



Financial Status Report

3rd Quarter FY 2023-2024

November 1, 2023 – January 31, 2024

What's Inside

Introduction.....	3
Cash & Investments	3
All Funds Summary	5
110 – General Fund	6
221&223 – Water & Sewer Funds	11
Other Major Governmental Funds	13
Non-Major Governmental Funds	15
Other Proprietary Funds	15
Fiduciary Funds.....	15
Connect With the Village	16

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Introduction

Elected Officials

- Thomas B. Hood – Mayor
- Andy Harris – Village Clerk
- Jeanne Balmes – Trustee
- Greg Garner – Trustee
- Quin O’Brien – Trustee
- Cheryl Ross – Trustee
- Karen Thorstenson – Trustee
- Kevin Woodside - Trustee

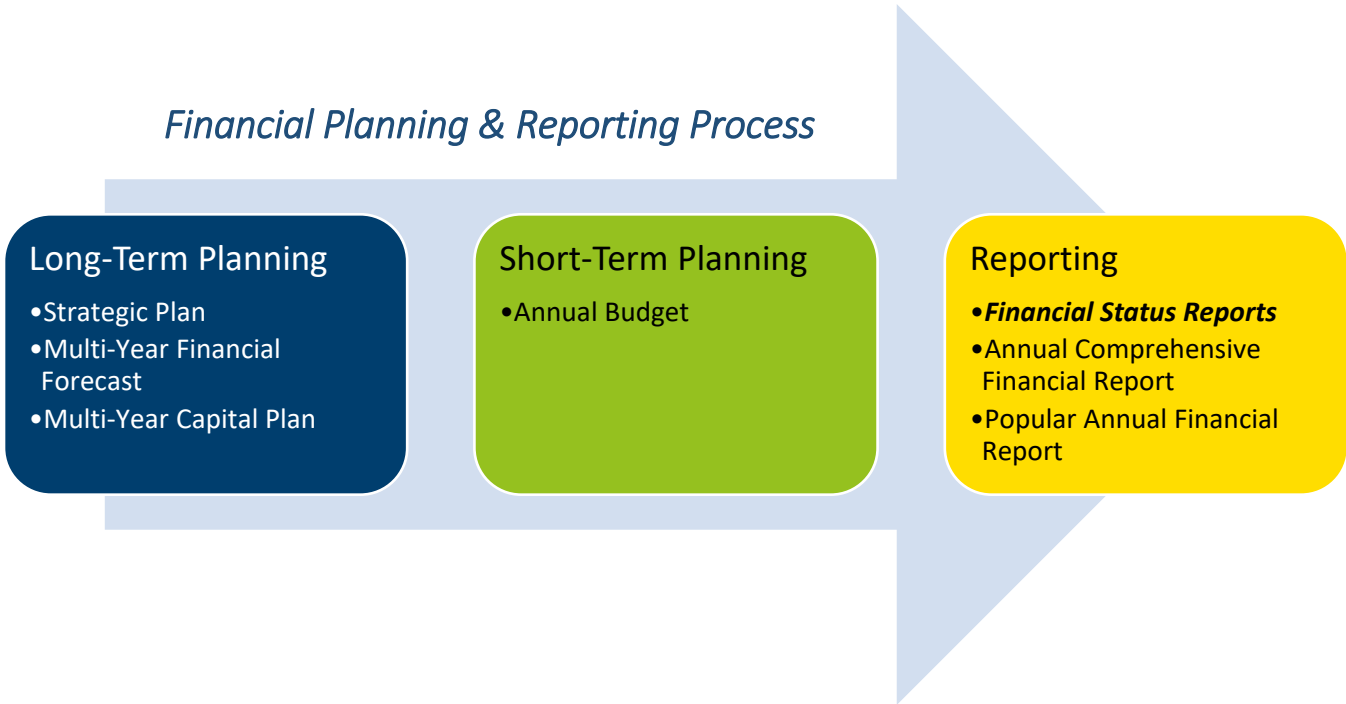
This Financial Status Report is intended to provide readers with a summary of the Village’s financial status on a quarterly basis. Regular financial reporting is important to share information with stakeholders as well as provide a vehicle to identify any irregularities that may need to be addressed. Regular reporting is one part of the Village’s overall planning and reporting process outlined in the graphic below.

The enclosed Financial Status Report is presented on a Budget Basis. Budget Basis means the report is prepared on the same basis as the Village’s budget, which differs from the basis of which the Village’s Annual Comprehensive Financial Report (ACFR) is prepared. The ACFR fund financial statements are prepared on a modified accrual basis of accounting and include adjustments for short-term assets, liabilities, revenues and expenses that can be measured but not yet received, incurred or available for use. The Village budget is largely prepared on a cash basis in which revenues are recorded when received and expenditures when paid. One notable exception is Water & Sewer charges for service. These charges are recognized when

billed to the customer rather than when collected.

Information contained in the report largely compares the fiscal year actual to fiscal year budget or prior year actual performance. The term “variance” is used to refer to the differences between these figures. For example, through the 1st quarter, 25% of the fiscal year is complete and thus we would expect 25% of revenue to be received or expenditures spent for each fund or classification. In situations where a significant variance between the percentages of the year completed and revenues or expenditures to date, explanations are provided.

Financial Planning & Reporting Process



Cash & Investments

The Village's Cash & Investments are governed by the Public Funds Investment Act (30 ILCS 235) and the Village Investment Policy. Priority is placed on safety and liquidity over investment income. Balances exclude the 307 - Police Pension & 308 - Fire Pension Funds which are managed by separate boards under separate statutory authority, and the 411 - Northeast Lake County Emergency Telephone Systems Board Fund. The Village utilizes the 91 day t-bill rate as a yield benchmark.

Cash & Investments Summary by Fund		
Total \$48,721,132		
110 - General Fund	\$33,608,098	69%
121 - 911 Fund	-\$99,771	0%
122 - Motor Fuel Tax Fund	\$358,366	1%
123 - Impact Fee Fund	\$168,678	0%
124 - PD Restricted Revenue Fund	\$175,912	0%
131 - Capital Improvement Fund	\$6,448,393	13%
211 - Golf Course Fund	\$443,953	1%
221 - Water & Sewer Operating Fund	\$6,111,017	13%
223 - Water & Sewer Capital Fund		
231 - Health Insurance Fund	-\$181,596	0%
233 - Fleet Services Fund	\$1,688,085	3%

Cash & Investments Summary by Liquidity		
Total \$48,721,132		
Checking/Savings Accounts	\$7,946,369	16%
Money Market/LGIP	\$25,780,482	53%
Short-Term Investments	\$14,988,379	31%
Petty Cash/Cash on Hand	\$5,901	0%

Cash & Investments Summary by Institution		
Total \$48,721,132		
Village Departments	\$5,901	0%
Gurnee Bank (Checking & Money Market)	\$23,325,949	48%
Illinois Funds	\$10,400,903	21%
Schwab Investment Account	\$8,941,773	18%
5/3rd Securities Inc.	\$6,046,606	12%

rate environment the Village targets roughly a third of the portfolio in each of the categories with a small amount held for petty cash purposes.

By Financial Institution

The Village maintains contractual relationships with a primary banking services provider (Gurnee Bank) for day to day banking needs, and two independent investment advisors (Sawyer Falduto Asset Management LLC, and 5/3rd Securities Inc.) to manage short-term investment of idle balances. The Village has had a long-standing relationship with the Illinois Funds which is a local government investment pool (LGIP) managed by the Illinois State Treasurer's Office.

By Fund

The graphic to the left shows the eleven different funds for which the Village is responsible for managing cash and investments. The Water & Sewer Operating and Capital Funds are combined. It is possible for Funds to be negative based on the timing of revenues & expenditures throughout the year. For example, the 121 – 911 Fund makes expenditures throughout the year and is reimbursed quarterly from the Northeast Lake County Consolidated Emergency Telephone Systems Board on a quarterly basis.

By Liquidity

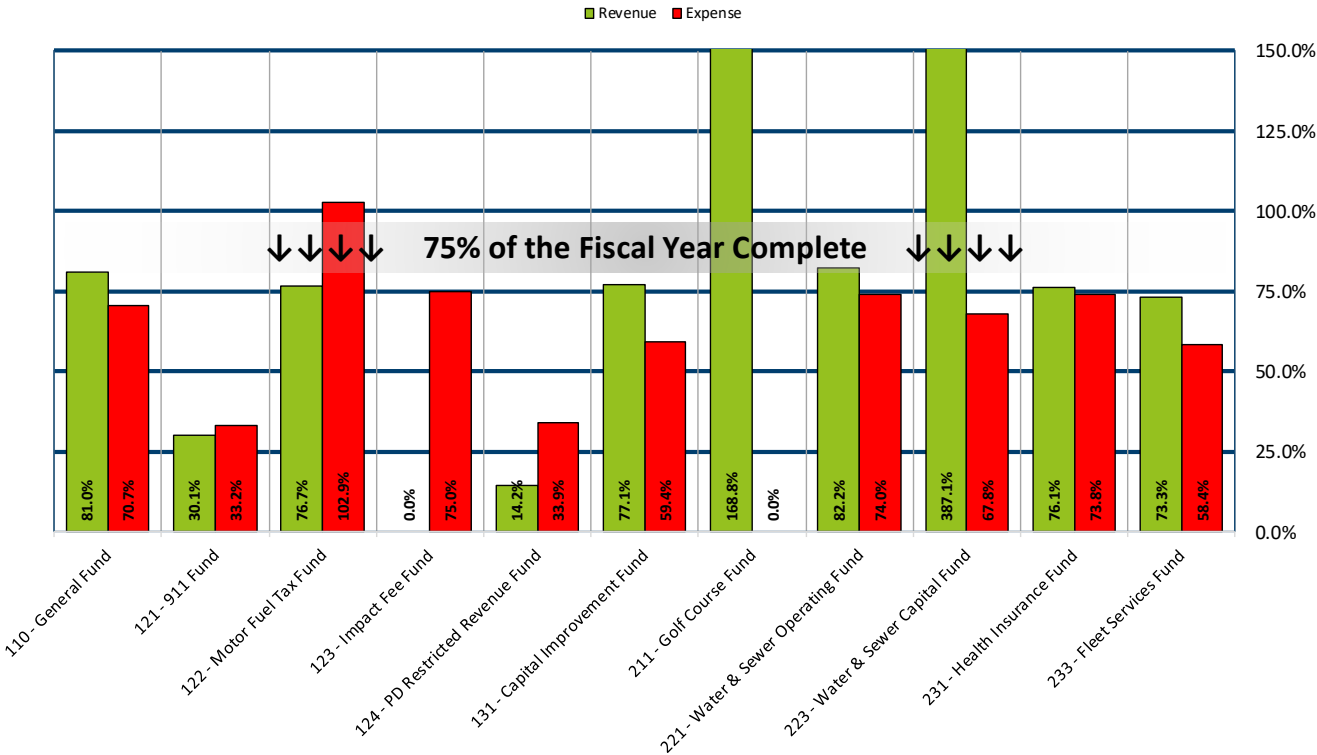
The Village maintains funds in a variety of accounts, from on-hand petty cash to short-term investments managed by an investment advisor. The amount held in each type of account depends on the cash flow needs throughout the year and potential emergency needs. Liquidity is important so that funds may be accessed as needed to make large payments to vendors for capital projects for example. In a normal operating and interest

All Funds Summary

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 of Gurnee, like other local governments, uses Fund accounting to ensure and demonstrate compliance with finance-related legal requirements. To get an idea of how each individual Fund is doing at the highest level, comparing revenues and expenses to budget can be useful. This chart shows each Fund’s budgeted and actual revenues and expenses along with budgeted and actual surplus or deficit. Many of the Village’s Funds have transactions that are seasonal in nature such as the 131 – Capital Improvement Fund where most of the activity occurs in the summer construction months. This report focuses on the 110 – General Fund and 221/223 – Water & Sewer Fund as these are the two primary operating Funds of the Village. Discussion on significant budget variances for major Governmental Funds and the Water & Sewer Fund can be found in more detail in the individual Fund sections. The graphic below shows budget to actual information for all funds in summary.

Fund	Revenue			Expense			Revenue +/- Expense	
	FY24 Budget	FY24 Actual	% of Budget	FY24 Budget	FY24 Actual	% of Budget	FY24 Budget	FY24 Actual
Total All Funds	\$92,026,819	\$60,712,338	66.0%	\$93,399,821	\$58,368,971	62.5%	-\$1,373,002	\$2,343,367
Total Governmental Funds	\$57,984,263	\$45,757,947	78.9%	\$62,970,863	\$43,313,782	68.8%	-\$4,986,600	\$2,444,165
110 - General Fund	\$49,086,397	\$39,736,125	81.0%	\$49,086,397	\$34,688,720	70.7%	\$0	\$5,047,404
121 - 911 Fund	\$1,542,366	\$464,586	30.1%	\$1,542,366	\$511,807	33.2%	\$0	(\$47,221)
122 - Motor Fuel Tax Fund	\$1,402,000	\$1,075,723	76.7%	\$2,000,000	\$2,058,022	102.9%	(\$598,000)	(\$982,300)
123 - Impact Fee Fund	\$0	\$4,250	0.0%	\$150,000	\$112,500	75.0%	(\$150,000)	(\$108,250)
124 - PD Restricted Revenue Fund	\$178,500	\$25,381	14.2%	\$426,700	\$144,450	33.9%	(\$248,200)	(\$119,068)
131 - Capital Improvement Fund	\$5,775,000	\$4,451,883	77.1%	\$9,765,400	\$5,798,283	59.4%	(\$3,990,400)	(\$1,346,400)
Total Proprietary Funds	\$18,314,600	\$14,644,842	80.0%	\$21,487,176	\$15,055,189	70.1%	-\$3,172,576	-\$410,347
211 - Golf Course Fund	\$58,000	\$97,900	168.8%	\$25,000	\$0	0.0%	\$33,000	\$97,900
221 - Water & Sewer Operating Fund	\$9,596,200	\$7,892,241	82.2%	\$7,685,741	\$5,686,801	74.0%	\$1,910,459	\$2,205,440
223 - Water & Sewer Capital Fund	\$50,000	\$193,558	387.1%	\$5,252,500	\$3,559,589	67.8%	(\$5,202,500)	(\$3,366,031)
231 - Health Insurance Fund	\$5,380,500	\$4,092,209	76.1%	\$5,380,500	\$3,972,552	73.8%	\$0	\$119,658
233 - Fleet Services Fund	\$3,229,900	\$2,368,934	73.3%	\$3,143,435	\$1,836,248	58.4%	\$86,465	\$532,686

Revenues & Expenses as a % of Budget



110 – General Fund

The 110 - General Fund is the primary operating fund of the Village and accounts for the vast majority of non-water & sewer related activity. Activities accounted for in the General Fund include Police, Fire, Public Works (non-Water & Sewer), Community Development and Administration. The chart below shows two years of historical actual data and current year budget and actual data. The arrows signify a significant (+/- 5%) variance from budget. Green arrows are at or above the year-to-date budget, yellow arrows indicate a negative variance of less than 5% of budget and red arrows indicate a negative variance of greater than 5% of budget.

110 - General Fund							
	FY 2021/2022 Actual	FY 2022/2023 Actual	FY 2023/2024 Budget	FY 2023/2024 YTD Actual	FY 2023/2024 Budget vs. Actual	% of Budget	
Revenues	\$51,692,924	\$49,244,520	\$49,086,397	\$39,736,125	(\$9,350,272)	81.0%	
30 - Major Revenues	\$28,283,190	\$29,277,705	\$28,270,000	\$22,752,905	(\$5,517,095)	↑ 80.5%	0-70% ↓
31 - Taxes	\$2,163,180	\$2,237,241	\$2,107,450	\$1,784,925	(\$322,525)	↑ 84.7%	
32 - Licenses & Permits	\$1,002,960	\$1,095,187	\$1,345,000	\$1,093,255	(\$251,745)	↑ 81.3%	70-75% →
33 - Intergovernmental	\$10,998,007	\$6,749,910	\$6,609,960	\$5,289,941	(\$1,320,019)	↑ 80.0%	
34 - Charges for Services	\$8,144,311	\$8,081,874	\$8,710,987	\$6,882,457	(\$1,828,530)	↑ 79.0%	>=75% ↑
35 - Fines & Forfeitures	\$1,376,299	\$1,094,658	\$1,106,000	\$721,449	(\$384,551)	↓ 65.2%	
36 - Invests & Contribs	(\$360,379)	\$480,640	\$787,000	\$980,416	\$193,416	↑ 124.6%	
39 - Other Sources	\$85,356	\$227,306	\$150,000	\$230,776	\$80,776	↑ 153.9%	
Expenditures	\$45,415,713	\$50,118,405	\$49,086,397	\$34,688,720	\$14,397,677	70.7%	
41 - Salaries & Wages	\$22,575,269	\$24,014,839	\$26,505,470	\$18,952,272	\$7,553,198	↑ 71.5%	> 80% ↓
42 - Employee Benefits	\$11,760,249	\$7,848,550	\$8,418,266	\$6,236,255	\$2,182,011	↑ 74.1%	
43 - Prof & Tech Services	\$1,107,730	\$1,081,201	\$1,245,185	\$660,630	\$584,555	↑ 53.1%	75-80% →
44 - Contractual Services	\$1,212,887	\$1,432,257	\$1,899,468	\$1,445,891	\$453,577	→ 76.1%	
45 - Other Cont. Services	\$1,113,737	\$1,345,926	\$1,443,783	\$1,074,909	\$368,874	↑ 74.5%	<=75% ↑
46 - Supplies	\$623,805	\$982,993	\$1,026,475	\$491,843	\$534,632	↑ 47.9%	
47 - Capital	\$0	\$0	\$0	\$0	\$0	↑ 0.0%	
48 - Debt Service	\$0	\$0	\$0	\$0	\$0	↑ 0.0%	
49 - Other Financing Uses	\$2,131,455	\$3,100,175	\$3,063,950	\$1,714,071	\$1,349,879	↑ 55.9%	
54 - Fund Transfers Out	\$4,890,580	\$10,312,464	\$5,483,800	\$4,112,850	\$1,370,950	→ 75.0%	

Revenues

Notable and significant variances from budget (-5%, indicated by red arrows in the graphic) include:

- **35 – Fines & Forfeitures** is under budget due to red light fines as a result of cameras being offline or pending IDOT approval.

Expenditures

Notable and significant variances from budget (+5%, indicated by red arrows in the graphic) include:

- **44 – Contractual Services** is over budget due to the timing of seasonal maintenance and annual subscription services.

30 - Major Revenues

30 – Major Revenues consists of Sales Tax, Amusement Tax, Food & Beverage Tax, Hotel Tax, Income Tax and Local Use Tax. Combined these revenues make up roughly 68% of the General Fund and are the most economically sensitive revenue streams the Village relies on for operations. The charts below show Major Revenues in total and individually by month for the last 5-years. The charts include three comparisons described in further detail below:

- **YTD Versus 5-Year Average** – This indicator shows actual collections through the current quarter this fiscal year versus the average of the same timeframe the last five fiscal years. This variance can be helpful to identify any longer range variances where a single fiscal year was abnormally impacted by factors such as the COVID-19 Pandemic.
- **YTD Versus Last Year** – This indicator shows actual collections through the current quarter this fiscal year versus the immediately preceding fiscal year. This variance can be helpful to identify any year to year variances.
- **YTD Versus Seasonally Adjusted Budget** – This indicator shows actual collections through the current quarter this fiscal year versus the year-to-date budget adjusted for seasonality. Seasonality is determined based on the percentage of revenues collected for the same timeframe in the preceding fiscal year. This variance can be helpful to identify where current revenues stand versus budget taking into account seasonal factors such as sales tax over the holiday season, or the operating season of Six Flags Great America.
- Receipt months with COVID restrictions or impact noted in ***Bold Italics***
- ***The YoY Trend*** columns to the right represent the year over year trend for the last 5-years. A green circle signifies a positive variance from the previous year, a red circle is a negative variance.

Major Revenues Dashboard			
Revenue	vs. 5-Year Avg	vs. Last Year	vs. Adj Budget
Total			
Sales Tax (MST & HMR)			
Amusement Tax			
Food & Beverage Tax			
Hotel Tax			

Major Revenues (Sales, Amusement, Food & Beverage, Hotel Taxes)							
Receipt Month	FY2018-2019	FY2019-2020	FY2020-2021	FY2021-2022	FY2022-2023	FY2023-2024	YoY Trend
May	\$1,963,000	\$1,663,249	<i>\$1,294,309</i>	<i>\$1,564,961</i>	\$1,926,864	\$2,091,872	
Jun	\$1,924,945	\$2,009,424	<i>\$1,353,228</i>	<i>\$2,338,655</i>	\$2,329,972	\$2,365,622	
Jul	\$2,142,731	\$2,238,998	<i>\$964,818</i>	<i>\$2,582,481</i>	\$2,877,037	\$2,726,542	
Aug	\$2,483,464	\$2,418,974	<i>\$1,175,000</i>	<i>\$2,926,160</i>	\$2,866,523	\$2,795,331	
Sep	\$2,514,011	\$2,714,261	<i>\$1,485,792</i>	<i>\$2,883,944</i>	\$2,768,207	\$2,897,265	
Oct	\$2,383,729	\$2,191,329	<i>\$1,578,963</i>	\$2,459,625	\$2,423,536	\$2,537,084	
Nov	\$2,201,273	\$2,263,423	<i>\$1,564,478</i>	\$2,532,511	\$2,737,985	\$2,831,241	
Dec	\$1,885,215	\$1,847,183	<i>\$1,561,521</i>	\$2,146,091	\$2,253,127	\$2,222,145	
Jan	\$1,885,651	\$1,998,594	<i>\$1,560,467</i>	\$2,197,377	\$2,262,462	\$2,285,801	
Feb	\$1,925,676	\$1,873,626	<i>\$1,480,154</i>	\$2,097,239	\$1,996,279		
Mar	\$2,267,113	<i>\$2,202,943</i>	<i>\$1,989,539</i>	\$2,472,988	\$2,725,569		
Apr	\$1,449,112	<i>\$1,405,609</i>	<i>\$1,547,320</i>	\$1,904,013	\$1,926,435		
Total YTD Actual	\$25,025,918	\$24,827,613	\$17,555,589	\$28,106,045	\$29,093,998	\$22,752,905	
Annual Budget	\$25,202,623	\$24,898,625	\$25,025,000	\$22,757,500	\$26,205,000	\$28,270,000	
Over/(Under) Budget	(\$176,705)	(\$71,012)	(\$7,469,411)	\$5,348,545	\$2,888,998	(\$5,517,095)	
% of Budget	99.3%	99.7%	70.2%	123.5%	111.0%	80.5%	

YTD vs. 5-Year Average	
YTD Actual	\$22,752,905
5-Year Average	\$19,069,109
\$ Difference	\$3,683,795
% Difference	19.3%
\$ Difference Breakdown	
Sales Taxes	\$2,054,503
Amusement Tax	\$653,004
Food & Beverage Tax	\$571,803
Hotel Tax	\$404,486

YTD vs. Last Year	
YTD Actual	\$22,752,905
Last Year	\$22,445,715
\$ Difference	\$307,190
% Difference	1.4%
\$ Difference Breakdown	
Sales Taxes	\$137,868
Amusement Tax	\$28,136
Food & Beverage Tax	\$177,283
Hotel Tax	(\$36,097)

YTD vs. Seasonally Adjusted Budget	
YTD Actual	\$22,752,905
YTD Adj. Budget	\$21,784,410
\$ Difference	\$968,495
% Difference	4.4%
\$ Difference Breakdown	
Sales Taxes	\$377,893
Amusement Tax	\$237,146
Food & Beverage Tax	\$318,084
Hotel Tax	\$35,372

Sales Tax

Items except food, drugs and titled property are subject to an 8.00% Sales Tax in Gurnee. The 8.00% rate includes a 1.00% Home Rule Sales Tax, 6.25% State Tax and 0.75% Regional Transportation Tax. The Village receives 1% of the state rate and 1% Home Rule Sales Tax rate within the corporate limits of the Village and certain internet sales as of March 1, 2021 based on the destination of the sale.

331301 - SALES TAX & 331303 - HOME RULE SALES TAX							
Sales/Receipt Month	FY2018-2019	FY2019-2020	FY2020-2021	FY2021-2022	FY2022-2023	FY2023-2024	YoY Trend
Feb/May	\$1,097,075	\$1,120,846	\$1,135,163	\$1,128,154	\$1,338,505	\$1,295,361	
Mar/Jun	\$1,431,016	\$1,423,798	\$1,117,695	\$1,697,533	\$1,649,215	\$1,531,475	
Apr/Jul	\$1,242,700	\$1,316,201	\$764,769	\$1,556,947	\$1,661,962	\$1,600,304	
May/Aug	\$1,507,267	\$1,481,322	\$985,858	\$1,773,938	\$1,732,485	\$1,799,213	
Jun/Sep	\$1,665,753	\$1,643,945	\$1,292,790	\$1,950,777	\$1,912,997	\$1,953,100	
Jul/Oct	\$1,564,828	\$1,481,795	\$1,305,856	\$1,794,315	\$1,735,654	\$1,824,462	
Aug/Nov	\$1,573,174	\$1,576,091	\$1,294,811	\$1,762,746	\$1,795,934	\$1,883,921	
Sep/Dec	\$1,472,655	\$1,386,379	\$1,365,218	\$1,671,973	\$1,696,680	\$1,755,880	
Oct/Jan	\$1,398,184	\$1,399,810	\$1,310,750	\$1,657,962	\$1,709,886	\$1,727,470	
Nov/Feb	\$1,538,217	\$1,466,682	\$1,304,776	\$1,698,210	\$1,710,399		
Dec/Mar	\$1,881,971	\$1,847,859	\$1,745,370	\$2,131,881	\$2,135,659		
Jan/Apr	\$1,051,709	\$1,063,035	\$1,145,607	\$1,269,088	\$1,362,722		
Total YTD Actual	\$17,424,549	\$17,207,763	\$14,768,664	\$20,093,525	\$20,442,099	\$15,371,186	
Annual Budget	\$16,840,000	\$17,480,000	\$17,300,000	\$16,543,750	\$18,675,000	\$20,120,000	
Over/(Under) Budget	\$584,549	(\$272,237)	(\$2,531,336)	\$3,549,775	\$1,767,099	(\$4,748,814)	
% of Budget	103.5%	98.4%	85.4%	121.5%	109.5%	76.4%	

YTD vs. 5-Year Average	
YTD Actual	\$15,371,186
5-Year Average	\$13,316,683
\$ Difference	\$2,054,503
% Difference	15.4%

YTD vs. Last Year	
YTD Actual	\$15,371,186
Last Year	\$15,233,318
\$ Difference	\$137,868
% Difference	0.9%

YTD vs. Seasonally Adjusted Budget	
YTD Actual	\$15,371,186
YTD Adj. Budget	\$14,993,293
\$ Difference	\$377,893
% Difference	2.5%

Amusement Tax

Effective May 1, 2018 the Village increased the tax on amusements from 3% to 4% on receipts within Village boundaries. The Village has approximately 11 Amusement Taxpayers. Prior to this increase, Amusement Tax had not been adjusted in nearly 20 years. The largest Amusement Tax generator is Six Flags Great America.

331601 - AMUSEMENT TAX							
Sales/Receipt Month	FY2018-2019	FY2019-2020	FY2020-2021	FY2021-2022	FY2022-2023	FY2023-2024	YoY Trend
Apr/May	\$670,890	\$214,312	\$69,779	\$131,641	\$189,142	\$327,477	
May/Jun	\$249,346	\$262,185	\$62,745	\$299,589	\$300,183	\$421,240	
Jun/Jul	\$566,301	\$491,570	\$73,485	\$626,845	\$751,173	\$634,331	
Jul/Aug	\$499,848	\$480,987	\$59,049	\$623,910	\$602,563	\$473,312	
Aug/Sep	\$393,025	\$618,494	\$58,392	\$501,474	\$408,480	\$480,024	
Sep/Oct	\$540,604	\$441,316	\$68,147	\$342,278	\$328,061	\$336,623	
Oct/Nov	\$313,989	\$341,358	\$46,621	\$436,306	\$545,527	\$558,935	
Nov/Dec	\$141,341	\$164,624	\$45,217	\$133,937	\$184,877	\$126,099	
Dec/Jan	\$159,322	\$266,577	\$91,645	\$160,425	\$132,972	\$113,074	
Jan/Feb	\$117,692	\$137,800	\$38,891	\$107,423	\$83,762		
Feb/Mar	\$84,043	\$103,704	\$38,970	\$33,376	\$92,621		
Mar/Apr	\$22,558	\$211,102	\$91,485	\$207,419	\$106,841		
Total YTD Actual	\$3,758,960	\$3,734,030	\$744,425	\$3,604,625	\$3,726,203	\$3,471,114	
Annual Budget	\$3,212,623	\$3,338,625	\$3,550,000	\$2,931,250	\$3,600,000	\$3,500,000	
Over/(Under) Budget	\$546,336	\$395,405	(\$2,805,575)	\$673,375	\$126,203	(\$28,886)	
% of Budget	117.0%	111.8%	21.0%	123.0%	103.5%	99.2%	

YTD vs. 5-Year Average	
YTD Actual	\$3,471,114
5-Year Average	\$2,818,111
\$ Difference	\$653,004
% Difference	23.2%

YTD vs. Last Year	
YTD Actual	\$3,471,114
Last Year	\$3,442,978
\$ Difference	\$28,136
% Difference	0.8%

YTD vs. Seasonally Adjusted Budget	
YTD Actual	\$3,471,114
YTD Adj. Budget	\$3,233,969
\$ Difference	\$237,146
% Difference	7.3%

Food & Beverage Tax

Food & Beverage Tax is 1% on meals prepared for immediate consumption as well as packaged liquor. The Village has approximately 135 Food & Beverage taxpayers. With the change in internet sales, the Village also collects Food & Beverage Tax from online delivery services such as Uber Eats and Grub Hub.

331609 - FOOD & BEVERAGE TAX							
Sales/Receipt Month	FY2018-2019	FY2019-2020	FY2020-2021	FY2021-2022	FY2022-2023	FY2023-2024	YoY Trend
Apr/May	\$140,861	\$149,832	\$72,494	\$159,904	\$184,336	\$213,196	
May/Jun	\$165,958	\$178,872	\$91,360	\$196,386	\$219,948	\$239,774	
Jun/Jul	\$228,206	\$223,577	\$104,503	\$231,931	\$252,603	\$286,763	
Jul/Aug	\$228,722	\$218,604	\$112,145	\$256,543	\$265,756	\$287,869	
Aug/Sep	\$210,808	\$215,984	\$116,545	\$227,495	\$232,465	\$269,067	
Sep/Oct	\$163,257	\$156,025	\$122,897	\$196,202	\$216,648	\$231,998	
Oct/Nov	\$165,237	\$175,408	\$130,881	\$183,890	\$229,076	\$232,473	
Nov/Dec	\$138,537	\$149,500	\$108,893	\$188,858	\$197,350	\$197,912	
Dec/Jan	\$175,283	\$179,861	\$137,431	\$200,411	\$220,793	\$237,205	
Jan/Feb	\$127,313	\$131,474	\$107,237	\$153,565	\$169,505		
Feb/Mar	\$122,645	\$114,553	\$132,457	\$158,612	\$186,953		
Mar/Apr	\$154,812	\$109,998	\$164,059	\$188,845	\$204,488		
Total YTD Actual	\$2,021,638	\$2,003,688	\$1,400,901	\$2,342,643	\$2,579,921	\$2,196,258	
Annual Budget	\$2,050,000	\$1,990,000	\$2,025,000	\$1,807,500	\$2,130,000	\$2,400,000	
Over/(Under) Budget	(\$28,362)	\$13,688	(\$624,099)	\$535,143	\$449,921	(\$203,742)	
% of Budget	98.6%	100.7%	69.2%	129.6%	121.1%	91.5%	

YTD vs. 5-Year Average	
YTD Actual	\$2,196,258
5-Year Average	\$1,624,455
\$ Difference	\$571,803
% Difference	35.2%

YTD vs. Last Year	
YTD Actual	\$2,196,258
Last Year	\$2,018,975
\$ Difference	\$177,283
% Difference	8.8%

YTD vs. Seasonally Adjusted Budget	
YTD Actual	\$2,196,258
YTD Adj. Budget	\$1,878,174
\$ Difference	\$318,084
% Difference	16.9%

Hotel Tax

Hotel Tax is 6% on room rentals and has bounced back versus last year and two years ago. The Village has approximately 12 Hotel taxpayers.

331607 - HOTEL TAX							
Sales/Receipt Month	FY2018-2019	FY2019-2020	FY2020-2021	FY2021-2022	FY2022-2023	FY2023-2024	YoY Trend
Apr/May	\$54,175	\$178,259	\$16,873	\$145,262	\$214,881	\$255,838	
May/Jun	\$78,625	\$144,569	\$81,427	\$145,145	\$160,625	\$173,133	
Jun/Jul	\$105,523	\$207,650	\$22,061	\$166,758	\$211,299	\$205,144	
Jul/Aug	\$247,627	\$238,062	\$17,948	\$271,769	\$265,719	\$234,937	
Aug/Sep	\$244,424	\$235,838	\$18,065	\$204,198	\$214,264	\$195,075	
Sep/Oct	\$115,040	\$112,193	\$82,064	\$126,830	\$143,174	\$144,001	
Oct/Nov	\$148,873	\$170,566	\$92,165	\$149,568	\$167,448	\$155,912	
Nov/Dec	\$132,682	\$146,679	\$42,194	\$151,322	\$174,221	\$142,254	
Dec/Jan	\$152,861	\$152,345	\$20,640	\$178,579	\$198,811	\$208,053	
Jan/Feb	\$142,453	\$137,670	\$29,250	\$138,042	\$32,612		
Feb/Mar	\$178,455	\$136,827	\$72,743	\$149,119	\$310,336		
Mar/Apr	\$220,033	\$21,474	\$146,169	\$238,660	\$252,384		
Total YTD Actual	\$1,820,771	\$1,882,133	\$641,598	\$2,065,253	\$2,345,776	\$1,714,346	
Annual Budget	\$3,100,000	\$2,090,000	\$2,150,000	\$1,475,000	\$1,800,000	\$2,250,000	
Over/(Under) Budget	(\$1,279,229)	(\$207,867)	(\$1,508,402)	\$590,253	\$545,776	(\$535,654)	
% of Budget	58.7%	90.1%	29.8%	140.0%	130.3%	76.2%	

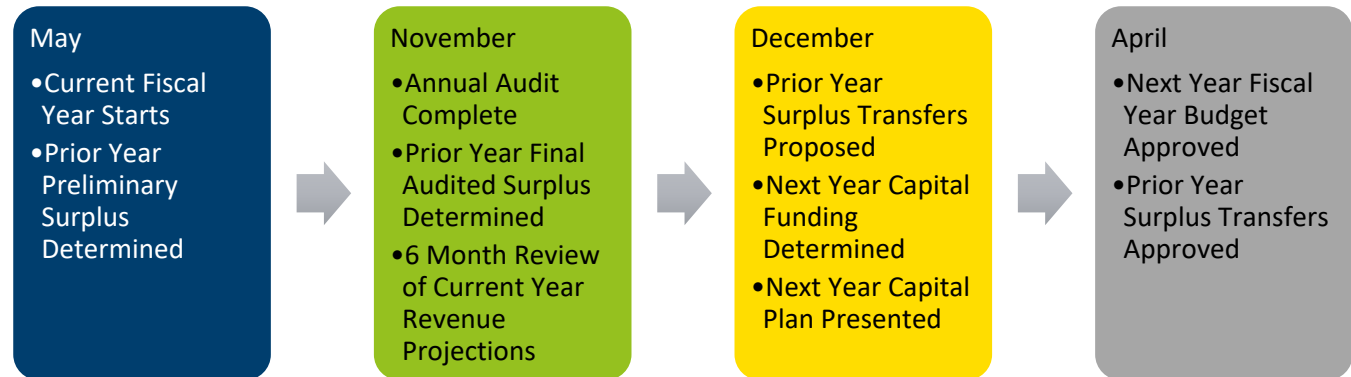
YTD vs. 5-Year Average	
YTD Actual	\$1,714,346
5-Year Average	\$1,309,861
\$ Difference	\$404,486
% Difference	30.9%

YTD vs. Last Year	
YTD Actual	\$1,714,346
Last Year	\$1,750,443
\$ Difference	-\$36,097
% Difference	-2.1%

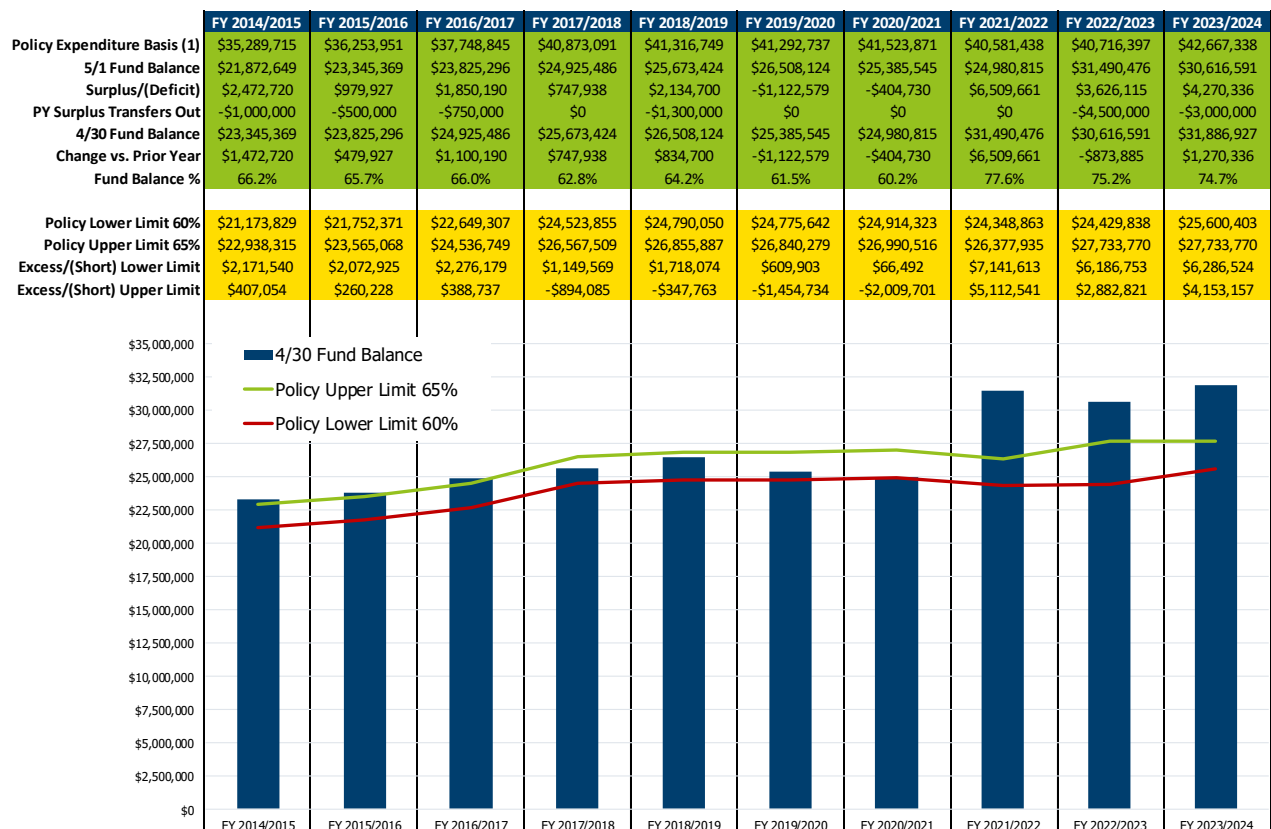
YTD vs. Seasonally Adjusted Budget	
YTD Actual	\$1,714,346
YTD Adj. Budget	\$1,678,975
\$ Difference	\$35,372
% Difference	2.1%

General Fund - Fund Balance

The Village relies heavily on economically sensitive revenues and does not levy a property tax. Fund Balance, commonly referred to as reserves or rainy day funds, are important to maintain operations in the event of a sudden economic downturn as was experienced with the COVID-19 pandemic. These funds allow the Village to make up for any shortfalls and “keep the doors open”. In accordance with the Village’s General Corporate Fund Balance Policy, an unassigned fund balance for the General Fund should at a minimum equal 60% of the subsequent year’s budgeted expenditures less transfers. Any balance over 65% may be transferred for capital or other obligations. Below is a graphic depicting the timing of determining the amount and use of any surplus balances.



The FY 2022/2023 ending fund balance is \$30.6 million or approximately 75.2% of FY 2023/2024 budgeted expenditures less transfers. This is well above the policy limit and insures against revenue interruptions. Excess FY 2022/2023 Fund balance of \$3.0 million is being transferred to the Capital Improvement Fund (\$1.5 million), Water & Sewer Capital Fund (\$1.5 million) with the FY 2024/2025 Annual Budget.



(1) Policy Expenditure basis is next year expenditure budget less transfers.

221&223 – Water & Sewer Funds

The 221 - Water & Sewer Operating and 223 – Water & Sewer Capital Funds account for activities related to operating the Village's Water & Sewer utility systems. Funding is primarily from user fees and connection charges. Expenses include personnel related expenses and contracts for purchase of Lake Michigan water from the Central Lake County Joint Action Water Agency. Sewer is conveyed to either Lake County or the North Shore Water Reclamation District. The 223 - Water & Sewer Capital Fund accounts for water & sewer system related capital and infrastructure maintenance and replacement. These Funds are combined in the graphic below to provide a complete picture of the financial position of the Water & Sewer Utility.

221 - Water & Sewer Operating Fund 223 - Water & Sewer Capital Fund							
	FY 2021/2022 Actual	FY 2022/2023 Actual	FY 2023/2024 Budget	FY 2023/2024 YTD Actual	FY 2023/2024 Budget vs. Actual	% of Budget	
Total Revenues	\$9,193,446	\$9,813,495	\$9,646,200	\$8,085,799	(\$1,560,401)	83.8%	
32 - Licenses & Permits	\$78,479	\$82,505	\$50,000	\$192,758	\$142,758	↑ 385.5%	0-70% ↓
34 - Charges for Services	\$8,455,668	\$9,597,534	\$9,418,200	\$7,639,700	(\$1,778,500)	↑ 81.1%	70-75% →
35 - Fines & Forfeitures	\$80,293	\$116,917	\$100,000	\$104,973	\$4,973	↑ 105.0%	
36 - Invests & Contribs	(\$13,358)	\$6,805	\$70,000	\$141,956	\$71,956	↑ 202.8%	
39 - Other Sources	\$592,363	\$9,735	\$8,000	\$6,411	(\$1,589)	↑ 80.1%	>=75% ↑
Total Expenditures	\$8,092,620	\$7,903,336	\$12,164,966	\$8,666,433	\$3,498,533	71.2%	
41 - Salaries & Wages	\$1,058,194	\$1,050,054	\$1,287,689	\$820,370	\$467,319	↑ 63.7%	> 80% ↓
42 - Employee Benefits	\$778,456	\$733,954	\$458,191	\$359,734	\$98,457	→ 78.5%	75-80% →
43 - Prof & Tech Services	\$12,980	\$8,945	\$18,600	\$1,561	\$17,039	↑ 8.4%	
44 - Contractual Services	\$3,580,295	\$3,172,282	\$3,064,653	\$2,067,912	\$996,740	↓ 67.5%	
45 - Other Cont. Services	\$175,693	\$221,179	\$232,261	\$235,050	(\$2,789)	↓ 101.2%	<=75% ↑
46 - Supplies	\$264,470	\$607,266	\$830,725	\$715,895	\$114,830	↓ 86.2%	
47 - Capital	\$1,593,678	\$1,627,513	\$4,675,000	\$3,126,464	\$1,548,536	↑ 66.9%	
48 - Debt Service	\$141,569	\$564,248	\$564,248	\$564,248	\$0	↓ 100.0%	
54 - Fund Transfers Out	\$487,286	(\$82,105)	\$1,033,600	\$775,200	\$258,400	↑ 75.0%	

Revenues

Notable and significant variances from budget (-5%, indicated by red arrows in the graphic) include:

- All categories are at or over budget.

Expenditures

Notable and significant variances from budget (+5%, indicated by red arrows in the graphic) include:

- **42 – Employee Benefits** is over budget due to the timing of workers compensation premiums.
- **45 – Other Contractual Services** is over budget due to the timing of property, liability and auto insurance premiums.
- **46 – Supplies** is over due the timing of meter purchases.
- **48 – Debt Service** is over due to the timing of principal and interest payments on the IEPA Loan.

Fund Balance

Proprietary Funds typically report Net Assets in place of traditional Fund Balance. Net Assets includes things like depreciable capital assets and does not give an accurate picture of current spendable resources. Therefore, cash balance is shown as an alternative which gives an idea of current available resources and is a better comparison to unrestricted Fund Balance in Governmental Funds.

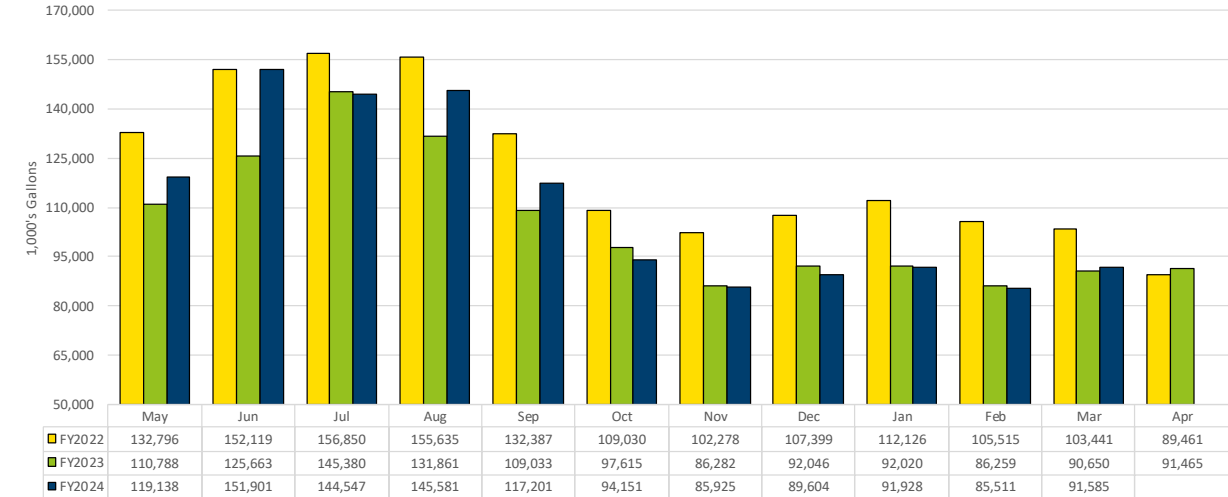
Water Usage

Water revenues or charges for service are driven largely by water demand and weather. The Village tracks water usage billed from the water provider CLCJAWA. This usage is billed in arrears to the Village customers on a bi-monthly basis. Water purchased from CLCJAWA is a leading indicator of revenues billed approximately two months later. The chart below shows water purchased from CLCJAWA and precipitation.

Usage vs. Last Year	Precipitation vs. Last Year
 5.5%	 -32.8%

1,000's Gallons Purchased From CLCJAWA										
	FY2022		FY2023		FY2024		Usage Variances		Precipitation Variances	
	Actual	Precipitation	Actual	Precipitation	Actual	Precipitation	Month vs.	YTD vs.	Month vs.	YTD vs.
Month	(1,000's Gallons)	(inches)	(1,000's Gallons)	(inches)	(1,000's Gallons)	(inches)	Prior Year	FY2023	Prior Year	FY2023
Total	1,459,037	24.97	1,259,062	30.59	1,217,072	20.05				
May	132,796	1.29	110,788	4.27	119,138	0.91	7.5%	7.5%	-78.7%	-78.7%
Jun	152,119	2.99	125,663	1.77	151,901	1.47	20.9%	14.6%	-16.9%	-60.6%
Jul	156,850	0.60	145,380	6.85	144,547	4.27	-0.6%	8.8%	-37.7%	-48.4%
Aug	155,635	3.29	131,861	4.39	145,581	2.48	10.4%	9.2%	-43.5%	-47.2%
Sep	132,387	1.70	109,033	5.65	117,201	4.53	7.5%	8.9%	-19.8%	-40.4%
Oct	109,030	7.49	97,615	2.05	94,151	3.12	-3.5%	7.2%	52.2%	-32.8%
Nov	102,278		86,282		85,925		-0.4%	6.4%	0.0%	-32.8%
Dec	107,399		92,046		89,604		-2.7%	5.5%	0.0%	-32.8%
Jan	112,126		92,020		91,928		-0.1%	5.0%	0.0%	-32.8%
Feb	105,515		86,259		85,511		-0.9%	4.5%	0.0%	-32.8%
Mar	103,441	3.01	90,650	3.49	91,585	3.27	1.0%	4.2%	-6.3%	-29.6%
Apr	89,461	4.60	91,465	2.12						

3-Year History of Gallons Purchased (1,000's)



Other Major Governmental Funds

The **122 - Motor Fuel Tax Fund** accounts for proceeds from the state distributed motor fuel tax funds that are restricted to use for maintenance of roadways and transportation assets. The Motor Fuel Tax Fund is used to supplement the Village's annual road program.

122 - Motor Fuel Tax Fund						
	FY 2021/2022 Actual	FY 2022/2023 Actual	FY 2023/2024 Budget	FY 2023/2024 YTD Actual	FY 2023/2024 Budget vs. Actual	% of Budget
Revenues	\$1,981,468	\$1,691,681	\$1,402,000	\$1,075,723	(\$326,277)	76.7%
33 - Intergovernmental	\$1,979,384	\$1,595,773	\$1,327,000	\$1,052,340	(\$274,660)	↑ 79.3%
36 - Invests & Contribs	\$2,084	\$95,909	\$75,000	\$23,383	(\$51,617)	↓ 31.2%
Expenditures	\$1,347,149	\$2,275,523	\$2,000,000	\$2,058,022	(\$58,022)	102.9%
44 - Contractual Services	\$1,347,149	\$2,275,523	\$2,000,000	\$2,058,022	(\$58,022)	↓ 102.9%
47 - Capital	\$0	\$0	\$0	\$0	\$0	↑ 0.0%
Beginning Fund Balance⁽¹⁾	\$1,407,133	\$2,041,452	\$1,457,610	\$1,457,610		
Surplus/(Deficit)	\$634,319	(\$583,842)	(\$598,000)	(\$982,300)		
Ending Fund Balance	\$2,041,452	\$1,457,610	\$859,610	\$475,310		

Revenues

Notable and significant variances from budget (-5%, indicated by red arrows in the graphic) include:

- **36 - Investments & Contributions** is under budget due to less than anticipated interest income.

Expenditures

Notable and significant variances from budget (+5%, indicated by red arrows in the graphic) include:

- **44 – Contractual Services** is over budget due to the timing of the road resurfacing program.

Fund Balance

There is no formal policy for this Fund, however the Village strives to keep \$1m in reserves in the event other funding in the 131 – Capital Improvement Fund becomes unavailable, as was the case during the pandemic.

The **131 - Capital Improvement Fund** accounts for all non-Water & Sewer capital expenditures. Funding is derived primarily from 50% of the Village's Home Rule Sales Tax and transfers from other funds.

131 - Capital Improvement Fund						
	FY 2021/2022 Actual	FY 2022/2023 Actual	FY 2023/2024 Budget	FY 2023/2024 YTD Actual	FY 2023/2024 Budget vs. Actual	% of Budget
Revenues	\$9,140,651	\$5,888,476	\$5,625,000	\$4,339,383	(\$1,285,617)	77.1%
30 - Major Revenues	\$5,378,494	\$5,506,341	\$5,450,000	\$4,058,896	(\$1,391,104)	⇒ 74.5%
33 - Intergovernmental	\$0	\$19,146	\$25,000	\$0	(\$25,000)	↓ 0.0%
36 - Invests & Contribs	\$1,068,364	\$273,547	\$100,000	\$277,596	\$177,596	↑ 277.6%
39 - Other Sources	\$2,693,793	\$89,441	\$50,000	\$2,891	(\$47,110)	↓ 5.8%
Expenditures	\$4,838,175	\$10,519,440	\$8,864,900	\$5,122,908	\$3,741,992	57.8%
43 - Prof & Tech Services	\$115,164	\$267,750	\$415,000	\$311,290	\$103,710	⇒ 75.0%
44 - Contractual Services	\$890,228	\$4,281,427	\$4,904,921	\$3,748,315	\$1,156,607	⇒ 76.4%
47 - Capital	\$3,543,095	\$652,977	\$3,544,979	\$1,063,304	\$2,481,675	↑ 30.0%
48 - Debt Service	\$289,689	\$5,356,736	\$0	\$0	\$0	↑ 0.0%
49 - Other Financing Uses	\$0	(\$39,451)	\$0	\$0	\$0	↑ 0.0%
Beginning Fund Balance⁽¹⁾	\$4,342,149	\$8,644,624	\$4,013,660	\$4,013,660		
Surplus/(Deficit)	\$4,302,475	(\$4,630,964)	(\$3,239,900)	(\$783,525)		
Ending Fund Balance	\$8,644,624	\$4,013,660	\$773,760	\$3,230,135		

Revenues

Notable and significant variances from budget (-5%, indicated by red arrows in the graphic) include:

- **33 – Intergovernmental** revenue is under budget due to the timing of grants for fire related equipment.
- **39 – Other Sources** is under budget due to timing of proceeds from the sale of assets.

Expenditures

Notable and significant variances from budget (+5%, indicated by red arrows in the graphic) include:

- All categories are at or under budget.

Fund Balance

There is no formal policy for this Fund, The Village strives to keep a balance in excess of \$1 million in the Fund for unanticipated capital items.

The Village maintains several other Funds to account for various activities and resources that may be restricted as to how they are used. Funds are broken into three categories and are described below.

Non-Major Governmental Funds

The **121 – 911 Fund** accounts for the Village's portion of 911 related expenditures and reimbursement from the 411 – Northeast Lake County Consolidated Emergency Telephone Systems Board.

The **123 - Impact Fee Fund** accounts for fees collected from developers for necessary improvements made by the Village and money collected for county road improvements within the Village. The Village utilizes these funds for capital purposes.

The **124 - PD Restricted Revenue Fund** accounts for seized assets related to drug arrests. The Village receives a percentage of assets any time there is a drug arrest and assets are recovered. The money must be used for drug awareness and prevention. The Village utilizes these funds for capital purposes.

Other Proprietary Funds

The **211 - Golf Course Fund** accounts for the initial purchase of Bittersweet Golf Course and the repayment of an initial operating loan to the contracted operator of the course GolfVisions. The arrangement is considered a public-private service concession arrangement under GASB Statement 60, and therefore only the initial asset and any payments from the operator are recorded in the Fund.

The **231 – Health Insurance Fund** accounts for expenditures related to the administration of the Village's health and wellness program which includes self-insured health, dental, and life insurance.

The **233 – Fleet Services Fund** accounts for expenditures related to the maintenance and replacement of the vehicle and equipment fleet. This includes the operation of the shop, parts, fuel and vehicle & equipment purchases.

Fiduciary Funds

The **307 - Police Pension Fund** accounts for activity related to the Village's pension obligations for employees covered under ILCS Article 3 pension system. Funding comes from Employee and Employer contributions, and investment income.

The **308 - Fire Pension Fund** accounts for activity related to the Village's pension obligations for employees covered under ILCS Article 4 pension system. Funding comes from Employee and Employer contributions, and investment income.

The **411 – NLCC-ETSB Fund** accounts for activity related to the Northeast Lake County Consolidated Emergency Telephone Systems Board that consists of the Village and the City of Zion.

Connect With the Village

Additional Financial Information can be found on the Village’s website at the following links:

Strategic Plan

<https://www.gurnee.il.us/government/transparency-portal/plans-goals/strategic-plan>

Multi-Year Financial Forecast

<https://www.gurnee.il.us/government/departments/administration/finance/multi-year-financial-forecast>

Multi-Year Capital Plan

<https://www.gurnee.il.us/government/departments/administration/finance/multi-year-capital-plan>

Budgets

<https://www.gurnee.il.us/government/departments/administration/finance/annual-budget>

Financial Status Reports

<https://www.gurnee.il.us/government/departments/administration/finance/financial-status-reports>

Annual Comprehensive Financial Reports (Audit)

<https://www.gurnee.il.us/government/departments/administration/finance/comprehensive-annual-financial-report-audit>



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Village Hall

325 N. O'Plaine Road
(847) 599-7500 (Administration)
(847) 599-7550 (Community Development)
M-F, 7:30 a.m. - 4:00 p.m.
Night Deposit Available
Water & Sewer Bills: 24 hours/7 days a week

Police Station

100 N. O'Plaine Road
Non-Emergency: (847) 599-7000
Office Hours: M-F, 8:30a.m. - 4:30
(847) 599-7050 (Administration)
(847) 599-7040 (Investigations)
(847) 599-7070 (Records)
(847) 599-7100 (Gurnee Mills Substation)

Fire Station No. 1

4580 Old Grand Avenue
Non-Emergency: (847) 599-6600
Office Hours: M-F, 7:30 a.m.-4:00 p.m.

Fire Station No. 2

6581 Dada Drive
Non-Emergency: (847) 599-6650
Office Hours: M-F, 7:30 a.m. - 4:00 p.m.

Fire Station No. 3

5330 Manchester Drive
Non-Emergency: (847) 599-6650
Office Hours: M-F, 7:30 a.m. - 4:00 p.m.

Public Works Facility

1151 Kilbourne Road
(847) 599-6800
Office Hours: M-F, 7:00 a.m. - 3:00 p.m.

Sign up for email alerts and reminders from the Village by going to <https://www.gurnee.il.us> and clicking on E-Mail Alerts.

Visit <https://www.gurnee.il.us> for information about services, board meetings, and more.