30, 2024:

	Total	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level				
Debt Securities				
U.S. Treasury Obligations	\$ 1,678,708	1,678,708	—	—
U.S. Agency Obligations	3,301,602	—	3,301,602	—
State and Local Obligations	3,911,110	—	3,911,110	—
Corporate Bonds	1,586,567	—	1,586,567	—
Total Investments by Fair Value Level	8,891,420	1,678,708	8,799,279	—
Investments Measured at the Net Asset Value (NAV)				
Illinois Funds	9,551,847			
Total Investments Measured at Fair Value	20,029,834			

Debt Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. According to the Village's investment policy, the Village minimizes interest rate risk by structuring the portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and investing operating funds primarily in shorter-term securities, money market mutual funds or similar investment pools. Unless matched to a specific cash flow requirement, the Village will not directly invest funds in the General Fund, Debt Service, Enterprise and Special Revenue Funds in security maturing more than (2) years from the date of purchase. Reserve funds may be invested in securities exceeding (2) years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of the funds. The intent to invest in securities with longer maturities shall be disclosed in writing to the Village Board prior to the investment transaction being executed.

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Village - Continued

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Village's investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments. At year-end, the Village's investment in U.S. Agency Obligations are rated AA+ to AAAM by Standard & Poor's, State and Local Obligations are rated A+ to AA- by Standard & Poor's, the Corporate Bonds are AAAM, and the Illinois Funds are rated AAAM by Fitch.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires third party collateralization of all deposits in excess of FDIC limits. At year-end, the Village is not exposed to custodial credit risk for deposits because all deposits were covered by FDIC insurance or sufficiently collateralized. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

For an investment, this 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's investment policy requires that all in investments in excess of insurance limits be collateralized. At year-end, the Village's investment in the Illinois Funds is not subject to custodial credit risk.

Concentration of Credit Risk. This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village's investment policy requires diversification of investments to eliminate the risk of loss resulting from over concentration of a specific issuer or class of securities. At year-end, the Village has no investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

Police Pension Fund

The Illinois Police Officers Pension Investment Fund (IPOPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate police pension funds. IPOPIF was created by Public Act 101-0610, and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds. Participation in IPOPIF by Illinois suburban and downstate police pension funds is mandatory. Investments of the Fund are combined in a commingled external investment pool and held by IPOPIF. A schedule of investment expenses is included in IPOPIF's annual comprehensive financial report. For additional information on IPOPIF's investments, please refer to their annual comprehensive financial report, which can be obtained from IPOPIF at 456 Fulton Street, Suite 402 Peoria, Illinois 61602 or at www.ipopif.org.

Deposits. The Fund retains all its available cash with one financial institution. Available cash is determined to be that amount which is required for the current expenditures of the Fund. The excess of available cash is required to be transferred to IPOPIF for purposes of the long-term investment for the Fund. At year-end, the carrying amount of the Fund's cash on hand totaled \$906,004 and the bank balances totaled \$906,004.

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Police Pension Fund - Continued

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Fund's deposits may not be returned to it. The Fund's investment policy does not require pledging of collateral for all bank balances in excess of federal depository insurance, since flow-through FDIC insurance is available for the Fund's deposits with financial institutions. At year-end, the entire carrying amount of the bank balance of deposits is covered by federal depository or equivalent insurance.

Investments. At year-end the Fund has \$75,305,497 invested in IPOPIF. The pooled investments consist of the investments as noted in the target allocation table available at www.ipopif.org. Investments in IPOPIF are valued at IPOPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at year-end. The fund may redeem shares with a seven calendar day notice. IPOPIF may, at its sole discretion and based on circumstances, process redemption requests with fewer than a seven calendar day notice. Regular redemptions of the same amount on a particular day of the month may be arranged with IPOPIF.

Investment Policy. IPOPIF's current investment policy was adopted by the Board of Trustees on December 17, 2021. IPOPIF is authorized to invest in all investments allowed by Illinois Compiled Statutes (ILCS). The IPOPIF shall not be subject to any of the limitations applicable to investments of pension fund assets currently held by the transferor pension funds under Sections 1-113.1 through 1-113.12 or Article 3 of the Illinois Pension Code.

Rate of Return

For the year ended April 30, 2024, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 9.54%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Firefighters' Pension Fund

The Illinois Firefighters' Pension Investment Fund (IFPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate firefighter pension funds. IFPIF was created by Public Act 101-0610, and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds. Participation in IFPIF by Illinois suburban and downstate firefighter pension funds is mandatory. Investments of the Fund are combined in a commingled external investment pool and held by IFPIF. A schedule of investment expenses is included in IFPIF's annual report. For additional information on IFPIF's investments, please refer to their annual comprehensive financial report, which can be obtained from IFPIF at 1919 South Highland Avenue, Building A, Suite 237, Lombard, IL 60148 or at www.ifpif.org.

Deposits. The Fund retains all its available cash with one financial institution. Available cash is determined to be that amount which is required for the current expenditures of the Fund. The excess of available cash is required to be transferred to IFPIF for purposes of the long-term investment for the Fund. At year-end, the carrying amount of the Fund's cash on hand totaled \$261,700 and the bank balances totaled \$261,700.

Custodial Credit Risk. The Fund's investment policy states that all deposits in excess of FDIC insurable limits be secured by collateral in order to protect deposits from default. At year-end, the entire carrying amount of the bank balance of deposits is covered by federal depository or equivalent insurance.

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Firefighters' Pension Fund - Continued

Investments. At year-end the Fund has \$58,152,956 invested in IFPIF. The pooled investments consist of the investments as noted in the target allocation table available at www.ifpif.org. Investments in IFPIF are valued at IFPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at year-end. The plan may redeem shares by giving notice by 5:00 pm central time on the 1st of each month. Requests properly submitted on or before the 1st of each month will be processed for redemption by the 14th of the month. Expedited redemptions may be processed at the sole discretion of IFPIF.

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

Rate of Return

For the year ended April 30, 2024, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 10.57%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

PROPERTY TAXES

Property taxes for the 2023 levy attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments, on or about June 1 and September 1. The County collects such taxes and remits them periodically. The Village did not levy property taxes for the 2023 tax levy year; however, the Village did receive Road and Bridge taxes in the amounts of \$504,294.

INTERFUND BALANCES

Interfund balances are advances in anticipation of receipts to cover temporary cash shortages. The composition of interfund balances as of the date of this report, is as follows:

Receivable Fund	Payable Fund	Amount
General	911	<u>\$ 108,920</u>

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

INTERFUND TRANSFERS

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
Capital Improvement	Nonmajor Governmental	150,000 (1)
Capital Improvement	General	1,500,000 (1)
Water and Sewer	General	<u>1,500,000 (1)</u>
		<u><u>3,150,000</u></u>

Transfers are used to (1) move unrestricted revenues from the fund that statute or budget requires to collect them to the capital improvement fund for current and future capital projects and (2) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them.

LEASES RECEIVABLE

The Village is a lessor on the following lease at year end:

Lease	Term	Start Date	Payments	Interest Rate
Vogue Cell Tower	214 months	May 1, 2022	\$2,952 per month, including interest	3.00%
Vogue Cell Tower	3 years	May 1, 2022	\$21,000 per year, including interest	3.81%
AT&T Cell Tower	9 years	May 1, 2022	\$21,000 per year, including interest	4.00%
T-Mobile Cell	8 years	May 1, 2022	\$21,000 per year, including interest	4.00%
T-Mobile Cell	8 years	May 1, 2022	\$21,000 per year, including interest	4.00%
T-Mobile Cell	15 years	May 1, 2022	\$24,000 per year, including interest	4.00%

During the fiscal year, the Village has recognized \$117,388 of lease revenue.

The future principal and interest lease payments as of the year-end were as follows:

Fiscal Year	Principal	Interest
2025	\$ 106,144	37,280
2026	89,137	33,287
2027	92,482	29,942
2028	95,955	26,469
2029	99,558	22,866
2030 - 2034	312,931	68,192
2035 - 2039	226,845	22,275
2040 - End	<u>29,040</u>	<u>400</u>
	<u><u>1,052,092</u></u>	<u><u>240,711</u></u>

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances as Restated	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 34,507,882	—	—	34,507,882
Construction in Progress	—	536,423	—	536,423
	<u>34,507,882</u>	<u>536,423</u>	<u>—</u>	<u>35,044,305</u>
Depreciable Capital Assets				
Building and Improvements	25,000,300	662,185	—	25,662,485
Vehicles	13,645,397	1,001,443	622,980	14,023,860
Equipment	7,528,233	343,470	—	7,871,703
Infrastructure	34,495,906	152,000	—	34,647,906
Subscription Assets - Software	558,876	—	—	558,876
	<u>81,228,712</u>	<u>2,159,098</u>	<u>622,980</u>	<u>82,764,830</u>
Less Accumulated Depreciation				
Building and Improvements	8,467,501	536,315	—	9,003,816
Vehicles	7,631,244	828,809	166,128	8,293,925
Equipment	5,821,436	368,942	—	6,190,378
Infrastructure	17,844,889	692,897	—	18,537,786
Subscription Assets - Software	—	139,719	—	139,719
	<u>39,765,070</u>	<u>2,566,682</u>	<u>166,128</u>	<u>42,165,624</u>
Total Net Depreciable Capital Assets	<u>41,463,642</u>	<u>(407,584)</u>	<u>456,852</u>	<u>40,599,206</u>
Total Net Capital Assets	<u>75,971,524</u>	<u>128,839</u>	<u>456,852</u>	<u>75,643,511</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 173,394
Public Safety	1,252,977
Highways and Streets	<u>1,140,311</u>
	<u>2,566,682</u>

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS - Continued

Business-Type Activities

Business-type capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 5,038,690	—	—	5,038,690
Construction in Progress	2,055,776	—	2,055,776	—
	<u>7,094,466</u>	<u>—</u>	<u>2,055,776</u>	<u>5,038,690</u>
Depreciable Capital Assets				
Building and Improvements	2,819,139	—	—	2,819,139
Vehicles	2,687,771	396,551	—	3,084,322
Equipment	2,067,581	268,406	—	2,335,987
Leasehold Interests	422,834	—	—	422,834
Water Plants and Mains	45,295,555	5,450,719	—	50,746,274
Sewer Plants and Mains	22,575,042	—	—	22,575,042
Storm Sewers	16,537,689	—	—	16,537,689
	<u>92,405,611</u>	<u>6,115,676</u>	<u>—</u>	<u>98,521,287</u>
Less Accumulated Depreciation				
Building and Improvements	941,357	56,666	—	998,023
Vehicles	1,225,900	237,152	—	1,463,052
Equipment	1,323,552	96,902	—	1,420,454
Leasehold Interests	236,676	21,142	—	257,818
Water Plants and Mains	13,804,503	977,175	—	14,781,678
Sewer Plants and Mains	9,470,744	301,001	—	9,771,745
Storm Sewers	7,028,614	220,503	—	7,249,117
	<u>34,031,346</u>	<u>1,910,541</u>	<u>—</u>	<u>35,941,887</u>
Total Net Depreciable Capital Assets	<u>58,374,265</u>	<u>4,205,135</u>	<u>—</u>	<u>62,579,400</u>
Total Net Capital Assets	<u>65,468,731</u>	<u>4,205,135</u>	<u>2,055,776</u>	<u>67,618,090</u>

Depreciation expense was charged to business-type activities as follows:

Golf Course	\$ 21,142
Water and Sewer	<u>1,889,399</u>
	<u>1,910,541</u>

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT

Subscription Based Information Technology Arrangements (SBITAs)

The Village has the following Subscription Arrangements at year end:

Subscription Arrangements	Term Length	Start Date	Payments	Interest Rate
Axon	5 Years	5/1/2022	\$116,194 per Year	1.97%
Flock	7 Years	12/1/2023	\$43,500 per Year	1.97%

The future principal and interest subscription arrangement payments as of the year-end were as follows:

Fiscal Year	Principal	Interest
2025	\$ 148,245	11,449
2026	151,176	8,518
2027	154,166	7,737
2028	41,019	2,481
2029	41,830	1,670
2030	42,655	845
	<u>579,091</u>	<u>32,700</u>

IEPA Loans Payable

The Village has entered into loan agreements with the IEPA to provide low interest financing for waterworks and sewerage improvements. Final repayment schedule for the IEPA Loans Payable of 2019 is not available at the time of the issuance of this report. IEPA Loans Payable currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
IEPA Loan #L17-5394 of 2019, due in semi-annual installments including 1.840% interest bearing, through November 30, 2039.	Water and Sewer	\$ 4,178,939	—	488,448	3,690,491

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Long-Term Liabilities Activity

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances as Restated	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 1,173,835	92,706	46,353	1,220,188	244,038
Net Pension Liability - IMRF	5,543,583	—	2,374,583	3,169,000	—
Net Pension Liability - Police Pension	18,335,129	4,262,625	—	22,597,754	—
Net Pension Liability - Firefighters' Pension	13,421,223	964,908	—	14,386,131	—
Total OPEB Liability - RBP	6,091,341	1,827,364	—	7,918,705	1,226,034
Subscription Arrangements	451,434	287,351	159,694	579,091	148,245
	<u>45,016,545</u>	<u>7,434,954</u>	<u>2,580,630</u>	<u>49,870,869</u>	<u>1,618,317</u>
Business-Type Activities					
Compensated Absences	46,176	4,672	2,336	48,512	9,702
Net Pension Liability - IMRF	707,368	—	304,073	403,295	—
Total OPEB Liability - RBP	307,946	188,506	—	496,452	36,239
IEPA Loans Payable	4,178,939	—	488,448	3,690,491	238,148
Asset Retirement Obligation	440,000	—	—	440,000	—
	<u>5,680,429</u>	<u>193,178</u>	<u>794,857</u>	<u>5,078,750</u>	<u>284,089</u>

For governmental activities, the compensated absences, the net pension liabilities/(asset), and the total OPEB liability are liquidated by the General Fund. The General Fund and the Asset Forfeiture Fund make payments on the subscription arrangements.

For business-type activities, the Water and Sewer Fund makes payments on the compensated absences, the net pension liability/(asset), the total OPEB liability, the IEPA loans payable, and the asset retirement obligation.

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Legal Debt Margin

Article VII, Section 6(k) of the 1970 Illinois Constitution governs the computation of legal debt margin. “The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property...(2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent: indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum...shall not be included in the foregoing percentage amounts.” To date the Illinois General Assembly has set no limits for home rule municipalities. The Village is a home rule municipality.

Sales Tax Rebates

The Village has entered into various tax rebate agreements with local corporations under Village code. Under these agreements, the Village rebates a portion of hotel and resort taxes. For the fiscal year ended April 30, 2024, the Village paid \$1,375,928 in rebate agreements.

Asset Retirement Obligation

The Village has recognized an asset retirement obligation (ARO) and related deferred outflow of resources in connection with its obligation to seal and abandon various water wells and demolition of the Village’s water towers and standpipes at the end of their useful lives in accordance with federal, state, and/or local requirements. The ARO was measured using actual historical costs for similar abandonments, adjusted for inflation through the end of the year. The estimated remaining useful lives of the water wells are 21 years.

NET POSITION/FUND BALANCE RESTATEMENT

Beginning net position was restated due to the implementation of GASB Statement No. 96 and MICA equity not being recorded in prior years. The following is a summary of the net position as originally reported and as restated:

Net Position/Fund Balance	As Reported	As Restated	Increase
Governmental Activities	\$ 88,469,910	89,012,609	542,699
General	30,616,591	31,038,331	421,740
Fleet Services	1,474,969	1,488,486	13,517
Business-Type Activities	69,550,434	69,633,790	83,356
Water and Sewer	64,534,227	64,617,583	83,356

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

NET POSITION CLASSIFICATIONS

Net investment in capital assets was comprised of the following as of April 30, 2024:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 75,643,511
Less Capital Related Debt:	
Subscription Arrangements	<u>579,091</u>
Net Investment in Capital Assets	<u>75,064,420</u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	67,618,090
Less Capital Related Debt:	
IEPA Loan #L17-5394 of 2019	<u>3,690,491</u>
Net Investment in Capital Assets	<u>63,927,599</u>

FUND BALANCE CLASSIFICATIONS

In the governmental funds financial statements, the Village considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The Village first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

Nonspendable Fund Balance. Consists of resources that cannot be spent because they are either: a) not in a spendable form; or b) legally or contractually required to be maintained intact.

Restricted Fund Balance. Consists of resources that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance. Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the Board of Trustees; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS - Continued

Assigned Fund Balance. Consists of amounts that are constrained by the Board of Trustees' intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by a) the Board of Trustees itself or b) a body or official to which the Board of Trustees has delegated the authority to assign amounts to be used for specific purposes. The Village's highest level of decision-making authority is the Board of Trustees, who is authorized to assign amounts to a specific purpose.

Unassigned Fund Balance. Consists of residual net resources of a fund that has not been restricted, committed, or assigned within the General Fund and deficit fund balances of other governmental funds.

Minimum Fund Balance Policy. The Village's fund balance policy states that unassigned fund balance in the General Fund shall represent a minimum of 35% of the current years' budgeted expenditures. Balances in excess of the 35% minimum may be transferred to the Capital Improvement Fund to support future capital projects through Board approval.

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

	General	Special Revenue Motor Fuel Tax	Capital Projects Capital Improvement	Nonmajor	Totals
Fund Balances					
Nonspendable					
Prepays	\$ 745,318	—	—	23,889	769,207
Inventories	276,185	—	—	200,814	476,999
	<u>1,021,503</u>	<u>—</u>	<u>—</u>	<u>224,703</u>	<u>1,246,206</u>
Restricted					
Motor Fuel Tax	—	953,326	—	—	953,326
Public Safety	—	—	—	263,456	263,456
	<u>—</u>	<u>953,326</u>	<u>—</u>	<u>263,456</u>	<u>1,216,782</u>
Committed					
Capital Improvement	—	—	9,887,495	1,485,089	11,372,584
Impact Fees	—	—	—	126,928	126,928
	<u>—</u>	<u>—</u>	<u>9,887,495</u>	<u>1,612,017</u>	<u>11,499,512</u>
Unassigned	32,338,104	—	—	—	32,338,104
Total Fund Balances	<u>33,359,607</u>	<u>953,326</u>	<u>9,887,495</u>	<u>2,100,176</u>	<u>46,300,604</u>

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION

JOINT VENTURE

Central Lake County Joint Action Water Agency (CLCJAWA)

The Village is a charter member of the Central Lake County Joint Action Water Agency (the Agency). The Agency was formed by a group of local governments to construct and operate a system to provide adequate supplies of Lake Michigan water on an economical and efficient basis for its members or participants.

As a charter member, the Village was required to enter into a water purchase and sale contract with the Agency. This contract requires the Village to purchase from the Agency an amount of water necessary to serve its full water requirements. Total purchases for the year ended April 30, 2024 were \$2,352,235.

Complete financial statements for the Agency can be obtained from the Agency offices at 200 Rockland Road, Lake Bluff, Illinois 60044.

RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the Village's employees. The Village currently reports all its risk management activities in its General Fund and Water and Sewer Fund.

The Village is a member of the Municipal Insurance Cooperative Agency (MICA) for claims relating to workers' compensation, liability, auto, and property insurance. MICA is a pooled insurance program for Illinois Public Entities. Fund contributions are held by MICA and premiums are paid to carriers for comprehensive excess insurance.

The Village is self-insured for health insurance and uses a third-party administrator to process claims. The Village is responsible for the first \$75,000 of any claim after which stop-loss coverage has been purchased. The aggregate stop loss for the plan is \$1,000,000.

	Fiscal Year Ended	
	4/30/24	4/30/23
Claims Payable - Beginning	\$ 123,221	136,728
Incurred Claims	5,443,399	4,847,012
Claims Paid	(5,443,896)	(4,860,519)
Claims Payable - Ending	<u>122,724</u>	<u>123,221</u>

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

CONTINGENT LIABILITIES

Litigation

From time to time, the Village is party to various pending claims and legal proceedings with respect to employment, civil rights, property taxes and other matters. 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 District's financial position or results of operations.

Grants

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

COMMITMENTS

Central Lake County Joint Action Water Agency (CLCJAWA)

The government has committed to purchase water from the Central Lake County Joint Action Water Agency (CLCJAWA). The government expects to pay the following minimum amounts:

Fiscal Year	Amount
2025	\$ 2,355,890
2026	2,461,316
2027	2,571,460
2028	2,686,533
2029 - 2033	15,348,490
2034 - 2038	17,793,107
	<u>43,216,796</u>

These amounts have been calculated using the government's current allocation percentage in accordance with the contract. In future years this allocation percentage will be subject to change.

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system, the Police Pension Plan which is a single-employer pension plan, and the Firefighters' Pension Plan which is also a single-employer pension plan. Separate reports are issued for the Police and Firefighters' Pension Plans and can be obtained by writing the Village of Gurnee at 325 O'Plaine Road, Gurnee, Illinois 60031. IMRF does issue a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at www.imrf.org. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly.

The aggregate amounts recognized for the pension plans are:

	Net Pension Liabilities	Deferred Outflows	Deferred Inflows	Pension Expense/ (Revenue)
IMRF	\$ 3,572,295	3,523,680	121,337	(602,744)
Police Pension	22,597,754	10,775,069	1,388,893	3,459,938
Firefighters' Pension	14,386,131	5,248,238	2,829,868	2,345,435
	<u>40,556,180</u>	<u>19,546,987</u>	<u>4,340,098</u>	<u>5,202,629</u>

Illinois Municipal Retirement Fund (IMRF)

Plan Descriptions

Plan Administration. All employees (other than those covered by the Police and Firefighters' Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Benefits Provided. IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Benefits Provided - Continued. IMRF provides two tiers of pension benefits. Employees hired before January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit 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 consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit 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 on January 1 every 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. As of December 31, 2023, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	93
Inactive Plan Members Entitled to but not yet Receiving Benefits	44
Active Plan Members	<u>102</u>
Total	<u><u>239</u></u>

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Contributions. As set by statute, the Village’s Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended April 30, 2024, the Village’s contribution was 7.92% of covered payroll.

Net Pension Liability. The Village’s net pension liability was measured as of December 31, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2023, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	2.85% to 13.75%
Cost of Living Adjustments	2.75%
Inflation	2.25%

For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Actuarial Assumptions - Continued. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	24.50%	4.75%
Domestic Equities	34.50%	5.00%
International Equities	18.00%	6.35%
Real Estate	10.50%	6.30%
Blended	11.50%	6.05% - 8.65%
Cash and Cash Equivalents	1.00%	3.80%

Discount Rate

The discount rate used to measure the total pension liability was 7.25%, 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 the actuarially determined contribution rates and the member rate. Based on those assumptions, the Village's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

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 the net pension liability/(asset) of the Village calculated using the discount rate as well as what the Village's net pension liability/(asset) would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/(Asset) \$	10,808,108	3,572,295	(2,010,431)

Changes in the Net Pension Liability/(Asset)

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2022	\$ 54,696,694	48,445,743	6,250,951
Changes for the year:			
Service Cost	844,184	—	844,184
Interest	3,902,196	—	3,902,196
Difference Between Expected and Actual Experience of the Total Pension Liability	316,141	—	316,141
Changes of Assumptions	(2,459)	—	(2,459)
Contributions - Employer	—	786,376	(786,376)
Contributions - Employees	—	426,349	(426,349)
Net Investment Income	—	5,249,306	(5,249,306)
Benefit Payments, including Refunds of Employee Contributions	(2,590,782)	(2,590,782)	—
Other (Net Transfer)	—	1,276,687	(1,276,687)
Net Changes	2,469,280	5,147,936	(2,678,656)
Balances at December 31, 2023	57,165,974	53,593,679	3,572,295

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ended April 30, 2024, the Village recognized pension revenue of \$602,744. At April 30, 2024, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 643,624	—	643,624
Change in Assumptions	—	(121,337)	(121,337)
Net Difference Between Projected and Actual			
Earnings on Pension Plan Investments	2,643,357	—	2,643,357
Total Pension Expense to be Recognized in Future Periods	3,286,981	(121,337)	3,165,644
Contributions Subsequent to Measurement Date	236,699	—	236,699
Total Deferred Amounts Related to IMRF	<u>3,523,680</u>	<u>(121,337)</u>	<u>3,402,343</u>

\$236,699 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended April 30, 2025. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2025	\$ 460,890
2026	1,070,114
2027	1,909,854
2028	(288,371)
2029	13,157
Thereafter	<u>—</u>
Totals	<u>3,165,644</u>

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan

Plan Descriptions

Plan Administration. The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the Village President, one member is elected by pension beneficiaries and two members are elected by active police employees.

Plan Membership. At April 30, 2024, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	56
Inactive Plan Members Entitled to but not yet Receiving Benefits	22
Active Plan Members	<u>69</u>
Total	<u><u>147</u></u>

Benefits Provided. The following is a summary of the Police Pension Plan as provided for in Illinois State Statutes.

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of ½ of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3 percent compounded annually thereafter.

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

Plan Descriptions - Continued

Benefits Provided - Continued. Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 48 consecutive months of service within the last 60 months of service in which the total salary was the highest by the number of months of service in that period. Police officer salary for the pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., ½ percent for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent or ½ of the change in the Consumer Price Index for the proceeding calendar year.

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 plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended April 30, 2024, the Village's contribution was 34.59% of covered payroll.

Concentrations. At year end, the Pension Plan does not have any investments over 5 percent of net plan position available for retirement benefits (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

Actuarial Assumptions

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

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	7.00%
Salary Increases	4.00% - 9.25%
Cost of Living Adjustments	2.25%
Inflation	2.25%

Mortality rates were based on the PubS-2010(A) employee mortality, improved fully generationally using Scale MP-2019 improvement rates.

Discount Rate

The discount rate used to measure the total pension liability was 7.00%, 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 the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net Pension Liability	\$ 37,429,160	22,597,754	10,599,111

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at April 30, 2022	\$ 88,644,425	70,309,296	18,335,129
Changes for the Year:			
Service Cost	1,578,322	—	1,578,322
Interest on the Total Pension Liability	6,256,917	—	6,256,917
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	6,318,092	—	6,318,092
Changes of Assumptions	69,712	—	69,712
Contributions - Employer	—	2,709,668	(2,709,668)
Contributions - Employees	—	777,894	(777,894)
Contributions - Buy Backs	—	—	—
Net Investment Income	—	6,538,134	(6,538,134)
Benefit Payments, Including Refunds of Employee Contributions	(4,055,868)	(4,055,868)	—
Other (Net Transfer)	—	—	—
Administrative Expense	—	(65,278)	65,278
Net Changes	10,167,175	5,904,550	4,262,625
Balances at April 30, 2023	98,811,600	76,213,846	22,597,754

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ended April 30, 2024, the Village recognized pension expense of \$3,459,938. At April 30, 2024, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 6,654,630	(1,388,893)	5,265,737
Change in Assumptions	483,649	—	483,649
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	3,636,790	—	3,636,790
Total Deferred Amounts Related to Police Pension	10,775,069	(1,388,893)	9,386,176

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows of Resources
2025	\$ 1,102,714
2026	4,148,644
2027	1,709,803
2028	597,182
2029	954,683
Thereafter	873,150
Total	9,386,176

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Firefighters' Pension Plan

Plan Descriptions

Plan Administration. The Firefighters' Pension Plan is a single-employer defined benefit pension plan that covers all sworn firefighter personnel. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-1) and may be amended only by the Illinois legislature. The Village accounts for the Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the Village President, one member is elected by pension beneficiaries and two members are elected by active fire employees.

Plan Membership. At April 30, 2024, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	34
Inactive Plan Members Entitled to but not yet Receiving Benefits	4
Active Plan Members	<u>57</u>
Total	<u>95</u>

Benefits Provided. The following is a summary of the Firefighters' Pension Plan as provided for in Illinois State Statutes.

The Firefighters' Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of $\frac{1}{2}$ of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a 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 be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3 percent compounded annually thereafter.

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Firefighters' Pension Plan - Continued

Plan Descriptions - Continued

Benefits Provided - Continued. Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 48 consecutive months of service within the last 60 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for the pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., ½ percent for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions. Covered employees are required to contribute 9.455% of their base salary to the Firefighters' 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 plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended April 30, 2024, the Village's contribution was 33.30% of covered payroll.

Concentrations. At year end, the Pension Plan has no investments (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments) in any one organization that represent 5 percent or more of net position available for retirement benefits.

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Firefighters' Pension Plan - Continued

Actuarial Assumptions

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

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	7.00%
Salary Increases	4.00% - 7.25%
Cost of Living Adjustments	2.25%
Inflation	2.25%

Mortality rates were based on the PubS-2010(A) employee mortality, improved fully generationally using Scale MP-2019 improvement rates.

Discount Rate

The discount rate used to measure the total pension liability was 7.00%, the same as the prior year. 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 the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Firefighters' Pension Plan - Continued

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net Pension Liability	\$ 25,227,920	14,386,131	5,544,447

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at April 30, 2023	\$ 65,857,170	52,435,947	13,421,223
Changes for the Year:			
Service Cost	1,695,085	—	1,695,085
Interest on the Total Pension Liability	4,508,232	—	4,508,232
Changes of Benefit Terms		—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	3,183,969	—	3,183,969
Changes of Assumptions	—	—	—
Contributions - Employer	—	2,267,788	(2,267,788)
Contributions - Employees	—	682,598	(682,598)
Contributions - Buy Backs	—	—	—
Net Investment Income	—	5,560,274	(5,560,274)
Benefit Payments, Including Refunds of Employee Contributions	(2,455,931)	(2,455,931)	—
Administrative Expenses	—	(88,282)	88,282
Net Changes	6,931,355	5,966,447	964,908
Balances at April 30, 2024	72,788,525	58,402,394	14,386,131

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Firefighters' Pension Plan - Continued

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ended April 30, 2024, the Village recognized pension expense of \$2,345,435. At April 30, 2024, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 3,295,041	(2,800,533)	494,508
Change in Assumptions	446,286	(29,335)	416,951
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	1,506,911	—	1,506,911
Total Deferred Amounts Related to Firefighters' Pension	<u>5,248,238</u>	<u>(2,829,868)</u>	<u>2,418,370</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2025	\$ (9,583)
2026	1,604,051
2027	265,621
2028	(214,915)
2029	124,590
Thereafter	<u>648,606</u>
Total	<u>2,418,370</u>

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS

General Information about the OPEB Plan

Plan Description. The Village's defined benefit OPEB plan, Retiree Benefits Plan (RBP), provides OPEB for all permanent full-time general and public safety employees of the Village. RBP is a single-employer defined benefit OPEB plan administered by the Village. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the Village Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided. RBP provides healthcare benefits for retirees and their dependents. The retiree and their dependent pay 100% of the active premium. Upon reaching age 65, Medicare becomes the primary insurer.

Plan Membership. As of April 30, 2024, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	33
Inactive Plan Members Entitled to but not yet Receiving Benefits	—
Active Plan Members	<u>211</u>
Total	<u>244</u>

Total OPEB Liability

The Village's total OPEB liability was measured as of April 30, 2024, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the April 30, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Salary Increases	3.00%
Discount Rate	4.07%
Healthcare Cost Trend Rates	Initial rate of 6.80%, decreasing per year to an ultimate rate of 5.00% for 2034 and later years
Retirees' Share of Benefit-Related Costs	100% of the projected health insurance premiums for retirees

The discount rate was based on the S&P Municipal Bond 20-Year High Grade Rate Index as of April 30, 2023.

Mortality was based on PubG-2010 amount-weighted, below-medium income with Scale MP-2021 for IMRF participants and PubS-2010 employee mortality projected five years past the valuation date with Scale MP-2021 for Police and Fire participants.

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Change in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance at April 30, 2023	\$ <u>6,399,287</u>
Changes for the Year:	
Service Cost	176,590
Interest on the Total OPEB Liability	258,800
Changes of Benefit Terms	—
Difference Between Expected and Actual Experience	3,171,107
Changes of Assumptions or Other Inputs	(1,294,473)
Benefit Payments	<u>(296,154)</u>
Net Changes	<u>2,015,870</u>
Balance at April 30, 2024	<u><u>8,415,157</u></u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability, calculated using a Single Discount Rate of 4.07%, while last year used 4.14%, as well as what the total OPEB liability would be if it were calculated using a Single Discount Rate that is one percentage point lower or one percentage point higher:

	1% Decrease (3.07%)	Current Discount Rate (4.07%)	1% Increase (5.07%)
Total OPEB Liability	\$ 9,068,628	8,415,157	7,829,597

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability, calculated using a variable Healthcare Trend Rate, as well as what the total OPEB liability would be if it were calculated using a Healthcare Trend Rate that is one percentage point lower or one percentage point higher:

	1% Decrease (Varies)	Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
Total OPEB Liability	\$ 7,755,389	8,415,157	9,160,585

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

For the year ended April 30, 2024, the Village recognized OPEB expense of \$645,797. At April 30, 2024, 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	Totals
Difference Between Expected and Actual Experience	\$ 3,442,428	—	3,442,428
Change in Assumptions	619,417	(1,927,372)	(1,307,955)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	—	—	—
Total Deferred Amounts Related to OPEB	4,061,845	(1,927,372)	2,134,473

VILLAGE OF GURNEE, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - Continued

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

Fiscal Year	Net Deferred Outflows of Resources
2025	\$ 210,407
2026	210,407
2027	210,409
2028	188,034
2029	168,750
Thereafter	<u>1,146,466</u>
Total	<u><u>2,134,473</u></u>

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule Employer Contributions
 - Illinois Municipal Retirement Fund
 - Police Pension Fund
 - Firefighters' Pension Fund

- Schedule of Changes in the Employer's Net Pension Liability/(Asset)
 - Illinois Municipal Retirement Fund
 - Police Pension Fund
 - Firefighters' Pension Fund

- Schedule of Investment Returns
 - Police Pension Fund
 - Firefighters' Pension Fund

- Schedule of Changes in the Employer's Total OPEB Liability
 - Retiree Benefit Plan

- Budgetary Comparison Schedules
 - General Fund
 - Motor Fuel Tax Fund - Special Revenue Fund

Notes to the Required Supplementary Information

Budgetary Information - Budgets are adopted on a basis consistent with generally accepted accounting principles.

VILLAGE OF GURNEE, ILLINOIS

**Illinois Municipal Retirement Fund
Schedule of Employer Contributions
April 30, 2024**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
4/30/16	\$ 857,777	\$ 876,079	\$ 18,302	\$ 7,275,459	12.04%
4/30/17	926,009	926,009	—	7,485,933	12.37%
4/30/18	979,458	979,458	—	8,233,291	11.90%
4/30/19	952,141	952,141	—	8,345,478	11.41%
4/30/20	966,249	966,249	—	8,783,458	11.00%
4/30/21	972,712	972,712	—	8,232,780	11.82%
4/30/22	990,516	990,516	—	8,883,526	11.15%
4/30/23	860,821	860,821	—	9,337,085	9.22%
4/30/24	758,341	758,341	—	9,579,544	7.92%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	20 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	2.75% to 13.75%, Including Inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF GURNEE, ILLINOIS

**Police Pension Fund
Schedule of Employer Contributions
April 30, 2024**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
4/30/16	\$ 1,590,485	\$ 1,590,485	\$ —	\$ 5,700,543	27.90%
4/30/17	1,945,216	1,945,216	—	5,519,742	35.24%
4/30/18	2,137,886	2,137,886	—	5,699,134	37.51%
4/30/19	2,167,602	2,207,368	39,766	6,174,268	35.75%
4/30/20	2,273,714	2,273,714	—	6,739,445	33.74%
4/30/21	2,398,379	2,398,379	—	6,947,391	34.52%
4/30/22	2,554,119	2,554,119	—	6,274,265	40.71%
4/30/23	2,024,393	2,630,742	606,349	6,802,179	38.67%
4/30/24	1,503,838	2,709,668	1,205,830	7,834,108	34.59%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	19 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	4.00% - 7.25%
Investment Rate of Return	7.00%
Retirement Age	See the Notes to the Financial Statements
Mortality	Pub-2010 adjusted for plan status, demographics, and Illinois public pension data, as described

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF GURNEE, ILLINOIS

**Firefighters' Pension Fund
Schedule of Employer Contributions
April 30, 2024**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
4/30/16	\$ 1,471,445	\$ 1,471,445	\$ —	\$ 5,277,184	27.88%
4/30/17	1,700,217	1,700,217	—	5,469,114	31.09%
4/30/18	1,738,081	1,738,081	—	5,646,860	30.78%
4/30/19	1,810,723	1,810,723	—	5,607,922	32.29%
4/30/20	1,770,649	1,869,571	98,922	6,261,153	29.86%
4/30/21	1,966,654	1,966,654	—	5,999,283	32.78%
4/30/22	2,110,682	2,110,682	—	6,384,914	33.06%
4/30/23	1,951,275	2,201,735	250,460	6,655,644	33.08%
4/30/24	1,646,498	2,267,788	621,290	6,810,346	33.30%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	19 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	4.00% - 7.25%
Investment Rate of Return	7.00%
Retirement Age	See the Notes to the Financial Statements
Mortality	Pub-2010 adjusted for plan status, demographics, and Illinois public pension data, as described

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF GURNEE, ILLINOIS

Illinois Municipal Retirement Fund

Schedule of Changes in the Employer's Net Pension Liability/(Asset)

April 30, 2024

	12/31/2015	12/31/2016	12/31/2017
Total Pension Liability			
Service Cost	\$ 832,752	787,612	812,408
Interest	2,632,234	2,739,306	2,933,360
Differences Between Expected and Actual Experience	(903,147)	304,710	877,101
Change of Assumptions	50,339	(105,890)	(1,227,067)
Benefit Payments, Including Refunds of Member Contributions	(1,002,208)	(1,220,173)	(1,276,639)
Net Change in Total Pension Liability	1,609,970	2,505,565	2,119,163
Total Pension Liability - Beginning	35,228,043	36,838,013	39,343,578
Total Pension Liability - Ending	36,838,013	39,343,578	41,462,741
Plan Fiduciary Net Position			
Contributions - Employer	\$ 876,079	926,009	948,117
Contributions - Members	327,927	336,868	357,330
Net Investment Income	155,155	2,098,293	5,543,253
Benefit Payments, Including Refunds of Member Contributions	(1,002,208)	(1,220,173)	(1,276,639)
Other (Net Transfer)	(649,758)	340,924	(365,743)
Net Change in Plan Fiduciary Net Position	(292,805)	2,481,921	5,206,318
Plan Net Position - Beginning	30,930,089	30,637,284	33,119,205
Plan Net Position - Ending	30,637,284	33,119,205	38,325,523
Employer's Net Pension Liability/(Asset)	\$ 6,200,729	6,224,373	3,137,218
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	83.17%	84.18%	92.43%
Covered Payroll	\$ 7,275,459	7,485,933	7,940,679
Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	85.23%	83.15%	39.51%

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2015 through 2018 and 2020. Changes in assumptions related to the demographics were made in 2017.

12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023
805,299	839,031	861,325	766,354	810,579	844,184
3,068,929	3,220,813	3,390,375	3,521,490	3,744,267	3,902,196
(7,480)	22,307	(402)	898,053	(7,324)	316,141
1,411,884	—	(439,381)	—	—	(2,459)
(1,892,684)	(1,686,386)	(1,822,659)	(2,089,240)	(2,181,197)	(2,590,782)
3,385,948	2,395,765	1,989,258	3,096,657	2,366,325	2,469,280
41,462,741	44,848,689	47,244,454	49,233,712	52,330,369	54,696,694
44,848,689	47,244,454	49,233,712	52,330,369	54,696,694	57,165,974
984,774	886,271	993,472	990,567	897,833	786,376
375,549	378,749	414,236	385,268	412,583	426,349
(1,811,225)	6,721,888	5,962,516	8,097,135	(6,703,321)	5,249,306
(1,892,684)	(1,686,386)	(1,822,659)	(2,089,240)	(2,181,197)	(2,590,782)
593,226	67,114	272,030	(22,551)	(103,728)	1,276,687
(1,750,360)	6,367,636	5,819,595	7,361,179	(7,677,830)	5,147,936
38,325,523	36,575,163	42,942,799	48,762,394	56,123,573	48,445,743
36,575,163	42,942,799	48,762,394	56,123,573	48,445,743	53,593,679
8,273,526	4,301,655	471,318	(3,793,204)	6,250,951	3,572,295
81.55%	90.89%	99.04%	107.25%	88.57%	93.75%
8,345,542	8,416,635	8,328,889	8,561,513	9,161,560	9,474,416
99.14%	51.11%	5.66%	(44.31%)	68.23%	37.70%

VILLAGE OF GURNEE, ILLINOIS

Police Pension Fund

Schedule of Changes in the Employer's Net Pension Liability

April 30, 2024

	4/30/2016	4/30/2017	4/30/2018
Total Pension Liability			
Service Cost	\$ 1,220,720	1,312,264	1,404,122
Interest	4,063,650	4,313,018	4,450,693
Changes in Benefit Terms	—	—	—
Differences Between Expected and Actual Experience	1,549,091	(738,623)	(77,726)
Change of Assumptions	(1,208,583)	(686,517)	—
Contributions - Buy Back	—	—	—
Benefit Payments, Including Refunds of Member Contributions	(1,972,701)	(2,152,303)	(2,314,376)
Administrative Expenses	—	—	—
Net Change in Total Pension Liability	3,652,177	2,047,839	3,462,713
Total Pension Liability - Beginning	59,038,499	62,690,676	64,738,515
Total Pension Liability - Ending	62,690,676	64,738,515	68,201,228
Plan Fiduciary Net Position			
Contributions - Employer	\$ 1,590,485	1,945,216	2,137,886
Contributions - Members	611,781	774,770	1,519,677
Contributions - Buy Backs	—	—	—
Net Investment Income	279,678	2,709,646	5,056,281
Benefit Payments, Including Refunds of Member Contributions	(1,972,701)	(2,152,303)	(2,314,376)
Administrative Expenses	(77,550)	(46,677)	(52,281)
Net Change in Plan Fiduciary Net Position	431,693	3,230,652	6,347,187
Plan Net Position - Beginning	39,412,860	39,844,553	43,075,205
Plan Net Position - Ending	39,844,553	43,075,205	49,422,392
Employer's Net Pension Liability	\$ 22,846,123	21,663,310	18,778,836
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	63.56%	66.54%	72.47%
Covered Payroll	\$ 5,700,543	5,519,742	5,699,134
Employer's Net Pension Liability as a Percentage of Covered Payroll	400.77%	392.47%	329.50%

Changes of Assumptions. Changes of assumptions related to the mortality improvement scale were made in 2019 through 2022.

4/30/2019	4/30/2020	4/30/2021	4/30/2022	4/30/2023	4/30/2024
1,502,260	1,407,925	1,909,946	1,639,918	1,525,821	1,578,322
4,790,937	5,060,273	5,324,207	5,498,341	5,822,621	6,256,917
—	—	—	—	(59,666)	—
(1,341,416)	358,480	649,194	(2,206,240)	889,409	6,318,092
1,412,992	1,262,296	33,876	385,344	—	69,712
201,435	33,338	—	—	—	—
(2,523,091)	(2,725,349)	(2,919,165)	(3,526,686)	(3,914,768)	(4,055,868)
—	—	(49,035)	—	—	—
4,043,117	5,396,963	4,949,023	1,790,677	4,263,417	10,167,175
68,201,228	72,244,345	77,641,308	82,590,331	84,381,008	88,644,425
72,244,345	77,641,308	82,590,331	84,381,008	88,644,425	98,811,600
2,207,368	2,273,714	2,398,379	2,554,119	2,630,742	2,709,668
611,870	667,880	762,876	875,201	1,080,738	777,894
201,435	33,338	—	—	—	—
5,556,118	2,367,277	19,305,855	(5,867,816)	(807,422)	6,538,134
(2,523,091)	(2,725,349)	(2,919,165)	(3,526,686)	(3,914,768)	(4,055,868)
(65,970)	(67,580)	(56,629)	(74,520)	(91,010)	(65,278)
5,987,730	2,549,280	19,491,316	(6,039,702)	(1,101,720)	5,904,550
49,422,392	55,410,122	57,959,402	77,450,718	71,411,016	70,309,296
55,410,122	57,959,402	77,450,718	71,411,016	70,309,296	76,213,846
16,834,223	19,681,906	5,139,613	12,969,992	18,335,129	22,597,754
76.70%	74.65%	93.78%	84.63%	79.32%	77.13%
6,174,268	6,739,445	6,947,391	6,274,265	6,802,179	7,834,108
272.65%	292.04%	73.98%	206.72%	269.55%	288.45%

VILLAGE OF GURNEE, ILLINOIS

**Firefighters' Pension Fund
Schedule of Changes in the Employer's Net Pension Liability
April 30, 2024**

	4/30/2016	4/30/2017	4/30/2018
Total Pension Liability			
Service Cost	\$ 1,228,976	1,347,577	1,285,648
Interest	2,841,807	3,152,333	3,326,747
Changes in Benefit Terms	—	—	—
Differences Between Expected and Actual Experience	354,905	(609,798)	(453,350)
Change of Assumptions	999,531	(165,000)	—
Contributions - Buy Backs	—	—	—
Benefit Payments, Including Refunds of Member Contributions	(924,848)	(1,053,415)	(1,413,560)
Administrative Expenses	—	—	—
Net Change in Total Pension Liability	4,500,371	2,671,697	2,745,485
Total Pension Liability - Beginning	41,059,663	45,560,034	48,231,731
Total Pension Liability - Ending	45,560,034	48,231,731	50,977,216
Plan Fiduciary Net Position			
Contributions - Employer	1,471,445	1,700,217	1,738,081
Contributions - Members	504,573	519,070	500,248
Contributions - Buy Backs	—	—	—
Net Investment Income	109,820	3,260,042	2,591,258
Benefit Payments, Including Refunds of Member Contributions	(924,848)	(1,053,415)	(1,413,560)
Administrative Expenses	(32,999)	(29,828)	(25,968)
Net Change in Plan Fiduciary Net Position	1,127,991	4,396,086	3,390,059
Plan Net Position - Beginning	27,991,653	29,119,644	33,515,730
Plan Net Position - Ending	29,119,644	33,515,730	36,905,789
Employer's Net Pension Liability	\$ 16,440,390	14,716,001	14,071,427
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	63.91%	69.49%	72.40%
Covered Payroll	\$ 5,277,184	5,469,114	5,646,860
Employer's Net Pension Liability as a Percentage of Covered Payroll	311.54%	269.07%	249.19%

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

Changes of Assumptions. Changes of assumptions related to the mortality improvement scale were made in 2019 through 2024.

4/30/2019	4/30/2020	4/30/2021	4/30/2022	4/30/2023	4/30/2024
1,285,648	1,439,819	1,653,610	1,583,185	1,585,555	1,695,085
3,607,721	3,776,224	3,950,630	4,005,987	4,285,926	4,508,232
—	262,832	—	—	(109,672)	—
(1,602,537)	277,430	151,323	(3,098,016)	349,373	3,183,969
501,263	—	17,148	264,899	—	—
—	35,531	—	—	—	—
(1,447,986)	(1,630,160)	(1,933,779)	(2,002,354)	(2,290,371)	(2,455,931)
—	—	(39,275)	—	—	—
2,344,109	4,161,676	3,799,657	753,701	3,820,811	6,931,355
50,977,216	53,321,325	57,483,001	61,282,658	62,036,359	65,857,170
53,321,325	57,483,001	61,282,658	62,036,359	65,857,170	72,788,525
1,810,723	1,869,571	1,966,654	2,110,682	2,201,735	2,267,788
530,229	591,991	621,923	609,262	635,280	682,598
—	35,531	—	—	—	—
2,572,189	725,605	11,566,930	(3,228,120)	432,068	5,560,274
(1,447,986)	(1,630,160)	(1,933,779)	(2,002,354)	(2,290,371)	(2,455,931)
(41,103)	(38,699)	(39,455)	(43,502)	(54,686)	(88,282)
3,424,052	1,553,839	12,182,273	(2,554,032)	924,026	5,966,447
36,905,789	40,329,841	41,883,680	54,065,953	51,511,921	52,435,947
40,329,841	41,883,680	54,065,953	51,511,921	52,435,947	58,402,394
12,991,484	15,599,321	7,216,705	10,524,438	13,421,223	14,386,131
75.64%	72.86%	88.22%	83.04%	79.62%	80.24%
5,607,922	6,261,153	5,999,283	6,384,914	6,655,644	6,810,346
231.66%	249.14%	120.29%	164.83%	201.65%	211.24%

VILLAGE OF GURNEE, ILLINOIS

Police Pension Fund

Schedule of Investment Returns

April 30, 2024

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
4/30/16	1.00%
4/30/17	6.60%
4/30/18	11.97%
4/30/19	11.64%
4/30/20	4.50%
4/30/21	2.55%
4/30/22	(7.18%)
4/30/23	(12.67%)
4/30/24	9.54%

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF GURNEE, ILLINOIS

**Firefighters' Pension Fund
Schedule of Investment Returns
April 30, 2024**

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
4/30/16	1.00%
4/30/17	6.60%
4/30/18	7.67%
4/30/19	6.92%
4/30/20	1.79%
4/30/21	27.60%
4/30/22	1.40%
4/30/23	0.68%
4/30/24	10.57%

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF GURNEE, ILLINOIS

Retiree Benefit Plan

Schedule of Changes in the Employer's Total OPEB Liability

April 30, 2024

	<u>4/30/2019</u>
Total OPEB Liability	
Service Cost	\$ 101,787
Interest	191,048
Changes in Benefit Terms	—
Differences Between Expected and Actual Experience	—
Change of Assumptions or Other Inputs	201,386
Benefit Payments	<u>(209,629)</u>
Net Change in Total OPEB Liability	284,592
Total OPEB Liability - Beginning	<u>5,265,120</u>
Total OPEB Liability - Ending	<u><u>5,549,712</u></u>
Covered-Employee Payroll	\$ 15,259,637
Total OPEB Liability as a Percentage of Covered-Employee Payroll	36.37%

Notes:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

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

Changes of Assumptions. Changes of assumptions related to the discount rate were made in 2019 through 2024.

4/30/2020	4/30/2021	4/30/2022	4/30/2023	4/20/2024
115,842	130,314	195,661	138,601	176,590
178,243	165,258	129,405	237,142	258,800
—	—	—	—	—
—	348,452	—	350,779	3,171,107
173,559	834,718	(1,073,580)	14,268	(1,294,473)
(227,447)	(245,074)	(297,140)	(319,426)	(296,154)
240,197	1,233,668	(1,045,654)	421,364	2,015,870
5,549,712	5,789,909	7,023,577	5,977,923	6,399,287
5,789,909	7,023,577	5,977,923	6,399,287	8,415,157
16,051,612	15,909,920	16,684,733	18,463,312	22,906,242
36.07%	44.15%	35.83%	34.66%	36.74%

VILLAGE OF GURNEE, ILLINOIS

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended April 30, 2024

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 10,257,450	10,257,450	11,085,429
Intergovernmental	30,242,210	30,242,210	31,501,609
Charges for Services	5,200,737	10,581,237	10,436,765
Licenses and Permits	1,345,000	1,345,000	1,539,476
Fines and Forfeitures	1,106,000	1,106,000	969,893
Investment Income	775,001	775,001	1,504,693
Miscellaneous	160,000	160,000	789,912
Total Revenues	49,086,398	54,466,898	57,827,777
Expenditures			
General Government	8,898,384	14,278,884	13,524,322
Public Safety	34,767,765	34,767,765	33,311,854
Highways and Streets	3,715,669	3,715,669	3,491,598
Capital Outlay	1,704,580	1,704,580	1,736,280
Debt Service			
Principal Retirement	—	—	116,194
Total Expenditures	49,086,398	54,466,898	52,180,248
Excess (Deficiency) of Revenues Over (Under) Expenditures	—	—	5,647,529
Other Financing (Uses)			
Transfers Out	—	—	(3,000,000)
Net Change in Fund Balance	—	—	2,647,529
Fund Balance - Beginning as Restated			30,712,078
Fund Balance - Ending			33,359,607

VILLAGE OF GURNEE, ILLINOIS

Motor Fuel Tax - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended April 30, 2024

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Motor Fuel Tax Allotments	\$ 1,327,000	1,327,000	1,355,172
Investment Income	75,000	75,000	37,498
Total Revenues	<u>1,402,000</u>	<u>1,402,000</u>	<u>1,392,670</u>
Expenditures			
Highways and Streets			
Repairs and Maintenance	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>
Net Change in Fund Balance	<u>(598,000)</u>	<u>(598,000)</u>	(607,330)
Fund Balance - Beginning			<u>1,560,656</u>
Fund Balance - Ending			<u><u>953,326</u></u>

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Combining Statements - General Fund
- Budgetary Comparison Schedules - General Fund Accounts
- Budgetary Comparison Schedules - Major Governmental Funds
- Combining Statements - Nonmajor Governmental Funds
- Budgetary Comparison Schedules - Nonmajor Governmental Funds
- Budgetary Comparison Schedules - Enterprise Funds
- Combining Statements - Pension Trust Funds
- Budgetary Comparison Schedules - Pension Trust Funds
- Budgetary Comparison Schedule - Custodial Fund

INDIVIDUAL FUND DESCRIPTIONS

GENERAL FUND

The General Fund is used to account for all financial resources except those required to be accounted for in another fund.

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than fiduciary funds or capital projects funds) that are legally restricted to expenditure for specified purposes.

Motor Fuel Tax Fund

The Motor Fuel Tax Fund is used to account for the maintenance and construction of streets and roads as approved by the Illinois Department of Transportation.

911 Fund

The 911 Fund is used to account for the installation and operation of the emergency telephone system (911). Revenues are provided by a surcharge on telephone bills.

Impact Fund

The Impact Fund is used to account for fees collected from developers for necessary improvements to be made by the Village when deemed necessary by the Village. The Impact Fund is also used to collect county impact fees for county road improvements within the Village.

Asset Forfeiture Fund

The Asset Forfeiture Fund is used for seized drug money. The Village receives a percentage of money back any time there is a drug arrest and money is recovered. This money is to be used for drug awareness.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for all resources used for the acquisition of capital facilities by a governmental unit except those financed by proprietary funds.

Capital Improvement Fund

The Capital Improvement Fund is used to account for the acquisition and improvement of Village property including infrastructure and general capital assets.

Fleet Services Fund

The Fleet Services Fund is used to account for the acquisition and maintenance of the Village's fleet of vehicles.

INDIVIDUAL FUND DESCRIPTIONS - Continued

ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where it has been decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purpose. The Village's enterprise funds are both major funds.

Golf Course Fund

The Golf Course Fund is used to account for the construction and operation of a municipal golf course.

Water and Sewer Fund

The Water and Sewer Fund is used to account for the provision of 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.

TRUST AND CUSTODIAL FUNDS

PENSION TRUST FUNDS

Police Pension Fund

The Police Pension Fund is used to account for the accumulation of resources to be used for retirement annuity payments to employees on the police force at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law and by the Village at amounts determined by an annual actuarial study.

Firefighters' Pension Fund

The Firefighters' Pension Fund is used to account for the accumulation of resources to be used for retirement annuity payments to employees on the fire department at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law and by the Village at amounts determined by an annual actuarial study.

CUSTODIAL FUND

NE Lake County Consolidated ETSB Fund

The NE Lake County Consolidated Emergency Telephone System Board Fund is used to account for funds distributed under the State of Illinois 911 Administrator for the payment of approved expenditures related to the joint dispatch operation between the Village of Gurnee and City of Zion.

VILLAGE OF GURNEE, ILLINOIS

General Fund - by Accounts

Combining Balance Sheet

April 30, 2024

	General Account	Health Insurance Account	Eliminations	Totals
ASSETS				
Cash and Investments	\$ 30,953,019	74,086	—	31,027,105
Receivables - Net of Allowances				
Taxes	7,665,551	—	—	7,665,551
Other	511,450	—	—	511,450
Due from Other Funds	383,920	—	(275,000)	108,920
Prepays	745,318	—	—	745,318
Inventories	276,185	—	—	276,185
Total Assets	<u>40,535,443</u>	<u>74,086</u>	<u>(275,000)</u>	<u>40,334,529</u>
LIABILITIES				
Accounts Payable	704,620	422,951	—	1,127,571
Accrued Payroll	789,908	—	—	789,908
Due to Other Funds	—	275,000	(275,000)	—
Medical Claims Payable	120,584	—	—	120,584
Deposits Payable	141,619	—	—	141,619
Other Payable	4,026,702	—	—	4,026,702
Total Liabilities	<u>5,783,433</u>	<u>697,951</u>	<u>(275,000)</u>	<u>6,206,384</u>
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	768,538	—	—	768,538
Total Liabilities and Deferred Inflows of Resources	<u>6,551,971</u>	<u>697,951</u>	<u>(275,000)</u>	<u>6,974,922</u>
FUND BALANCES				
Nonspendable	1,021,503	—	—	1,021,503
Unassigned	32,961,969	(623,865)	—	32,338,104
Total Fund Balances	<u>33,983,472</u>	<u>(623,865)</u>	<u>—</u>	<u>33,359,607</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>40,535,443</u>	<u>74,086</u>	<u>(275,000)</u>	<u>40,334,529</u>

VILLAGE OF GURNEE, ILLINOIS

General Fund - by Accounts

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

April 30, 2024

	General Account	Health Insurance Account	Eliminations	Totals
Revenues				
Taxes	\$ 11,085,429	—	—	11,085,429
Intergovernmental	31,501,609	—	—	31,501,609
Charge for Services	4,951,531	5,485,234	—	10,436,765
Licenses and Permits	1,539,476	—	—	1,539,476
Fines and Forfeitures	969,893	—	—	969,893
Investment Income	1,504,693	—	—	1,504,693
Miscellaneous	789,912	—	—	789,912
Total Revenues	52,342,543	5,485,234	—	57,827,777
Expenditures				
General Government	7,741,476	5,782,846	—	13,524,322
Public Safety	33,311,854	—	—	33,311,854
Highways and Streets	3,491,598	—	—	3,491,598
Capital Outlay	1,736,280	—	—	1,736,280
Debt Service				
Principal Retirement	116,194	—	—	116,194
Total Expenditures	46,397,402	5,782,846	—	52,180,248
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,945,141	(297,612)	—	5,647,529
Other Financing (Uses)				
Transfers Out	(3,000,000)	—	—	(3,000,000)
Net Change in Fund Balance	2,945,141	(297,612)	—	2,647,529
Fund Balance - Beginning as Restated	31,038,331	(326,253)	—	30,712,078
Fund Balances - Ending	33,983,472	(623,865)	—	33,359,607

VILLAGE OF GURNEE, ILLINOIS

General Account - General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended April 30, 2024

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 10,257,450	10,257,450	11,085,429
Intergovernmental	30,242,210	30,242,210	31,501,609
Charges for Services	5,200,737	5,200,737	4,951,531
Licenses and Permits	1,345,000	1,345,000	1,539,476
Fines and Forfeitures	1,106,000	1,106,000	969,893
Investment Income	775,001	775,001	1,504,693
Miscellaneous	160,000	160,000	789,912
Total Revenues	49,086,398	49,086,398	52,342,543
Expenditures			
General Government	8,898,384	8,898,384	7,741,476
Public Safety	34,767,765	34,767,765	33,311,854
Highways and Streets	3,715,669	3,715,669	3,491,598
Capital Outlay	1,704,580	1,704,580	1,736,280
Debt Service			
Principal Retirement	—	—	116,194
Total Expenditures	49,086,398	49,086,398	46,397,402
Excess (Deficiency) of Revenues Over (Under) Expenditures	—	—	5,945,141
Other Financing (Uses)			
Transfers Out	—	—	(3,000,000)
Net Change in Fund Balance	—	—	2,945,141
Fund Balance - Beginning as Restated			31,038,331
Fund Balance - Ending			33,983,472

VILLAGE OF GURNEE, ILLINOIS

Health Insurance Account - General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended April 30, 2024

	Budget		Actual
	Original	Final	
Revenues			
Charges for Services	\$ 5,380,500	5,380,500	5,485,234
Expenditures			
General Government	5,380,500	5,380,500	5,782,846
Net Change in Fund Balance	<u>—</u>	<u>—</u>	(297,612)
Fund Balance - Beginning			<u>(326,253)</u>
Fund Balance - Ending			<u><u>(623,865)</u></u>

VILLAGE OF GURNEE, ILLINOIS

General Account - General Fund
Schedule of Revenues - Budget and Actual
For the Fiscal Year Ended April 30, 2024

	Budget		Actual
	Original	Final	
Taxes			
Road and Bridge Taxes	\$ 450,000	450,000	504,294
Amusement Taxes	3,500,000	3,500,000	3,793,189
Hotel Taxes	2,250,000	2,250,000	2,307,973
Resort Tax	482,450	482,450	505,174
Food and Beverage Taxes	2,400,000	2,400,000	2,772,847
Telecommunications Taxes	500,000	500,000	532,194
Cable TV Franchise Taxes	500,000	500,000	447,874
Alarm Franchise Taxes	110,000	110,000	117,685
Foreign Fire Insurance Taxes	65,000	65,000	104,199
	<u>10,257,450</u>	<u>10,257,450</u>	<u>11,085,429</u>
Intergovernmental			
Sales Taxes	20,120,000	20,120,000	21,176,876
Local Use Taxes	1,250,000	1,250,000	1,159,563
State Income Tax	4,750,000	4,750,000	5,110,105
Replacement Tax	325,000	325,000	315,195
Cannabis Tax	55,000	55,000	47,649
IL Gaming Tax	—	—	1,007
Police Vest Grant	10,550	10,550	—
Tobacco Grant	2,500	2,500	4,204
Seat Belt Enforcement	22,000	22,000	28,930
Retail Crime Grant	—	—	70,328
Clean Energy Grant	192,960	192,960	80,397
Warren Fire District	3,512,250	3,512,250	3,507,355
NSSD Information	1,950	1,950	—
	<u>30,242,210</u>	<u>30,242,210</u>	<u>31,501,609</u>
Charges for Services			
School Resource Officer	388,100	388,100	310,628
Off Duty Police Service	379,562	379,562	416,091
Fire Dept Charges	2,500	2,500	1,727
Non Resident Rescue Fees	550,000	550,000	482,455
Resident Rescue Fees	900,000	900,000	1,032,098
Recycling Revenues	2,500	2,500	2,906
Dispatch Services	1,025,580	1,025,580	1,048,447
Elevator Inspections	9,000	9,000	7,680
Engineering Fees	—	—	430

VILLAGE OF GURNEE, ILLINOIS

General Account - General Fund

Schedule of Revenues - Budget and Actual - Continued

For the Fiscal Year Ended April 30, 2024

	Budget		Actual
	Original	Final	
Charges for Services - Continued			
Maps	\$ 50	50	5
Ordinances	500	500	155
Miscellaneous Other Charges	50,050	50,050	29,613
Public Works Charges	30,000	30,000	8,292
Newport Fire Phone	48,140	48,140	48,140
Police Charges	10,000	10,000	8,255
GEMT Ambulance Program	850,000	850,000	560,146
Fire Cost Recovery	95,000	95,000	113,154
Tower/Antennae Lease	34,380	34,380	65,404
Parkway Tree Program	2,000	2,000	2,275
Reimbursable Charges	18,000	18,000	20,565
Water and Sewer Charges	773,275	773,275	773,275
Pace Ad Revenue Share	2,100	2,100	—
Tollway Fire Service	30,000	30,000	19,790
	<u>5,200,737</u>	<u>5,200,737</u>	<u>4,951,531</u>
Licenses and Permits			
Liquor Licenses	125,000	125,000	125,225
Business Licenses	275,000	275,000	314,239
General Building Permits	800,000	800,000	893,012
Burning Permits	—	—	450
Fire Impact	20,000	20,000	22,950
Police & Public Works	60,000	60,000	99,450
Traffic	65,000	65,000	84,150
	<u>1,345,000</u>	<u>1,345,000</u>	<u>1,539,476</u>
Fines and Forfeitures			
Court Fines	300,000	300,000	253,188
DUI Fines	10,000	10,000	13,432
Prison Review Agency	2,500	2,500	221
Parking Fines	24,000	24,000	27,990
Collection Revenue	20,000	20,000	15,237
Alarm Fines	4,000	4,000	4,840
Liquor License Violations	500	500	—
Tax Penalties - Local Imposed	5,000	5,000	15,490
Impoundment Fine	155,000	155,000	215,899
Red Light Enforcement	555,000	555,000	368,072
Code Enforcement Violation	30,000	30,000	55,524
	<u>1,106,000</u>	<u>1,106,000</u>	<u>969,893</u>

VILLAGE OF GURNEE, ILLINOIS

General Account - General Fund

Schedule of Revenues - Budget and Actual - Continued

For the Fiscal Year Ended April 30, 2024

	Budget		Actual
	Original	Final	
Investment Income	\$ 775,001	775,001	1,504,693
Miscellaneous			
Workers' Compensation Reimbursements	50,000	50,000	214,292
Fire Dept Donations	5,000	5,000	5,000
Damage to Village Property	100,000	100,000	95,968
Training Reimbursement	—	—	142,578
Police - Miscellaneous Contributions	5,000	5,000	5,996
MICA Revenue	—	—	323,578
Comm and Econ Energy Efficiency	—	—	2,500
	160,000	160,000	789,912
Total Revenues	49,086,398	49,086,398	52,342,543

VILLAGE OF GURNEE, ILLINOIS

General Account - General Fund
 Schedule of Expenditures - Budget and Actual
 For the Fiscal Year Ended April 30, 2024

	Budget		Actual
	Original	Final	
General Government			
Administration			
Salaries and Wages	\$ 1,217,905	1,217,905	1,244,209
Employee Benefits	361,610	361,610	333,223
Personnel Expenditures	4,275	4,275	5,470
Professional Services	198,800	198,800	196,840
Contractual Services	515,046	515,046	434,210
Insurance	19,150	19,150	21,132
Commodities	10,400	10,400	9,059
Utilities	4,000	4,000	4,286
Repairs and Maintenance	45,051	45,051	43,734
Miscellaneous	2,701,200	2,701,200	1,888,053
	<u>5,077,437</u>	<u>5,077,437</u>	<u>4,180,216</u>
Information Systems			
Salaries and Wages	725,856	725,856	703,889
Employee Benefits	242,340	242,340	227,955
Personnel Expenditures	6,275	6,275	3,073
Professional Services	35,000	35,000	7,080
Contractual Services	125,785	125,785	130,214
Insurance	1,236	1,236	1,195
Commodities	1,750	1,750	1,360
Utilities	4,800	4,800	4,380
Repairs and Maintenance	23,700	23,700	22,864
	<u>1,166,742</u>	<u>1,166,742</u>	<u>1,102,010</u>
Cable Television			
Professional Services	1,000	1,000	681
Contractual Services	80,227	80,227	82,190
Commodities	50	50	—
	<u>81,277</u>	<u>81,277</u>	<u>82,871</u>
Building Maintenance			
Contractual Services	35,000	35,000	31,081
Insurance	6,612	6,612	6,390
Commodities	9,600	9,600	5,127
Repairs and Maintenance	35,000	35,000	24,926
	<u>86,212</u>	<u>86,212</u>	<u>67,524</u>

VILLAGE OF GURNEE, ILLINOIS

General Account - General Fund

Schedule of Expenditures - Budget and Actual - Continued

For the Fiscal Year Ended April 30, 2024

	Budget		Actual
	Original	Final	
General Government - Continued			
Planning			
Salaries and Wages	\$ 1,080,288	1,080,288	1,024,773
Employee Benefits	388,320	388,320	363,077
Personnel Expenditures	4,050	4,050	3,228
Professional Services	47,000	47,000	42,169
Contractual Services	24,315	24,315	21,938
Insurance	7,775	7,775	7,514
Commodities	5,000	5,000	3,975
Utilities	5,400	5,400	4,616
Repairs and Maintenance	32,730	32,730	32,498
	<u>1,594,878</u>	<u>1,594,878</u>	<u>1,503,788</u>
Engineering			
Salaries and Wages	584,393	584,393	524,358
Employee Benefits	234,245	234,245	210,866
Personnel Expenditures	9,850	9,850	8,466
Professional Services	5,000	5,000	—
Contractual Services	17,215	17,215	25,909
Insurance	7,775	7,775	7,514
Commodities	5,150	5,150	3,613
Utilities	8,600	8,600	5,786
Repairs and Maintenance	19,610	19,610	18,555
	<u>891,838</u>	<u>891,838</u>	<u>805,067</u>
Total General Government	<u>8,898,384</u>	<u>8,898,384</u>	<u>7,741,476</u>
Public Safety			
Police			
Salaries and Wages	10,522,084	10,522,084	10,339,072
Employee Benefits	5,389,258	5,389,258	5,237,621
Personnel Expenditures	251,818	251,818	172,824
Professional Services	124,200	124,200	120,307
Contractual Services	1,070,468	1,070,468	641,978

VILLAGE OF GURNEE, ILLINOIS

General Account - General Fund
 Schedule of Expenditures - Budget and Actual - Continued
 For the Fiscal Year Ended April 30, 2024

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Police - Continued			
Insurance	\$ 167,510	167,510	160,328
Commodities	112,225	112,225	97,793
Utilities	64,660	64,660	45,509
Repairs and Maintenance	288,550	288,550	265,794
	<u>17,990,773</u>	<u>17,990,773</u>	<u>17,081,226</u>
Fire			
Salaries and Wages	8,247,725	8,247,725	8,294,978
Employee Benefits	4,260,838	4,260,838	4,227,751
Personnel Expenditures	42,575	42,575	56,633
Professional Services	75,000	75,000	56,426
Contractual Services	163,917	163,917	174,005
Insurance	60,900	60,900	79,340
Commodities	109,150	109,150	98,316
Utilities	16,500	16,500	12,268
Repairs and Maintenance	184,035	184,035	153,675
	<u>13,160,640</u>	<u>13,160,640</u>	<u>13,153,392</u>
Communications			
Salaries and Wages	2,585,350	2,585,350	2,201,204
Employee Benefits	948,035	948,035	822,977
Personnel Expenditures	18,440	18,440	15,145
Professional Services	12,000	12,000	—
Contractual Services	23,827	23,827	16,254
Insurance	10,145	10,145	9,805
Commodities	4,770	4,770	1,404
Utilities	2,460	2,460	1,499
Repairs and Maintenance	11,325	11,325	8,948
	<u>3,616,352</u>	<u>3,616,352</u>	<u>3,077,236</u>
Total Public Safety	<u>34,767,765</u>	<u>34,767,765</u>	<u>33,311,854</u>

VILLAGE OF GURNEE, ILLINOIS

General Account - General Fund
 Schedule of Expenditures - Budget and Actual - Continued
 For the Fiscal Year Ended April 30, 2024

	Budget		Actual
	Original	Final	
Highways and Streets			
Street Maintenance			
Salaries and Wages	\$ 1,541,870	1,541,870	1,446,412
Employee Benefits	807,420	807,420	754,882
Personnel Expenditures	10,250	10,250	8,222
Professional Services	1,500	1,500	2,001
Contractual Services	546,042	546,042	518,855
Insurance	65,102	65,102	70,325
Commodities	403,800	403,800	355,278
Utilities	16,240	16,240	16,338
Repairs and Maintenance	273,445	273,445	249,647
	<u>3,665,669</u>	<u>3,665,669</u>	<u>3,421,960</u>
Vehicle Maintenance			
Contractual Services	50,000	50,000	69,638
	<u>50,000</u>	<u>50,000</u>	<u>69,638</u>
Total Highway and Streets	<u>3,715,669</u>	<u>3,715,669</u>	<u>3,491,598</u>
Capital Outlay	<u>1,704,580</u>	<u>1,704,580</u>	<u>1,736,280</u>
Debt Service			
Principal Retirement	—	—	116,194
	<u>—</u>	<u>—</u>	<u>116,194</u>
Total Expenditures	<u>49,086,398</u>	<u>49,086,398</u>	<u>46,397,402</u>

VILLAGE OF GURNEE, ILLINOIS

Capital Improvement - Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended April 30, 2024

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Home Rule Sales	\$ 5,450,000	5,450,000	5,579,469
Intergovernmental	25,000	25,000	484,592
Investment Income	100,000	100,000	382,343
Miscellaneous	50,000	50,000	26,986
Total Revenues	<u>5,625,000</u>	<u>5,625,000</u>	<u>6,473,390</u>
Expenditures			
Capital Outlay	<u>9,765,400</u>	<u>9,765,400</u>	<u>7,453,405</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,140,400)	(4,140,400)	(980,015)
Other Financing Sources			
Transfers In	<u>150,000</u>	<u>150,000</u>	<u>1,650,000</u>
Net Change in Fund Balance	<u>(3,990,400)</u>	<u>(3,990,400)</u>	669,985
Fund Balance - Beginning			<u>9,217,510</u>
Fund Balance - Ending			<u><u>9,887,495</u></u>

VILLAGE OF GURNEE, ILLINOIS

**Nonmajor Governmental Funds
Combining Balance Sheet
April 30, 2024**

	Special Revenue			Capital Projects	Totals
	911	Impact	Asset Forfeiture	Fleet Services	
ASSETS					
Cash and Investments	\$ —	126,928	250,488	1,405,807	1,783,223
Receivables - Net of Allowances					
Accounts	113,794	—	9,027	93,500	216,321
Prepays	—	—	—	23,889	23,889
Inventories	—	—	—	200,814	200,814
Total Assets	113,794	126,928	259,515	1,724,010	2,224,247
LIABILITIES					
Accounts Payable	933	—	—	—	933
Accrued Payroll	—	—	—	14,218	14,218
Due to Other Funds	108,920	—	—	—	108,920
Total Liabilities	109,853	—	—	14,218	124,071
FUND BALANCES					
Fund Balances					
Nonspendable	—	—	—	224,703	224,703
Restricted	3,941	—	259,515	—	263,456
Committed	—	126,928	—	1,485,089	1,612,017
Total Fund Balances	3,941	126,928	259,515	1,709,792	2,100,176
Total Liabilities and Fund Balances	113,794	126,928	259,515	1,724,010	2,224,247

VILLAGE OF GURNEE, ILLINOIS

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Fiscal Year Ended April 30, 2024

	Special Revenue			Capital Projects	Totals
	911	Impact	Asset Forfeiture	Fleet Services	
Revenues					
Intergovernmental	—	—	2,273	—	2,273
Charges for Services	\$ 358,702	—	—	3,189,330	3,548,032
Fines and Forfeitures	—	—	39,273	—	39,273
Investment Income	—	—	6,878	—	6,878
Miscellaneous	—	—	—	10,372	10,372
Total Revenues	358,702	—	48,424	3,199,702	3,606,828
Expenditures					
Public Safety	—	—	27,301	—	27,301
Highways and Streets	—	—	—	1,672,714	1,672,714
Capital Outlay	626,534	—	343,034	1,305,682	2,275,250
Debt Service					
Principal Retirement	—	—	43,500	—	43,500
Total Expenditures	626,534	—	413,835	2,978,396	4,018,765
Excess (Deficiency) of Revenues Over (Under) Expenditures					
	(267,832)	—	(365,411)	221,306	(411,937)
Other Financing Sources (Uses)					
Debt Issuance	—	—	287,351	—	287,351
Transfers Out	—	(150,000)	—	—	(150,000)
	—	(150,000)	287,351	—	137,351
Net Change in Fund Balances					
	(267,832)	(150,000)	(78,060)	221,306	(274,586)
Fund Balances - Beginning as Restated					
	271,773	276,928	337,575	1,488,486	2,374,762
Fund Balances - Ending					
	3,941	126,928	259,515	1,709,792	2,100,176

VILLAGE OF GURNEE, ILLINOIS

911 - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended April 30, 2024

	Budget		Actual
	Original	Final	
Revenues			
Charges for Services	\$ 1,542,366	1,542,366	358,702
Expenditures			
Capital Outlay	1,542,366	1,542,366	626,534
Net Change in Fund Balance	<u> —</u>	<u> —</u>	(267,832)
Fund Balance - Beginning			<u>271,773</u>
Fund Balance - Ending			<u> 3,941</u>

VILLAGE OF GURNEE, ILLINOIS

Impact - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended April 30, 2024

	Budget		Actual
	Original	Final	
Revenues			
Investment Income	\$ —	—	—
Expenditures			
General Government	—	—	—
Excess (Deficiency) of Revenues Over (Under) Expenditures	—	—	—
Other Financing (Uses)			
Transfers Out	(150,000)	(150,000)	(150,000)
Net Change in Fund Balance	<u>(150,000)</u>	<u>(150,000)</u>	(150,000)
Fund Balance - Beginning			<u>276,928</u>
Fund Balance - Ending			<u>126,928</u>

VILLAGE OF GURNEE, ILLINOIS

Asset Forfeiture - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended April 30, 2024

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental	\$ —	—	2,273
Fines and Forfeitures			
Seizures	176,000	176,000	39,273
Investment Income	2,500	2,500	6,878
Total Revenues	<u>178,500</u>	<u>178,500</u>	<u>48,424</u>
Expenditures			
Public Safety			
Supplies and Materials	19,000	19,000	619
Charges and Services	190,700	190,700	26,682
Capital Outlay	217,000	217,000	343,034
Debt Service			
Principal Retirement	—	—	43,500
Total Expenditures	<u>426,700</u>	<u>426,700</u>	<u>413,835</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(248,200)	(248,200)	(365,411)
Other Financing Sources			
Debt Issuance	—	—	287,351
Net Change in Fund Balance	<u>(248,200)</u>	<u>(248,200)</u>	(78,060)
Fund Balance - Beginning			<u>337,575</u>
Fund Balance - Ending			<u><u>259,515</u></u>

VILLAGE OF GURNEE, ILLINOIS

Fleet Services - Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended April 30, 2024

	Budget		Actual
	Original	Final	
Revenues			
Charges for Services	\$ 3,229,900	3,229,900	3,189,330
Miscellaneous			
MICA Revenue	—	—	10,372
Total Revenues	<u>3,229,900</u>	<u>3,229,900</u>	<u>3,199,702</u>
Expenditures			
Highways and Streets	1,746,435	1,746,435	1,672,714
Capital Outlay	1,397,000	1,397,000	1,305,682
Total Expenditures	<u>3,143,435</u>	<u>3,143,435</u>	<u>2,978,396</u>
Net Change in Fund Balance	<u>86,465</u>	<u>86,465</u>	221,306
Fund Balance - Beginning as Restated			<u>1,488,486</u>
Fund Balance - Ending			<u>1,709,792</u>

VILLAGE OF GURNEE, ILLINOIS

Golf Course - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual

For the Fiscal Year Ended April 30, 2024

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ —	—	—
Operating Expenses			
Operations			
Capital Outlay	25,000	25,000	9,100
Depreciation	—	—	21,142
Total Operating Expenses	25,000	25,000	30,242
Operating (Loss)	(25,000)	(25,000)	(30,242)
Nonoperating Revenues			
Other Income	—	—	24,694
Investment Income	58,000	58,000	55,616
	58,000	58,000	80,310
Change in Net Position	33,000	33,000	50,068
Net Position - Beginning			5,016,207
Net Position - Ending			5,066,275

VILLAGE OF GURNEE, ILLINOIS

Water and Sewer - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual

For the Fiscal Year Ended April 30, 2024

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Metered Water	\$ 9,576,200	9,576,200	10,424,644
Operating Expenses			
Operations			
Salaries and Benefits	2,015,080	2,015,080	1,749,335
Personnel Expenses	—	—	1,013
Professional Services	18,600	18,600	1,561
Contractual	1,335,881	1,335,881	1,360,423
Insurance	71,640	71,640	57,941
Commodities	2,223,250	2,223,250	2,432,622
Utilities	143,550	143,550	179,420
Repairs and Maintenance	591,118	591,118	345,481
Capital Outlay	722,375	722,375	—
Capital			
Professional Services	5,252,500	5,252,500	1,538,260
Depreciation and Amortization	—	—	1,911,632
Total Operating Expenses	12,373,994	12,373,994	9,577,688
Operating Income (Loss)	(2,797,794)	(2,797,794)	846,956
Nonoperating Revenues (Expenses)			
Investment Income	70,000	70,000	234,261
Other Income	—	—	63,955
Principal Retirement	(483,826)	(483,826)	—
Interest Expense	(80,422)	(80,422)	(70,140)
	(494,248)	(494,248)	228,076
Income (Loss) Before Transfers	(3,292,042)	(3,292,042)	1,075,032
Transfers In	—	—	1,500,000
Change in Net Position	(3,292,042)	(3,292,042)	2,575,032
Net Position - Beginning as Restated			64,617,583
Net Position - Ending			67,192,615

VILLAGE OF GURNEE, ILLINOIS

Pension Trust Funds

Combining Statement of Fiduciary Net Position

April 30, 2024

	Police Pension	Firefighters' Pension	Totals
ASSETS			
Cash and Cash Equivalents	\$ 906,004	261,700	1,167,704
Investments			
Illinois Police Officers Pension Investment Fund	75,305,497	—	75,305,497
Illinois Firefighters' Pension Consolidated Investment Fund	—	58,152,956	58,152,956
Prepays	3,545	2,232	5,777
Total Assets	<u>76,215,046</u>	<u>58,416,888</u>	<u>134,631,934</u>
LIABILITIES			
Accounts Payable	<u>1,200</u>	<u>14,494</u>	<u>15,694</u>
NET POSITION			
Net Position Restricted for Pensions	<u>76,213,846</u>	<u>58,402,394</u>	<u>134,616,240</u>

VILLAGE OF GURNEE, ILLINOIS

Pension Trust Funds

Combining Statement of Changes in Fiduciary Net Position

For the Fiscal Year Ended April 30, 2024

	Police Pension	Firefighters' Pension	Totals
Additions			
Contributions - Employer	\$ 2,709,668	2,267,788	4,977,456
Contributions - Plan Members	777,894	682,598	1,460,492
Total Contributions	<u>3,487,562</u>	<u>2,950,386</u>	<u>6,437,948</u>
Investment Income			
Interest Earned	484,389	4,519,903	5,004,292
Net Change in Fair Value	6,092,835	1,075,325	7,168,160
	6,577,224	5,595,228	12,172,452
Less Investment Expenses	<u>(39,090)</u>	<u>(34,954)</u>	<u>(74,044)</u>
Net Investment Income	<u>6,538,134</u>	<u>5,560,274</u>	<u>12,098,408</u>
Total Additions	<u>10,025,696</u>	<u>8,510,660</u>	<u>18,536,356</u>
Deductions			
Administration	65,278	88,282	153,560
Benefits and Refunds	4,055,868	2,455,931	6,511,799
Total Deductions	<u>4,121,146</u>	<u>2,544,213</u>	<u>6,665,359</u>
Change in Fiduciary Net Position	5,904,550	5,966,447	11,870,997
Net Position Restricted for Pensions			
Beginning	<u>70,309,296</u>	<u>52,435,947</u>	<u>122,745,243</u>
Ending	<u>76,213,846</u>	<u>58,402,394</u>	<u>134,616,240</u>

VILLAGE OF GURNEE, ILLINOIS

Police Pension - Pension Trust Fund

Schedule of Changes in Fiduciary Net Position - Budget and Actual

For the Fiscal Year Ended April 30, 2024

	Budget		Actual
	Original	Final	
Additions			
Contributions - Employer	\$ —	—	2,709,668
Contributions - Plan Members	—	—	777,894
Total Contributions	—	—	3,487,562
Investment Income			
Interest Income	8,459,668	8,459,668	484,389
Net Change in Fair Value	—	—	6,092,835
	8,459,668	8,459,668	6,577,224
Less Investment Expenses	—	—	(39,090)
Net Investment Income	8,459,668	8,459,668	6,538,134
Total Additions	8,459,668	8,459,668	10,025,696
Deductions			
Administration	234,000	234,000	65,278
Benefits	4,030,000	4,030,000	4,055,868
Total Deductions	4,264,000	4,264,000	4,121,146
Change in Fiduciary Net Position	4,195,668	4,195,668	5,904,550
Net Position Restricted for Pensions			
Beginning			70,309,296
Ending			76,213,846

VILLAGE OF GURNEE, ILLINOIS

Firefighters' Pension - Pension Trust Fund

Schedule of Changes in the Fiduciary Net Position - Budget and Actual

For the Fiscal Year Ended April 30, 2024

	Budget		Actual
	Original	Final	
Additions			
Contributions - Employer	\$ —	—	2,267,788
Contributions - Plan Members	—	—	682,598
Total Contributions	—	—	2,950,386
Investment Income			
Interest Earned	6,392,788	6,392,788	4,519,903
Net Change in Fair Value	—	—	1,075,325
	6,392,788	6,392,788	5,595,228
Less Investment Expenses	—	—	(34,954)
Net Investment Income	6,392,788	6,392,788	5,560,274
Total Additions	6,392,788	6,392,788	8,510,660
Deductions			
Administration	137,250	137,250	88,282
Benefits and Refunds	2,680,000	2,680,000	2,455,931
Total Deductions	2,817,250	2,817,250	2,544,213
Change in Fiduciary Net Position	3,575,538	3,575,538	5,966,447
Net Position Restricted for Pensions			
Beginning			52,435,947
Ending			58,402,394

VILLAGE OF GURNEE, ILLINOIS

NE Lake County Consolidated ETSB - Custodial Fund
 Schedule of Changes in the Fiduciary Net Position - Budget and Actual
 For the Fiscal Year Ended April 30, 2024

	Budget		Actual
	Original	Final	
Additions			
Charges for Services			
911 Surcharge	\$ 875,000	875,000	1,152,733
Interest Earned	500	500	144,022
Total Additions	875,500	875,500	1,296,755
Deductions			
Professional Services	1,860,532	1,860,532	917,269
Change in Fiduciary Net Position	<u>(985,032)</u>	<u>(985,032)</u>	379,486
Net Position Restricted for Individuals, Organizations, and Other Governments			
Beginning			<u>2,283,143</u>
Ending			<u>2,662,629</u>

STATISTICAL SECTION (Unaudited)

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

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.

Revenue Capacity

These schedules contain information to help the reader assess the Village's most significant local revenue sources.

Debt Capacity

These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.

VILLAGE OF GURNEE, ILLINOIS

Net Position by Component - Last Ten Fiscal Years

April 30, 2024 (Unaudited)

See Following Page

VILLAGE OF GURNEE, ILLINOIS

Net Position by Component - Last Ten Fiscal Years*
April 30, 2024 (Unaudited)

	2015	2016	2017
Governmental Activities			
Net Investment in Capital Assets	\$ 67,471,505	68,607,855	71,604,563
Restricted	3,256,758	2,435,165	1,803,349
Unrestricted (Deficit)	22,056,883	(16,248,626)	(16,158,367)
Total Governmental Activities Net Position	92,785,146	54,794,394	57,249,545
Business-Type Activities			
Net Investment in Capital Assets	57,190,210	57,057,122	57,011,487
Unrestricted	5,088,446	4,874,724	5,705,034
Total Business-Type Activities Net Position	62,278,656	61,931,846	62,716,521
Total Primary Government			
Net Investment in Capital Assets	124,661,715	125,664,977	128,616,050
Restricted	3,256,758	2,435,165	1,803,349
Unrestricted (Deficit)	27,145,329	(11,373,902)	(10,453,333)
Total Primary Government Net Position	155,063,802	116,726,240	119,966,066

*Accrual Basis of Accounting

Data Source: Village Records

2018	2019	2020	2021	2022	2023	2024
72,521,382	72,883,954	73,048,132	72,080,771	71,261,240	75,412,648	75,064,420
1,525,602	2,465,101	753,861	1,633,446	2,463,194	2,170,004	1,216,782
(15,945,390)	(17,151,303)	(14,546,877)	(6,686,516)	13,925,705	10,887,258	14,811,235
58,101,594	58,197,752	59,255,116	67,027,701	87,650,139	88,469,910	91,092,437
58,392,013	58,261,518	59,328,919	59,059,111	59,623,202	61,289,792	63,927,599
4,988,694	5,715,057	4,331,433	5,899,531	6,362,208	8,260,642	8,331,291
63,380,707	63,976,575	63,660,352	64,958,642	65,985,410	69,550,434	72,258,890
130,913,395	131,145,472	132,377,051	131,139,882	130,884,442	136,702,440	138,992,019
1,525,602	2,465,101	753,861	1,633,446	2,463,194	2,170,004	1,216,782
(10,956,696)	(11,436,246)	(10,215,444)	(786,985)	20,287,913	19,147,900	23,142,526
121,482,301	122,174,327	122,915,468	131,986,343	153,635,549	158,020,344	163,351,327

VILLAGE OF GURNEE, ILLINOIS

**Changes in Net Position - Last Ten Fiscal Years*
April 30, 2024 (Unaudited)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental Activities										
General Government	\$ 5,413,872	8,351,874	6,173,990	5,544,025	7,211,923	9,434,286	5,706,170	5,763,632	13,099,145	13,258,432
Public Safety	24,441,027	29,898,354	27,203,359	27,808,376	29,040,076	30,219,913	27,519,374	27,424,644	32,191,753	35,420,049
Highways and Streets	8,461,722	11,545,960	10,130,465	10,328,932	8,153,488	8,801,576	7,509,642	8,553,834	14,666,432	17,074,037
Interest on Long-Term Debt	342,969	268,974	194,595	152,193	110,963	(64,260)	21,019	120,026	66,720	—
	38,659,590	50,065,162	43,702,409	43,833,526	44,516,450	48,391,515	40,756,205	41,862,136	60,024,050	65,752,518
Business-Type Activities										
Golf Course	19,250	19,250	19,250	19,250	19,250	108,747	68,479	21,142	25,642	30,242
Water and Sewer	8,028,216	8,174,054	8,694,834	8,255,401	8,665,298	9,450,358	7,732,870	8,902,121	8,325,750	9,647,828
	8,047,466	8,193,304	8,714,084	8,274,651	8,684,548	9,559,105	7,801,349	8,923,263	8,351,392	9,678,070
Total Primary Government Expenses	46,707,056	58,258,466	52,416,493	52,108,177	53,200,998	57,950,620	48,557,554	50,785,399	68,375,442	75,430,588
Program Revenues										
Governmental Activities										
Charges for Services										
General Government	1,846,401	1,964,088	2,127,410	2,834,611	2,777,071	2,636,974	2,110,049	2,085,132	3,114,912	7,812,910
Public Safety	6,531,086	6,968,671	7,148,495	7,293,828	7,984,920	7,972,680	8,103,572	9,245,772	9,203,820	9,018,764
Highways and Streets	—	—	—	—	—	—	2,300,344	1,589,383	3,867,561	3,209,120
Operating Grants/Contributions	52,928	3,871	25,238	18,216	67,892	554,194	1,871,594	306,065	234,447	183,859
Capital Grants/Contributions	276,395	140,000	953,964	0	—	45,182	1,000,000	1,000,000	75,146	486,865
	8,706,810	9,076,630	10,255,107	10,146,655	10,829,883	11,209,030	15,385,559	14,226,352	16,495,886	20,711,518
Business-Type Activities										
Charges for Services										
Golf Course	—	—	—	—	1,790	—	—	—	—	—
Water and Sewer	7,882,600	8,080,082	9,290,080	8,936,729	9,301,866	9,045,999	8,898,269	9,720,384	9,704,218	10,424,644
	7,882,600	8,080,082	9,290,080	8,936,729	9,303,656	9,045,999	8,898,269	9,720,384	9,704,218	10,424,644
Total Primary Government Program Revenues	16,589,410	17,156,712	19,545,187	19,083,384	20,133,539	20,255,029	24,283,828	23,946,736	26,200,104	31,136,162

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net (Expenses) Revenues										
Governmental Activities	\$ (29,952,780)	(40,988,532)	(33,447,302)	(33,686,871)	(33,686,567)	(37,182,485)	(25,370,646)	(27,635,784)	(43,528,164)	(45,041,000)
Business-Type Activities	(164,866)	(113,222)	575,996	662,078	619,108	(513,106)	1,096,920	797,121	1,352,826	746,574
Total Primary Government Net Revenues/(Expenses)	(30,117,646)	(41,101,754)	(32,871,306)	(33,024,793)	(33,067,459)	(37,695,591)	(24,273,726)	(26,838,663)	(42,175,338)	(44,294,426)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes	11,081,179	15,095,104	14,098,797	14,339,756	16,372,878	16,569,185	12,409,010	18,784,920	19,747,203	19,228,862
Intergovernmental	21,275,275	20,770,143	21,385,781	19,934,663	20,672,430	19,426,692	20,312,059	29,788,707	25,352,790	26,633,284
Investment Income	10,117	52,654	55,105	175,672	683,386	758,975	253,690	(313,467)	813,051	1,931,412
Miscellaneous	85,461	306,310	562,770	88,829	106,058	1,543,997	293,472	156,469	434,891	827,270
Transfers	166,440	(134,760)	(200,000)	—	(200,000)	(59,000)	(125,000)	(158,407)	(2,000,000)	(1,500,000)
	32,618,472	36,089,451	35,902,453	34,538,920	37,634,752	38,239,849	33,143,231	48,258,222	44,347,935	47,120,828
Business-Type Activities										
Investment Income	1,409	7,654	(1,371)	2,108	125,205	137,883	68,025	64,213	212,198	289,877
Miscellaneous	50,000	50,000	10,050	—	—	—	8,345	7,027	—	88,649
Transfers	(166,440)	134,760	200,000	—	200,000	59,000	125,000	158,407	2,000,000	1,500,000
	(115,031)	192,414	208,679	2,108	325,205	196,883	201,370	229,647	2,212,198	1,878,526
Total Primary Government	32,503,441	36,281,865	36,111,132	34,541,028	37,959,957	38,436,732	33,344,601	48,487,869	46,560,133	48,999,354
Changes in Net Position										
Governmental Activities	2,665,692	(4,899,081)	2,455,151	852,049	3,948,185	1,057,364	7,772,585	20,622,438	819,771	2,079,828
Business-Type Activities	(279,897)	79,192	784,675	664,186	944,313	(316,223)	1,298,290	1,026,768	3,565,024	2,625,100
Total Primary Government	2,385,795	(4,819,889)	3,239,826	1,516,235	4,892,498	741,141	9,070,875	21,649,206	4,384,795	4,704,928

* Accrual Basis of Accounting
Data Source: Village Records

VILLAGE OF GURNEE, ILLINOIS

Fund Balances of Governmental Funds - Last Ten Fiscal Years*

April 30, 2024 (Unaudited)

	2015	2016	2017
General Fund			
Nonspendable	\$ 307,504	415,956	402,521
Assigned	—	678,105	688,875
Unassigned	23,345,369	23,825,296	24,925,486
Total General Fund	23,652,873	24,919,357	26,016,882
All Other Governmental Funds			
Nonspendable	678	678	677
Restricted	3,388,956	2,544,322	1,890,949
Committed	6,622,809	5,331,519	4,435,057
Total All Other Governmental Funds	10,012,443	7,876,519	6,326,683
Total All Governmental Funds	33,665,316	32,795,876	32,343,565

*Modified Accrual Basis of Accounting

Data Source: Village Records

2018	2019	2020	2021	2022	2023	2024
367,993	235,044	365,597	249,804	291,056	230,325	1,021,503
—	—	—	—	—	—	—
25,673,424	26,508,124	25,385,545	24,980,815	31,199,420	30,060,013	32,338,104
26,041,417	26,743,168	25,751,142	25,230,619	31,490,476	30,290,338	33,359,607
—	—	—	145,505	168,708	174,863	224,703
1,594,771	2,459,041	753,861	1,633,446	2,463,194	2,170,004	1,216,782
2,941,432	3,466,586	3,984,548	5,456,849	13,194,013	10,794,544	11,499,512
4,536,203	5,925,627	4,738,409	7,235,800	15,825,915	13,139,411	12,940,997
30,577,620	32,668,795	30,489,551	32,466,419	47,316,391	43,429,749	46,300,604

VILLAGE OF GURNEE, ILLINOIS

Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years*
April 30, 2024 (Unaudited)

	2015	2016	2017
Revenues			
Taxes	\$ 11,074,187	15,091,918	14,106,219
Intergovernmental	24,298,206	23,955,455	24,863,305
Charges for Services	2,626,928	2,878,783	3,203,488
Licenses and Permits	931,524	978,799	1,226,620
Fines and Forfeitures	1,841,933	2,033,885	1,742,105
Investment Income	10,117	52,654	55,105
Miscellaneous	85,461	306,310	562,770
Total Revenues	<u>40,868,356</u>	<u>45,297,804</u>	<u>45,759,612</u>
Expenditures			
Current			
General Government	5,250,665	6,815,620	5,592,552
Public Safety	23,910,975	24,167,952	25,053,073
Highways and Streets	4,663,987	5,016,925	4,736,254
Capital Outlay	4,400,294	8,294,310	8,173,880
Debt Service			
Principal Retirement	2,035,000	2,447,757	2,338,992
Interest and Fiscal Charges	437,175	354,983	279,120
Total Expenditures	<u>40,698,096</u>	<u>47,097,547</u>	<u>46,173,871</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>170,260</u>	<u>(1,799,743)</u>	<u>(414,259)</u>
Other Financing Sources (Uses)			
Debt Issuance	—	998,468	—
Disposal of Capital Assets	17,494	66,595	161,948
Transfers In	4,071,675	3,065,195	2,897,575
Transfers Out	(3,905,235)	(3,199,955)	(3,097,575)
	<u>183,934</u>	<u>930,303</u>	<u>(38,052)</u>
Net Change in Fund Balances	<u>354,194</u>	<u>(869,440)</u>	<u>(452,311)</u>
Debt Service as a Percentage of Noncapital Expenditures	<u>6.3%</u>	<u>6.2%</u>	<u>6.1%</u>

*Modified Accrual Basis of Accounting

Data Source: Village Records

2018	2019	2020	2021	2022	2023	2024
13,578,002	15,413,939	14,280,346	8,754,293	15,569,305	16,740,074	16,664,898
23,856,029	24,652,181	26,109,313	29,005,419	37,387,326	32,063,790	33,343,646
3,758,185	4,426,397	4,785,581	6,732,593	7,229,000	10,536,851	13,984,797
1,362,668	1,125,146	890,123	1,088,113	1,003,577	1,095,187	1,539,476
1,987,799	2,165,292	1,835,471	1,524,441	1,476,500	1,242,622	1,009,166
175,672	683,386	758,975	253,690	(313,467)	813,051	1,931,412
88,829	106,058	1,543,997	293,472	156,469	434,891	827,270
44,807,184	48,572,399	50,203,806	47,652,021	62,508,710	62,926,466	69,300,665
5,845,855	6,793,147	7,130,404	5,397,213	7,155,696	10,333,728	13,524,322
27,080,893	27,560,716	28,777,127	28,986,189	30,403,267	31,694,403	33,339,155
4,775,884	4,291,033	5,654,819	6,134,049	6,218,780	7,535,107	7,164,312
6,721,813	6,486,136	6,227,150	7,810,726	6,093,535	9,893,134	11,464,935
1,916,719	1,015,000	4,380,000	—	161,178	5,277,482	159,694
233,592	185,350	154,550	—	128,511	79,254	—
46,574,756	46,331,382	52,324,050	48,328,177	50,160,967	64,813,108	65,652,418
(1,767,572)	2,241,017	(2,120,244)	(676,156)	12,347,743	(1,886,642)	3,648,247
—	—	—	2,778,024	2,660,636	—	287,351
1,627	50,158	—	—	—	—	—
2,309,325	3,101,200	3,344,727	367,283	4,250,000	2,650,000	1,650,000
(2,309,325)	(3,301,200)	(3,403,727)	(492,283)	(4,408,407)	(4,650,000)	(3,150,000)
1,627	(149,842)	(59,000)	2,653,024	2,502,229	(2,000,000)	(1,212,649)
(1,765,945)	2,091,175	(2,179,244)	1,976,868	14,849,972	(3,886,642)	2,435,598
4.8%	2.7%	9.0%	0.0%	0.6%	8.3%	0.2%

VILLAGE OF GURNEE, ILLINOIS

**Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years
April 30, 2024 (Unaudited)**

Tax Levy Year	Real Estate	Railroads	Total Assessed Value	Estimated Actual Value of Property	Total Direct Tax Rate
2014	\$ 1,010,630,219	\$ 773,035	\$ 1,011,403,254	\$ 3,034,209,762	—
2015	1,038,151,038	942,110	1,039,093,148	3,117,279,444	—
2016	1,088,812,299	965,775	1,089,778,074	3,269,334,222	—
2017	1,122,204,032	989,009	1,123,193,041	3,369,579,123	—
2018	1,152,145,499	1,027,331	1,153,172,830	3,459,518,490	—
2019	1,188,967,186	1,101,490	1,190,068,676	3,570,206,028	—
2020	1,193,920,669	1,113,745	1,195,034,414	3,983,448,046	—
2021	1,210,933,815	1,113,745	1,212,047,560	4,040,158,533	—
2022	1,278,271,095	1,292,670	1,279,563,765	4,265,212,550	—
2023	1,324,260,062	1,457,263	1,325,717,325	4,419,057,750	—

Data Source: Office of the County Clerk of Lake County Certificate of Rates and Extensions

Note: Assume Total EAV is 1/3 of Estimated Actual Value

VILLAGE OF GURNEE, ILLINOIS

**Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years
April 30, 2024 (Unaudited)**

See Following Page

VILLAGE OF GURNEE, ILLINOIS

**Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years
April 30, 2024 (Unaudited)**

	2014	2015	2016
Direct Rates			
Village of Gurnee*	—	—	—
Overlapping Rates for Grade School District 56			
Lake County Forest	0.2100	0.2079	0.1929
Warren Township	0.6576	0.6476	0.2911
North Shore Sanitary	0.1694	0.1656	0.1568
Gurnee Park District	0.5311	0.5222	0.5044
School District 56	4.9453	4.9927	4.8222
High School 121	2.5073	2.4833	2.4343
Warren Newport Library	0.3413	0.3348	0.3694
CLCJAWA Water	0.0559	0.0541	0.0458
College of Lake County	0.3061	0.2994	0.2854
County of Lake	0.6825	0.6628	0.6320
Overlapping Rates for Grade School District 50			
Lake County Forest	0.2100	0.2079	0.1929
Warren Township	0.3068	0.6476	0.2911
North Shore Sanitary	0.1694	0.1656	0.1568
Gurnee Park District	0.5311	0.5222	0.5044
School District 50	4.8400	4.6940	4.5225
High School 121	2.5073	2.4833	2.4343
Warren Newport Library	0.3413	0.3348	0.3694
CLCJAWA Water	0.0559	0.0541	0.0458
College of Lake County	0.3061	0.2994	0.2854
County of Lake	0.6825	0.6628	0.6320

*The Village is a home-rule municipality and as such has the flexibility to levy property taxes. Rates for debt service are set based on each year's requirements; however, the Village has abated those taxes annually since 2000.

Overlapping rates are those of local and county governments that apply to property owners within the Village of Gurnee. They have been further broken down into the two grade school districts that straddle the Village: Grade School District 56 and District 50.

Data Source: Lake County Clerk Tax Extension Office

2017	2018	2019	2020	2021	2022	2023
—	—	—	—	—	—	—
0.1873	0.1821	0.1798	0.1818	0.1789	0.1732	0.1680
0.2826	0.3326	0.2789	0.6179	0.6221	0.6189	0.6230
0.1527	0.1532	0.1530	0.1571	0.1583	0.1597	0.1587
0.5006	0.5164	0.4940	0.5042	0.5074	0.5068	0.5129
4.7698	4.8501	4.5034	4.4946	4.5185	4.4574	4.5411
2.4324	2.6331	2.3091	2.3481	2.3569	2.9378	2.9448
0.2735	0.3281	0.3066	0.3119	0.3121	0.3110	0.3129
0.0408	—	—	—	0.0001	—	—
0.2806	0.2878	0.2815	0.2897	0.2935	0.2958	0.2942
0.6218	0.6117	0.5968	0.5980	0.5977	0.5887	0.5863
0.1873	0.1821	0.1798	0.1818	0.1789	0.1732	0.1680
0.2826	0.3326	0.2789	0.6179	0.6221	0.6189	0.6230
0.1527	0.1532	0.1530	0.1571	0.1583	0.1597	0.1587
0.5006	0.5164	0.4940	0.5042	0.5074	0.5068	0.5129
4.2801	4.3703	4.2595	4.2885	4.3308	4.3151	4.3844
2.4324	2.6331	2.3091	2.3481	2.3569	2.9378	2.9448
0.2735	0.3281	0.3066	0.3119	0.3121	0.3110	0.3129
0.0408	—	—	—	0.0001	—	—
0.2806	0.2878	0.2815	0.2897	0.2935	0.2958	0.2942
0.6218	0.6117	0.5968	0.5980	0.5977	0.5887	0.5863

VILLAGE OF GURNEE, ILLINOIS

**Principal Property Tax Payers - Current Fiscal Year and Nine Fiscal Years Ago
April 30, 2024 (Unaudited)**

Taxpayer	2024			2015		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
Gurnee Mills	\$ 44,106,176	1	3.33%	\$ 48,937,149	1	4.84%
Six Flags Great America	20,497,949	2	1.55%	23,997,600	2	2.37%
Breit Mf Osprey Lake Llc	20,156,161	3	1.52%			
Wh Pembroke Property Owner Llc	11,061,786	4	0.84%			
Rh Woodlake Llc	10,061,934	5	0.76%			
Great Wolf Lodge	10,264,100	6	0.78%			
Chicago Title Land Trust Co	8,281,322	7	0.63%			
3503 Rp Gurnee Llc	7,940,506	8	0.60%			
Cv Ii Gurnee, Llc.	5,953,142	9	0.45%			
Walmart Stores Inc	5,699,769	10	0.43%	7,769,617	5	0.77%
The Realty Associates Fund Ix, Lp				12,261,797	3	1.21%
Cove)				9,304,707	4	0.92%
Pc Gurnee Llc				7,317,971	6	0.72%
Inland Western Gurnee Llc				6,295,578	7	0.62%
B&S Woodlake Apartments				6,121,075	8	0.61%
Corporation				4,592,198	9	0.45%
Actavis Pharma Inc.				4,341,806	10	0.43%
	<u>144,022,845</u>		<u>10.89%</u>	<u>130,939,498</u>		<u>12.94%</u>

Data Source: Lake County Clerk, Tax Extension Office

VILLAGE OF GURNEE, ILLINOIS

**Taxable Sales by Category - Last Ten Calendar Years
April 30, 2024 (Unaudited)**

See Following Page

VILLAGE OF GURNEE, ILLINOIS

Taxable Sales by Category - Last Ten Calendar Years April 30, 2024 (Unaudited)

	2014	2015*	2016
General Merchandise	\$ 3,432,456	4,268,858	3,195,744
Food	790,574	1,164,903	2,028,064
Drinking & Eating	1,900,733	2,674,460	2,819,326
Apparel	1,775,780	2,328,231	2,336,877
Furniture & Fixtures	1,041,555	1,433,597	1,414,274
Lumber & Hardware	1,276,233	1,823,618	1,856,506
Auto & Filling Stations	2,677,339	2,471,248	2,308,323
Drugs & Other Retail	2,771,976	3,129,030	3,501,734
Agriculture & All Other	1,577,094	2,472,555	2,185,444
Manufacturers	283,231	400,537	409,185
Total	17,526,971	22,167,037	22,055,477

*Effective January 1, 2015, the Village increased the home rule sales tax rate from 0.50% to 1.00%.

Data Source: Illinois Department of Revenue

2017	2018	2019	2020	2021	2022	2023
2,975,184	3,037,724	2,905,827	2,469,593	3,076,884	3,205,200	3,287,842
2,154,589	2,235,415	2,223,591	2,373,489	2,545,945	2,861,012	2,674,351
2,743,373	2,835,860	3,079,566	2,101,950	2,951,895	3,425,740	3,707,893
2,213,383	2,285,281	2,245,206	1,470,521	2,427,328	2,311,622	2,264,938
1,457,322	1,528,640	1,560,219	1,401,367	1,706,196	1,469,480	1,298,146
1,954,914	1,918,510	1,629,185	1,912,716	2,100,225	2,203,911	1,982,649
2,292,389	2,617,213	2,670,356	2,374,522	3,026,469	2,751,172	2,903,022
3,301,705	3,180,934	2,871,814	2,781,063	4,819,886	4,787,456	4,918,872
2,298,991	2,277,340	2,228,073	1,235,598	2,309,369	2,488,548	2,993,097
402,566	409,788	427,767	332,319	443,104	421,172	416,069
21,794,416	22,326,705	21,841,604	18,453,138	25,407,301	25,925,313	26,446,879

VILLAGE OF GURNEE, ILLINOIS

**Direct and Overlapping Sales Tax Rates - Last Ten Fiscal Years
April 30, 2024 (Unaudited)**

Fiscal Year	Home Rule Sales Tax Rate	State Sales Tax Rate	Total Tax Rate
2015	1.00%	7.00%	8.00%
2016	1.00%	7.00%	8.00%
2017	1.00%	7.00%	8.00%
2018	1.00%	7.00%	8.00%
2019	1.00%	7.00%	8.00%
2020	1.00%	7.00%	8.00%
2021	1.00%	7.00%	8.00%
2022	1.00%	7.00%	8.00%
2023	1.00%	7.00%	8.00%
2024	1.00%	7.00%	8.00%

Data Source: Illinois Department of Revenue

The State Sales Tax Rate is broken into 6.25% Illinois Department of Revenue and 0.75% Regional Transportation Authority.

VILLAGE OF GURNEE, ILLINOIS

**Ratios of Outstanding Debt by Type - Last Ten Fiscal Years
April 30, 2024 (Unaudited)**

See Following Page

VILLAGE OF GURNEE, ILLINOIS

**Ratios of Outstanding Debt by Type - Last Ten Fiscal Years
April 30, 2024 (Unaudited)**

Fiscal Year	Governmental Activities			
	Loan Payable	General Obligation Bonds	Promissory Note	Subscription Arrangements
2015	\$ —	\$ 11,512,932	\$ —	\$ —
2016	660,711	9,339,964	—	—
2017	91,719	7,506,996	—	—
2018	—	5,619,028	—	—
2019	—	4,541,060	—	—
2020	—	—	—	—
2021	—	—	2,778,024	—
2022	—	—	5,277,482	—
2023	—	—	—	—
2024	—	—	—	579,091

*See the Schedule of Demographic and Economic Statistics for personal income and population data.

Note: Details of the Village's outstanding debt can be found in the notes to the financial statements.

Data Source: Village Records

Business-Type Activities		Total Primary Government	Percentage of Personal Income *	Per Capita*
IEPA Loans Payable	Installment Contracts Payable			
\$ —	\$ —	\$ 11,512,932	1.00%	368
—	—	10,000,675	0.87%	320
—	—	7,598,715	0.59%	243
—	—	5,619,028	0.43%	180
2,442,990	37,834	7,021,884	0.53%	224
4,637,496	21,760	4,659,256	0.35%	151
5,129,401	11,315	7,918,740	0.55%	254
4,658,522	870	9,936,874	0.69%	327
4,178,939	—	4,178,939	0.27%	137
3,690,491	—	4,269,582	0.26%	141

VILLAGE OF GURNEE, ILLINOIS

**Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years
April 30, 2024 (Unaudited)**

Fiscal Year	General Obligation Bonds	Less Amounts Available for Debt Service	Total Net Bonds	Percentage of Equalized Assessed Value of Property*	Per Capita **
2015	\$ 11,512,932	\$ 1,236,872	\$ 10,276,060	1.02%	328
2016	9,339,964	1,260,125	8,079,839	0.78%	258
2017	7,506,996	1,282,850	6,224,146	0.57%	199
2018	5,619,028	1,303,381	4,315,647	0.38%	138
2019	4,541,060	1,336,752	3,204,308	0.28%	102
2020	—	—	—	0.00%	—
2021	—	—	—	0.00%	—
2022	—	—	—	0.00%	—
2023	—	—	—	0.00%	—
2024	—	—	—	0.00%	—

Note: Details of the Village's outstanding debt can be found in the notes to the financial statements.

*See the Schedule of Assessed Value and estimated Actual Value of Taxable Property for property value data.

**See the Schedule of Demographic and Economic Statistics for population data.

Data Source: Village Records

VILLAGE OF GURNEE, ILLINOIS

**Direct and Overlapping Governmental Activities Debt
April 30, 2024 (Unaudited)**

Governmental Unit	(1) Outstanding Debt (thousands)	(2) Percentage of Debt Applicable to Village	(3) Village's Share of Debt
Village of Gurnee	\$ 579,091	100.00%	\$ 579,091
Overlapping			
Gurnee Park District	12,347	97.31%	12,015
Waukegan Park District	23,740	1.63%	387
Warren Newport Library	2,683	57.50%	1,543
Lake County	163,136	4.44%	7,243
Lake County Forest Preserve	154,197	4.44%	6,846
Community College #532	76,516	4.68%	3,581
School District 60	62,765	0.04%	25
School District 50	104,043	50.70%	52,750
School District 56	29,623	56.23%	16,657
High School District 121	85,004	52.63%	44,738
Total Overlapping Debt	<u>714,054</u>		<u>145,785</u>
 Total Direct and Overlapping Debt	 <u><u>1,293,145</u></u>		 <u><u>724,876</u></u>

Data Sources:

(1) Lake County Tax Extension Department

(2) Determined by ratio of assessed value of property subject to taxation in Village of Gurnee to value of property subject to taxation in overlapping unit.

(3) Amount in column (2) by amount in column (1)

VILLAGE OF GURNEE, ILLINOIS

Debt Margin Information - Last Ten Fiscal Years
April 30, 2024 (Unaudited)

Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Debt Margin	Total Net Debt Applicable to the Limit as a Percentage of Debt Limit
2015	\$ 87,233,531	\$ 10,687,068	\$ 76,546,463	12.3%
2016	89,621,784	8,640,036	80,981,748	9.6%
2017	93,993,359	7,220,000	86,773,359	7.7%
2018	96,875,400	(161,060)	97,036,460	(0.2%)
2019	99,461,157	4,380,000	95,081,157	4.4%
2020	102,643,423	—	102,643,423	0.0%
2021	103,071,718	2,778,024	100,293,694	2.7%
2022	104,539,102	5,277,482	99,261,620	5.0%
2023	110,362,375	—	110,362,375	0.0%
2024	114,343,119	—	114,343,119	0.0%

Legal Debt Margin Calculation for Fiscal Year 2023

Total Equalized Assessed Valuation - 2023	\$ 1,325,717,325
Debt Limit - 8.625% of Total EAV	114,343,119
Total Outstanding Debt	—
Less Debt Not Applicable to Debt Limit	—
Net Debt Applicable to Limit	—
Legal Debt Margin	114,343,119

Data Source: Lake County Clerk and Village Records

Note: Under state law, as a homerule municipality, the Village has no legal limit on the amount of outstanding general obligation debt it may issue; however, in 2005, the Village adopted a self-imposed limit of 8.625% of EAV, consistent with the legal limit set forth for non-homerule communities in Illinois.

VILLAGE OF GURNEE, ILLINOIS

**Demographic and Economic Statistics - Last Ten Calendar Years
April 30, 2024 (Unaudited)**

Calendar Year	(1) Population	(2) Per Capita Income	(2) Total Personal Income	(1) Median Age	(1) Education Level in Years of Schooling	(3) School Enrollment	(4) Unemployment Rate
2014	31,284	\$ 36,694	\$ 1,147,935,096	38.8	14.5	13,000	6.4%
2015	31,284	36,694	1,147,935,096	38.8	14.5	13,000	4.4%
2016	31,284	41,327	1,292,873,868	39.6	14.5	13,100	4.4%
2017	31,284	42,010	1,314,240,840	39.3	14.5	13,100	3.7%
2018	31,284	42,010	1,314,240,840	39.3	14.5	13,215	3.8%
2019	30,767	42,783	1,316,304,561	39.0	14.5	13,215	4.3%
2020	31,207	46,432	1,449,003,424	41.0	14.5	11,625	5.3%
2021	30,378	47,671	1,448,149,638	41.0	14.5	10,416	5.3%
2022	30,521	50,359	1,537,007,039	40.0	14.5	10,333	4.8%
2023	30,303	54,921	1,664,271,063	41.0	14.5	10,107	4.3%

Data Source: Illinois Department of Employment, city-data.com

(1) Population, median age and education level figures are based on surveys conducted during the last quarter of the calendar year.

(2) Personal income information is a total for the year and data is not available at local level so Lake County Data is utilized.

(3) School enrollment is the total of Elementary and High School.

(4) Unemployment rate information is an adjusted yearly average.

VILLAGE OF GURNEE, ILLINOIS

**Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago
April 30, 2024 (Unaudited)**

Employer	2024		2015	
	Rank	% of Total Village Population	Employees	Rank
Gurnee Mills	N/A	N/A	N/A	N/A
Six Flags Great America	N/A	N/A	N/A	N/A
Nosco Printing Group	N/A	N/A	N/A	N/A
Gurnee School District No. 56	N/A	N/A	N/A	N/A
Kenall Mfg. Co.	N/A	N/A	N/A	N/A
Domino Amjet, Inc.	N/A	N/A	N/A	N/A
Nypro Chicago, Inc.	N/A	N/A	N/A	N/A
Lambent Technologies	N/A	N/A	N/A	N/A
Danaher Controls	N/A	N/A	N/A	N/A
Henderson & Son, Inc.	N/A	N/A	N/A	N/A
	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

Source: Village Records

Note: Due to privacy concerns, the Village no longer reports the number of employees employed by each employer.

N/A - Not Available

VILLAGE OF GURNEE, ILLINOIS

**Full-Time and Part-Time Employees by Function - Last Ten Fiscal Years
April 30, 2024 (Unaudited)**

See Following Page

VILLAGE OF GURNEE, ILLINOIS

**Full-Time and Part-Time Employees by Function - Last Ten Fiscal Years
April 30, 2024 (Unaudited)**

Function	2015	2016	2017
General Government			
Administration	13.75	14.75	13.75
Planning/Building	8.65	8.65	8.65
Engineering	6.25	7.25	7.25
Public Safety			
Fire	58.70	57.70	57.60
Police	80.00	79.00	81.50
Communications	14.95	14.95	15.00
Public Works			
Streets	16.60	16.60	16.60
Vehicle Maintenance	4.00	4.00	4.00
Utility	13.85	13.85	13.35
Totals	<u>216.75</u>	<u>216.75</u>	<u>217.70</u>

Data Source: Village Records

Note: A full-time employee is scheduled to work a standard 2,080 hour per year, or 2,756 for sworn fire personnel (including vacation and sick leave). Full-time equivalent employment is calculated by dividing total labor hours by standard.

2018	2019	2020	2021	2022	2023	2024
14.02	14.07	14.07	12.15	13.65	14.20	14.65
8.60	8.90	8.90	7.50	7.50	8.80	9.80
7.25	6.75	6.75	5.00	4.50	6.50	6.50
56.50	62.00	62.00	62.00	62.00	63.00	62.00
81.50	82.50	83.50	75.00	79.50	82.00	85.00
21.00	22.25	22.25	21.50	23.25	24.30	24.25
17.40	17.20	17.20	17.00	17.02	18.10	18.50
4.00	4.00	4.00	4.00	4.00	4.00	4.00
13.35	13.85	13.85	13.30	12.53	13.80	14.11
223.62	231.52	232.52	217.45	223.95	234.70	238.81

VILLAGE OF GURNEE, ILLINOIS

**Operating Indicators by Function - Last Ten Fiscal Years
April 30, 2024 (Unaudited)**

Function	2015	2016	2017
General Government			
General Business Licenses Issued	1,155	1,162	1,150
Number of Commercial Units Constructed	5	5	5
Value of Commercial Construction	\$ 5,465,209	7,820,708	24,146,129
Number of Residential Units Constructed	4	8	22
Value of Residential Construction	\$ 956,623	2,549,629	4,391,360
Public Safety			
911 Calls	18,742	20,627	31,079
Police Responses (1)	72,056	63,893	66,538
Physical Arrests (3)	1,045	861	794
Traffic Citations Written	5,863	4,736	5,399
Parking Violations (3)	1,068	1,017	1,007
Fire Responses (2)	6,255	6,220	6,230
Emergency Medical Responses (3)	4,216	4,208	4,261
Fire Department Mutual Aid Responses (3)	581	533	562
Streets & Highways			
Miles of Streets Resurfaced	3.8	—	3.8
Inches of Snowfall	41.8	30.8	35.4
Tons of Salt Used in Snow Plowing	1,884	1,799	1,891
Number of Parkway Trees Planted	120	141	168
Utility			
Number of Water Main Breaks (3)	34	25	32
Total Water Consumption (Millions of Gallons)	1,365	1,274	1,327
Number of Water Meters Replaced	128	93	135
Number of Reading Orions Replaced	N/A	N/A	N/A
Average Daily Consumption (Million of Gallons)	3.7	3.6	3.6

Data Source: Various Village Departments

(1) Police responses include contact through 9-1-1, non-emergency lines, walk-up window traffic and self-initiated by officer.

(2) Fire responses include all emergency responses such as fire, false alarms, emergency medical, auto accidents and mutual aids.

(3) These indicators are reported on a calendar year.

N/A - Not Available

2018	2019	2020	2021	2022	2023	2024
1,162	1,137	1,188	1,125	1,235	1,132	1,211
5	6	2	4	5	2	4
7,365,000	14,749,943	14,564,250	16,660,344	17,161,153	7,315,300	8,707,500
49	21	3	3	2	4	156
7,404,761	3,386,410	481,930	866,400	654,934	1,271,180	22,454,000
36,350	37,415	27,884	29,543	42,985	35,907	35,113
71,241	71,315	70,269	60,797	64,142	58,284	62,297
703	693	654	366	408	482	590
5,413	5,047	4,323	3,615	3,460	4,119	5,444
1,646	1,644	1,125	986	728	609	808
6,819	7,047	6,871	6,347	7,408	7,998	8,020
4,542	4,574	4,555	4,115	5,244	5,836	5,333
646	573	519	486	475	532	479
3.6	3.8	4.7	2.4	2.0	2.0	2.0
33	52.5	25.5	42.0	22.0	35.0	22.0
2,766	3,595	2,421	2,635	2,061	2,820	1,836
120	190	102	67	68	142	175
34	33	23	25	37	19	21
1,254	1,290	1,226	1,125	1,508	1,287	1,307
63	154	86	82	220	220	105
N/A	N/A	N/A	N/A	N/A	N/A	4,031.0
3.4	3.5	3.4	3.1	4.0	3.5	3.6

VILLAGE OF GURNEE, ILLINOIS

**Capital Asset Statistics by Function/Program - Last Ten Fiscal Years
April 30, 2024 (Unaudited)**

Function/Program	2015	2016	2017
Municipal Buildings			
Police Station/Dispatch Center	1	1	1
Fire Stations	2	2	2
Public Works Facilities	1	1	1
Village Hall	1	1	1
Highways and Streets			
Miles of Streets			
Village	118	118	118
County	17	17	17
U.S. & State	33	33	33
Private	24	24	24
Number of Street Lights			
Village	1,687	1,687	1,691
ComEd	459	459	459
County	23	23	23
Private	20	20	20
State	34	34	34
Utility			
Miles of Watermain	182	182	184
Miles of Sanitary Sewers	140	140	141
Miles of Storm Sewers - Village	135	135	137
Miles of Storm Sewers - Other	26	26	26
Number of Sanitary Force Mains	5	5	5
Facilities not Included in the Reporting Entity			
Number of Elementary Schools	8	8	8
Number of High Schools	2	2	2
Number of Libraries	1	1	1
Park District Acres	403	403	403

Data Source: Various Village Departments

2018	2019	2020	2021	2022	2023	2024
1	1	1	1	1	1	1
2	2	2	3	3	3	3
1	1	1	1	1	1	1
1	1	1	1	1	1	1
118	118	118	120	120	120	120
17	17	17	17	17	17	17
33	33	33	33	33	33	33
24	24	24	24	24	24	24
1,691	1,742	1,742	1,727	1,730	1,732	1,735
459	463	463	463	463	465	468
23	23	23	32	32	32	32
20	302	302	302	302	302	302
35	35	36	43	43	43	43
184	179	179	182	184	184	185
141	143	143	142	145	145	145
137	135	135	135	137	137	137
26	26	26	67	67	67	67
5	6	6	8	8	8	8
8	8	8	8	8	8	8
2	2	2	2	2	2	2
1	1	1	1	1	1	1
403	450	450	450	450	450	450