



THE VILLAGE OF
ALGONQUIN
ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
APRIL 30, 2021

VILLAGE OF ALGONQUIN, ILLINOIS

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended
April 30, 2021

Issued by the Finance Department

Michael Kumbera
Treasurer

Susan Skillman
Comptroller

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INTRODUCTORY SECTION

Village of Algonquin, Illinois
Principal Officials

April 30, 2021

Legislative

Village Board of Trustees

Debby Sosine, Village President

Laura Brehmer

John Spella

Jerry Glogowski

Jim Steigert

Janis Jasper

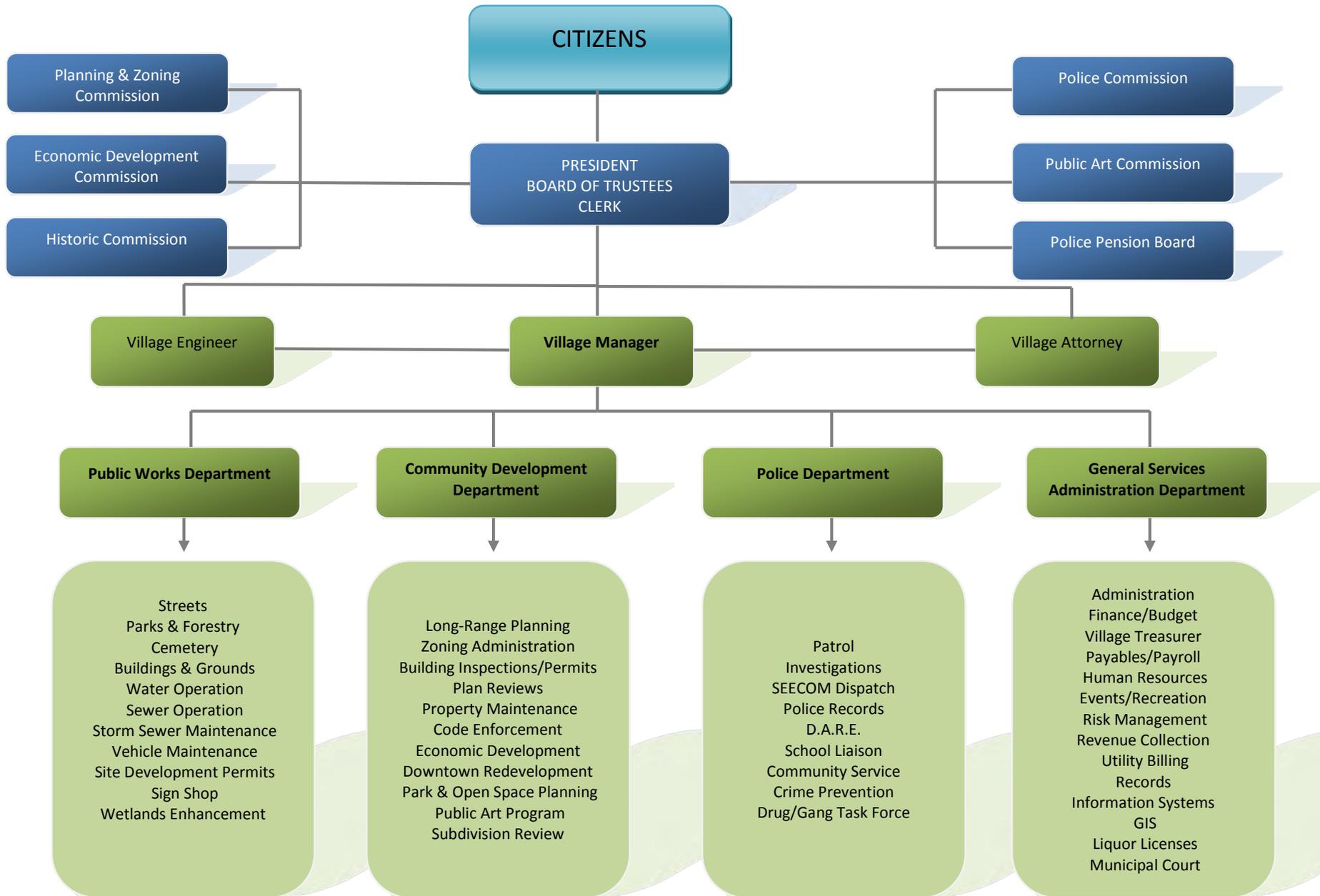
Maggie Auger, Clerk

Appointed Officials

Tim Schloneger, Village Manager

Michael Kumbera, Treasurer

Village of Algonquin 2020 – 2021 Organizational Chart





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Village of Algonquin
Illinois**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

April 30, 2020

Christopher P. Morill

Executive Director/CEO



Village of Algonquin

The Gem of the Fox River Valley

October 12, 2021

The Honorable Village President
Members of the Board of Trustees and Village Manager
Village of Algonquin
Algonquin, Illinois 60102

The Comprehensive Annual Financial Report (ACFR) of the Village of Algonquin, Illinois, (the Village) for the fiscal year ended April 30, 2021, is hereby submitted as mandated by local ordinances and state statutes. These ordinances and statutes require that the Village issue annually a report on its financial position and activity presented in conformance with generally accepted accounting principles (GAAP) in the United States of America and audited in accordance with generally accepted auditing standards (GAAS) by an independent firm of certified public accountants.

This report consists of management's representations concerning the finances of the Village of Algonquin. The Village is responsible for the accuracy and fairness of the presentation of the financial statements and other information as presented herein. The data presented in this report is believed to be accurate in all material respects, and all statements and disclosures necessary for the reader to obtain a thorough understanding of the Village's financial activities have been included. To provide a reasonable basis for making these representations, management of the Village has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft or misuse and to compile sufficient, reliable information for the preparation of the Village of Algonquin's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Village's comprehensive framework of internal controls has been designed to provide reasonable assurance rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Village's financial statements have been audited by Sikich LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Village of Algonquin for the fiscal year ended April 30, 2021, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation.

The independent auditor concluded, based upon their audit, that there was a reasonable basis for rendering an unmodified opinion that the Village's financial statements for the fiscal year ended April 30, 2021, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Village's MD&A can be found immediately following the report of the independent auditors.

Copies of this financial report are available for review at the Ganek Municipal Center and will also be placed on the Village's web site at www.algonquin.org/transparency for use by the general public.

Profile of the Village of Algonquin

The Village of Algonquin, a home rule community as defined by the Illinois Constitution, was incorporated in 1890 and is located approximately 45 miles northwest of the City of Chicago in McHenry and Kane Counties. Algonquin has a land area of 12 square miles and a population of 30,046 as certified in the 2010 Decennial Census. The Village also has the power by state statute to extend its corporate limits by annexation, which is done periodically when deemed appropriate, by the Village Board.

Policy making and legislative authority are vested in the Village Board, which consists of the President and six trustees. The Village Board is responsible, among other things, for passing ordinances, adopting the budget, appointing committees and hiring the Village Manager. The Village Manager is responsible for carrying out the policies and ordinances of the Village Board, for overseeing the day-to-day operations of the Village, and for appointing the heads of the Village's departments. The Board is elected on a non-partisan basis. Board members are elected to four-year staggered terms with three Board members elected every two years. The President is elected to a four-year term. The President and Village Trustees are elected at large.

The Village is a full service municipal organization providing general government, police and public safety, planning and zoning, building inspection, code enforcement, parks and recreation, special events, street maintenance, storm water management, forestry, water and sanitary sewer utility services. The ACFR also includes the activities of the Algonquin Police Pension Fund, although control of this fund rests with an independent board.

The annual budget serves as the foundation for the Village's financial planning and control. All departments of the Village are required to submit their budget requests to the Village Manager on or before January 31 of each year. The Village Manager and staff use these requests as the starting point for developing a proposed budget which will match anticipated revenues. The Village Manager then presents the Manager's Proposed Budget to the Village Board throughout January, February and March of each year. The Village Board is required to hold a public hearing on the proposed budget and to adopt a final budget no later than April 30 of each year; the close of the Village's previous fiscal year.

Local Economy

The Village's overall financial condition is strong and stable and current financial policies have provided opportunities for continued investment in programs and services that make Algonquin great. The Village has experienced steady revenue growth in recent years as the national, regional, and local economy improves.

Retail trade, professional, scientific, and technical services, health care and social assistance, accommodations and food services are the major industry sectors in Algonquin. The Village's unemployment rate in 2020 was 8.6 percent, which increased from the 2019 rate of 3.4 percent. Algonquin's unemployment rate compares favorably to the State of Illinois (9.5 percent) and the Chicago metropolitan area (9.9 percent).

While impacted by the pandemic, growth continued in the local sales tax base across many categories including lumber/hardware, food, and furniture/household items. Notable declines in the apparel, agriculture, and drinking/eating places categories show the disproportionate impact that the pandemic had on certain retailers during the reporting period. General Fund sales tax revenues increased by \$246,636 (or 3.4 percent) to \$7.59 million. Sales tax revenue represented 33 percent of total General Fund revenues for the year.

State-shared income/use tax revenue increased by \$480,730 (or 11.1 percent) to \$4.82 million compared to the prior year. The 2010 Census counts are used in the distribution formula for state-shared revenues.

Assessed property values in Algonquin increased 3.6 percent in 2020 to \$1,018,422,053, which follows a 3.3 percent increase in 2019 and a 5.7 percent increase in 2018. New construction growth in the residential and commercial sectors helped contribute to an increase in property values. As a home rule unit of government, the Village's tax levy is not subject to the Property Tax Extension Limitation Law (PTELL).

Building permit revenues exceeded budget by \$150,201 due to increased volume of residential housing starts and major developments in the village. Overall, during the fiscal year ended April 30, 2021, 2,997 permits were issued, up 11.8 percent from the previous year (2,681).

Overall, operating results in the General Fund were positive with actual revenues exceeding budget by 12.1 percent and expenditures were 10.6 percent less than budget. Economic and state legislative trends are being monitored closely to gauge the potential impact on the Village's financial position. Expenditures are being evaluated and reduced whenever necessary and possible, and privatization and shared services are being considered when a cost savings and consistent level of service can be achieved.

Long-Term Financial Planning

The Village continues to use the Home Rule Sales Tax of 0.75 percent for infrastructure and capital purposes. Those funds, together with existing dedicated revenues, strengthen the Village preference of a "pay as you go" philosophy in financing capital projects. The capital improvement program for street and infrastructure improvements is managed from five funds (Motor Fuel Tax, Street Improvement, Park Improvement, Water & Sewer Improvement and Construction, and Village Expansion). With the exception of bonds issued for the financing of the Wastewater Treatment Plant Expansion (2005) and the Village's participation in the Illinois Environmental Protection Agency's (IEPA) Low Interest Loan Program, the Village has been able to follow the "pay as you go" financing policy for the past decade. The Village annually abates debt service for the General Obligation Bonds and we expect to do so again this year. Debt service for the existing bonds is being financed via the use water and sewer user fees.

The Village invests portions of the surplus cash in local government investment pools as well as fixed income securities as an alternative investment. Investment returns for local government investment pools are correlated to the short-term federal funds rate, which was at 0 to 25 basis points as of April 30, 2021. Investment grade fixed income securities with an average life of less than three years are approved for investment. This includes corporate bonds pursuant to the Village's investment policy. The maturities of investments now range from being immediately accessible (Illinois Funds, Illinois Trust, and IMET Convenience Fund) and up to three years (Fixed Income Investments). Investment income includes market appreciation in the fair value of investments.

The Police Pension Fund is permitted to invest in equities as well as fixed income bonds with longer maturities. Market value yields from these assets for the year ended April 30, 2021, were 29.1 percent.

The Village sponsors a single-employer defined benefit pension plan for its police officers. Each year, an independent actuary engaged by the Village and the pension plan calculates the amount of the annual contribution that the Village must make to the pension plan to ensure that the plan will be able to fully meet its obligations to retired employees on a timely basis. As a matter of policy, the Village fully funds each year's annual required contribution to the pension plan as determined by the actuary. As a result of the Village's conservative funding policy, the Village has succeeded as of April 30, 2021, in funding 74.4 percent of the actuarial accrued liabilities. The actuarial valuation as stated in this report, determined that the net contribution due from the Village is \$2,135,484. The remaining unfunded amount is being systematically funded over 12 years as part of the annual required contribution calculated by the actuary.

The Village also provides pension benefits for its non-public safety employees. These benefits are provided through a statewide plan managed by the Illinois Municipal Retirement Plan (IMRF). The Village has no obligation in connection with employee benefits offered through this plan beyond its contractual payments to IMRF. Additional information on the Village's pension arrangements can be found in Note 10 in the financial statements.

As of April 30, 2021, the Village had one outstanding debt issue, which is a general obligation bond. Outstanding principal at year-end were \$3.17 million for general obligation bonds. Continuing its practice, the Village abated \$852,176 of the 2020 Tax Levy for debt service. Under current state statutes, the Village has no legal debt limit on general obligation debt.

Relevant Financial Policies

Cash and investments in the General Fund (Operating) at April 30, 2021, is \$15.0 million, which represents 65.8 percent of 2021 general fund operating revenues, exceeding the Village's policy guidelines set by the Village Board. These reserves are vital to ensuring the Village's ability to weather volatility in national and state economic conditions, address pension funding requirements and maintain services in the event of unanticipated revenue shortfalls.

Debt outstanding at April 30, 2021, for the one active general obligation bond issue are \$3.17 million. Bond Series 2013 will be retired in 2025. Pursuant to the Village's Capital Improvement Plan, debt issuance may be considered for certain large-scale expenditures provided policy guidelines are met. Provided the Village's current debt structure, ample capacity exists within the foreseeable future should the Village Board wish to pursue this financing method.

Major Initiatives

The Village staff, following specific goals of the Village Board and the Village Manager, has been involved in a variety of projects throughout the year; projects which reflect the Village's commitment to ensuring that its citizens are provided cost effective and quality services.

The COVID-19 pandemic is the most overarching factor to the Village's financial position, annual work plans, and future projects and initiatives. Federal recovery programs including the Coronavirus Aid, Relief, and Economic Security Act (CARES) and the American Rescue Plan Act (ARPA) awarded the Village approximately \$5.7 million to stabilize municipal operations and provide support to Algonquin residents and business community. Support policies and programs included a flat property tax rate, 14 percent reduction in water/sewer utility rates, liquor license fee waivers, and the development of a \$350,000 Impacted Business Relief Program. Management continues to monitor revenue trends and work towards eliminating structural deficits in our operation.

The Village is funding three projects through the Illinois Environmental Protection Agency (IEPA) low-interest loan program. These projects include improvements to the Wastewater Treatment Facility, sanitary sewer upgrades between the North Harrison Street Lift Station and the Riverfront Park Lift Station, and sanitary sewer upgrades between the Riverfront Park Lift Station to a new lift station site at Zimmerman Park (La Fox River Drive and Center Street). The total estimated note amount for these three projects is \$26,200,000, with the annual loan service amount total being approximately \$1,600,000.

The Village Board adopted a Park and Recreation Master Plan that outlines the projects and goals for parks and recreation services to complete over the next ten years. Recommended projects from the plan including the completion of Stoneybrook Park development, as well as the conceptual design work for Towne Park and Presidential Park is currently underway.

The Trails of Woods Creek residential development was approved this past year and construction on the 279-unit project is currently underway. The development will feature 14 home designs, with pricing starting at \$293,990 to the high \$400,000s. The estimated annual property tax receipts for all taxing bodies for this development is approximately \$2 million.

In early 2021, the Red Mountain Group, Inc. announced the acquisition of Algonquin Commons, a 600,000 square foot lifestyle center on 70 acres on Randall Road. Red Mountain Group will invest nearly \$30 million dollars for the re-development, renovation, and re-tenanting / re-merchandising of the shopping center. As part of the Algonquin Commons revitalization vision, Red Mountain Group plans to develop a vibrant indoor/outdoor covered entertainment area comprising more than an acre of open space. This striking gathering area will become the focal point for community social events, televised sporting events, outdoor movie nights, al fresco dining, shopping center promotions and holiday functions.

Construction continues in Old Town Algonquin to transform the district into a beautiful, pedestrian friendly environment while helping to preserve the character and history of the area. This past year, work was completed on developing an Old Town Algonquin trailhead that intersects with the McHenry County Conservation District's Prairie Trail. This project helps assimilate trail users with the shops and restaurants in Old Town Algonquin. Additionally, a two-year project on North Main Street and Harrison Street started

this past year. This work will include a roundabout at North Main Street and Cary-Algonquin Road to provide traffic calming for all vehicles; a narrowing of pavement width on North Main Street from Cary-Algonquin Road to Riverview Drive; and a bicycle path from the roundabout to Riverview Drive, Park Street to North Harrison Street and connection to the Old Town Prairie Trail on South Harrison Street. These projects contribute to a multi-year effort to revitalize the Old Town Algonquin area to support local businesses and encourage private investment in the immediate area. A tax increment financing district was established in the Old Town area in 2014 to further advance this outcome.

At a regional level, the construction of Longmeadow Parkway, a four-lane Fox River Bridge crossing and four-lane arterial roadway corridor with a median, approximately 5.6 miles in length, continues with four sections already constructed with three sections being open to traffic. The completion of the final section is anticipated to be completed by early 2022. Additionally, work to widen Randall Road to six lanes from Harnish Drive in Algonquin to Polaris Drive in Lake in the Hills has been completed, adding additional capacity and mobility to this important transportation corridor.

Awards & Acknowledgments

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Algonquin for its Comprehensive Annual Financial Report for the fiscal year ended April 30, 2020. This was the seventeenth year that the Village has received this prestigious award. In order to be awarded a Certificate of Achievement, the Village published an easily readable and efficiently organized ACFR. This report satisfied both generally accepted accounting principles and applicable legal requirements.

The Village was also recognized by the GFOA for Outstanding Achievement in Popular Annual Financial Reporting for its Popular Annual Financial Report (PAFR) for the fiscal year ending April 30, 2020 for the third year in a row. The PAFR is a summarized report that presents the complex information found within the Village's ACFR in an understandable format for readers without background in public finance.

The Village also received the GFOA's Award for Distinguished Budget Presentation for its 2021 budget document. This was the seventeenth year the Village has received this prestigious award. In order to receive this award, a government 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.

A Certificate of Achievement is valid for a period of one year only. We believe that the 2021 ACFR continues to meet the Certificate of Achievement Program requirements and we are submitting the report to the GFOA to determine its eligibility for another award.

In closing, I would like to thank the Village President, Board of Trustees and Village Manager for their unfailing support for maintaining the highest standards of professionalism in the management of the Village of Algonquin's finances. The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance team. I would like to express my appreciation especially to Susan Skillman, Comptroller, and Amanda Lichtenberger, Accountant, and all other members of the team who assisted and contributed to the preparation of this report.

Respectfully submitted,



Michael J. Kumbera
Assistant Village Manager/Treasurer

FINANCIAL SECTION

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

SIKICH.COM

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Algonquin, Illinois (the Village) as of and for the year ended April 30, 2021, and the related notes to financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of SEECOM were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Village's

preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, 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 Algonquin, Illinois, as of April 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 27, 2021, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

Sikich LLP

Naperville, Illinois
September 27, 2021

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS

The Village of Algonquin's (the "Village") management discussion and analysis (MD&A) is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Village's financial activity, (3) identify changes in the Village's financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Transmittal Letter (beginning on page iv) and the Village's financial statements (beginning on page 4).

Financial Highlights

- **The Village's net** position increased by \$10.9 million (or 4.2%) from FY20 to \$268.7 million.
- The governmental activities net position increased by \$7.9 million (or 4.0%) from FY20 to \$204.6 million.
- The business type activities net position increased by \$3.0 million (or 4.9%) from FY20 to \$64.1 million.
- The total revenues of all governmental activity programs increased by \$6.8 million and expenses decreased \$2.1 million from FY20.
- The total revenues of business-type activity programs decreased by \$2.8 million and expenses decreased \$2.2 million from FY20.
- Total Village expenses decreased by \$4.3 million (or 11.4%).
- **The Village's** combined general fund balance increased by \$1.1 million from FY20.
- **The Village's** combined general fund actual revenues were over the budgeted amounts by \$2.3 million and actual expenditures were under the budgeted amounts by \$2.5 million.
- **The Village's capital assets** increased by \$22.8 million to \$273.94 million from FY20.

USING THE FINANCIAL SECTION OF THIS COMPREHENSIVE ANNUAL REPORT

The financial statement's focus is on both the Village as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year-to-year or government-to-government), and enhance the Village's accountability.

Government-Wide Financial Statements

The government-wide financial statements (see pages 4-7) are designed to be corporate-like in that all governmental and business-type activities are consolidated into columns, which add to a total for the Primary Government. The focus of the Statement of Net Position (the "Unrestricted Net Position") is designed to be similar to bottom line results for the Village and its governmental and business-type activities. This statement combines and consolidates the governmental fund's current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus.

The Statement of Activities (see pages 6-7) is focused on both the gross and net cost of various activities (including governmental and business-type), which are supported by the government's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities.

The Governmental Activities reflect the Village's basic services, including public safety, public works, and general government. Shared state sales tax, home rule sales tax, local utility and shared state income taxes finance the majority of these services. The Business-type Activities reflect private sector type operations (Water and Sewer), where the fee for service typically covers all or most of the cost of operation, including depreciation.

Fund Financial Statements

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 Major Funds (see pages 68-77) presentation is presented on a sources and uses of liquid resources basis. This is the manner in which the financial plan (the budget) is typically developed. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of a 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.

The Fund Financial Statements also allow the government to address its Fiduciary Funds (Police Pension, see pages 18 and 19). The Police Pension Fund (a pension trust fund) represents trust responsibilities of the Village. These assets are restricted in purpose and do not represent discretionary assets of the government. Therefore, the assets in this fund are not presented as part of the Government-Wide Financial Statements.

While the Business-type Activities column on the Business-type Fund Financial Statements (see pages 13-17) is the same as the Business-type column on the Government-Wide Financial Statement, the Governmental Major Funds Total column requires a reconciliation. This is because of the different measurement focus (current financial resources versus total economic resources) which is reflected on the page following each statement (see pages 10 and 12). The flow of current financial resources will reflect bond proceeds and interfund transfers as other financial sources as well as capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligation (bonds and others) into the Governmental Activities column (in the Government-wide statements).

Infrastructure Assets

Historically, a government's largest group of assets (infrastructure assets – i.e., land, streets, bridges, storm sewers, etc.) have not been reported nor depreciated in governmental financial statements. This statement requires that these assets be valued and reported within the Governmental column of the Government-wide Statements. Additionally, the government must elect to either (1) depreciate these assets over their estimated useful life or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. The Village has chosen to depreciate assets over their useful lives. If a street project is considered maintenance – a recurring cost that does not **extend the street's original useful life or expand its capacity** – the cost of the project will be expensed. An "overlay" of a street will be considered maintenance whereas a "rebuild" of a street will be capitalized.

GOVERNMENT-WIDE STATEMENTS

Statement of Net Position

The Village's combined net position increased by \$10.9 million from FY20 – increasing from \$257.8 million to \$268.7 million. The following analysis will look at net position and net expenses of the governmental and business-type activities separately. The total net position for the governmental activities increased \$7.9 million from \$196.7 million to \$204.6 million. The business-type activities net position increased by \$3.0 million from \$61.1 million to \$64.1 million. Table 1 reflects the condensed Statement of Net Position compared to FY20. Table 2 will focus on the changes in net position of the governmental and business-type activities. A detailed analysis of the changes can be found in the section for Current Year Impacts on page 6.

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Current and Other Assets	\$ 36.2	\$ 33.9	\$ 19.4	\$ 17.2	\$ 55.6	\$ 51.1
Capital Assets	198.8	194.7	75.1	56.5	273.9	251.2
Total Assets	235.0	228.6	94.5	73.7	329.5	302.3
Deferred Outflows of Resources	2.1	2.9	0.9	1.0	3.0	3.9
Total Assets & Deferred Outflows	237.1	231.5	95.4	74.7	332.5	306.2
Long-Term Liabilities	12.9	22.1	25.8	9.8	38.7	31.9
Other Liabilities	4.0	3.3	4.3	3.1	8.3	6.4
Total Liabilities	16.9	25.4	30.1	12.9	47.0	38.3
Deferred Inflows of Resources	15.6	9.4	1.2	0.6	16.8	10.0
Total Liabilities & Deferred Inflows	32.5	34.8	31.3	13.5	63.8	48.3
Net Position:						
Net Investment in Capital Assets	198.8	194.7	50.6	48.9	249.4	243.6
Restricted	4.6	4.0	0.9	0.8	5.5	4.8
Unrestricted	1.2	(2.0)	12.6	11.4	13.8	9.4
Total Net Position	\$ 204.6	\$ 196.7	\$ 64.1	\$ 61.1	\$ 268.7	\$ 257.8

For more detailed information see the Statement of Net Position (pages 4-5).

Normal Impacts

There are six basic (normal) transactions that will affect the comparability of the Statement of Net Position summary presentation.

Net Results of Activities – which will impact (increase/decrease) current assets and unrestricted net position.

Borrowing for Capital – which will increase current assets and long-term debt.

Spending Borrowed Proceeds on New Capital – which will reduce current assets and increase capital assets. There is a second impact, an increase in net investment in capital assets and an increase in related net debt which will not change the net investment in capital assets.

Spending of Non-borrowed Current Assets on New Capital – which will (a) reduce current assets and increase capital assets and (b) will reduce unrestricted net position and increase net investment in capital assets.

Principal Payment on Debt – which will (a) reduce current assets and reduce long-term debt and (b) reduce unrestricted net position and increase net investment in capital assets.

Reduction of Capital Assets through Depreciation – which will reduce capital assets and net investment in capital assets.

Current Year Impacts

The Village's \$10.9 million increase of combined net position (which is the Village's bottom line) was the result of the governmental activities net position increasing by \$7.9 million and the business-type activities increasing by \$3.0 million.

The governmental activities total assets increased by \$6.4 million and the governmental activities total liabilities decreased by \$8.5 million. The total assets increase of \$6.4 million was a result of an increase of \$4.1 million in capital assets and an increase of \$2.3 million in current and other assets. The increase in capital assets was due to increases of \$5.2 million in construction in progress, \$1.9 million in improvements other than buildings, \$0.2 million in land & right of way and \$0.1 million in vehicles and equipment. This was offset with decreases of \$2.9 million in streets/storm sewers/bridges, and \$0.3 in buildings. The increase in current and other assets was due mainly to increases of \$0.6 million in cash and investment; \$0.8 million in other taxes, \$0.3 million in property taxes, \$0.3 million in intergovernmental, grants and contributions, \$0.2 million in other assets and \$0.1 in an investment in a joint venture.

The governmental activities overall deferred outflows of resources decreased by \$0.8 million. Changes within the category included an increase of \$0.5 million in OPEB-pension items. This was offset by a decrease of \$1.1 million in police pension fund-pension items and a decrease of \$0.2 million decrease in IMRF-pension items. (See Note 10 - 11 in the Notes to Financial Statements for additional information).

The governmental activities total liabilities decreased by \$8.5 million due to an increase of \$0.7 million in accounts payable which was offset by a decrease of \$9.2 million in noncurrent liabilities.

The governmental activities deferred inflows of resources increased \$6.2 million due to the increase of \$4.7 million in police pension fund-pension items, \$1.2 million in IMRF fund-pension items; and \$0.3 million in deferred property tax revenue. (See Note 10 - 11).

The net position of the business-type activities increased by \$3.0 million from \$61.1 million to \$64.1 million.

Total assets of the business-type activities increased by \$20.8 million from \$73.7 to \$94.5 million. The total assets increase of \$20.8 million was a result of an increase in capital assets of \$18.6 million and an increase in current and other assets of \$2.2 million. The capital asset increases of \$18.6 million in the business-type activities occurred as a result of increases in water and sewer improvements of \$20.7 million; and construction in progress of \$9.0 million. This was offset by decreases of \$10.9 in buildings and \$0.2 in vehicles and equipment. The increase in current assets of \$2.2 million was due to an increase of \$1.3 million in intergovernmental, grants, and contributions; and \$0.9 in cash and investments. Revenues exceeded expenses during FY21, which resulted in a positive change in net position of \$3.0 million.

Total liabilities of the business-type activities increased by \$17.2 million from \$12.9 million to \$30.1 million. The noncurrent liabilities increased by \$16.0 million due to IEPA loans incurred during the year; and accounts payable increased \$1.2 million. The business-type activities deferred inflows of resources increased \$0.6 million due to the increase of \$0.6 million in IMRF fund-pension items. (See Note 10 - 11).

Changes in Net Position

The following chart compares the revenue and expenses for the current fiscal year.

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Revenues						
Program Revenues						
Charges for Service	\$ 1.2	\$ 1.4	\$ 11.9	\$ 10.7	\$ 13.1	\$ 12.1
Operating Grants & Contributions	2.9	1.8	-	-	2.9	1.8
Capital Grants & Contributions	2.2	0.8	0.5	-	2.7	0.8
General Revenues						
Property Taxes	6.7	6.6	-	-	6.7	6.6
Other Taxes	17.8	17.1	-	-	17.8	17.1
Other	0.4	(3.3)	0.6	5.1	1.0	1.8
Total Revenue	31.2	24.4	13.0	15.8	44.2	40.2
Expenses						
Governmental Activities						
General Government	4.5	5.7	-	-	4.5	5.7
Public Safety	8.1	9.9	-	-	8.1	9.9
Public Works	10.7	9.8	-	-	10.7	9.8
Interest	-	-	-	-	-	-
Business Type						
Water and Sewer	-	-	10.0	12.2	10.0	12.2
Total Expenses	23.3	25.4	10.0	12.2	33.3	37.6
Change in Net Position	7.9	(1.0)	3.0	3.6	10.9	2.6
Net position - beginning	196.7	197.7	61.1	57.5	257.8	255.2
Net position - ending	\$ 204.6	\$ 196.7	\$ 64.1	\$ 61.1	\$ 268.7	\$ 257.8

There are eight basic impacts on revenues and expenses as reflected below:

Normal Impacts

Revenues:

Economic Condition – which can reflect a declining, stable or growing economic environment and has a substantial impact on state income, sales, and utility tax revenue as well as public spending habits for building permits, elective user fees and volumes of consumption.

Increase/Decrease in Village Board approved rates – while certain tax rates are set by statute, the Village Board has significant authority to impose and periodically increase/decrease rates (water, wastewater, impact fee, building fees, home rule sales tax, etc.)

Changing Patterns in Intergovernmental and Grant Revenue (both recurring and non-recurring) – certain recurring revenues (state shared revenues, etc.) may experience significant changes periodically while non-recurring (or one-time) grants are less predictable and often distorting in their impact on year-to-year comparisons.

Market Impacts on Investment income – **the Village's investment portfolio is managed using a similar average maturity to most governments.** Market conditions may cause investment income to fluctuate.

Expenses:

Introduction of New Programs – within the functional expense categories (Public Safety, Public Works, General Government, etc.) individual programs may be added or deleted to meet changing community needs.

Increase in Authorized Personnel – changes in service demand may cause the Village Board to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent 55.8% of the **Village's** operating costs.

Salary Increases (annual adjustments and merit) – the ability to attract and retain human and intellectual resources requires the Village to strive to approach a competitive salary range position in the marketplace.

Inflation – while overall inflation appears to be reasonably modest, the Village is a major consumer of certain commodities such as supplies, fuels and parts. Some functions may experience unusual commodity specific increases.

Governmental Activities

Revenue:

Total revenues for Governmental Activities increased \$6.8 million from \$24.4 million to \$31.2 million. Increases of \$3.7 million in other revenues, \$1.4 million in capital grants/contribution, \$1.1 million in operating grants/contributions, \$0.7 million in other taxes and \$0.1 million in property taxes were offset by a decrease of \$0.2 million in charges for services. The increases in other revenues of \$3.7 million were related to transfers of completed capital assets from the general capital asset group (TIF Fund) to the Business-Type Activities in the prior year, but no such transfer in the current year. The increase of \$1.4 million in the capital grants/contributions is due mainly to an overall increase of \$1.0 million in MFT capital allotments and an OSLAD grant for Stoneybrook Park of \$0.4 million. The increase of \$1.1 million in operating grants/contributions was due to the receipt a \$0.9 million Local CURE reimbursement and a \$0.5 million Coronavirus Relief Fund grant; offset by decreases of \$0.4 million in other operating grants/contributions. The increase of \$0.7 in other taxes was due to an increase of \$0.5 million in Income tax, an increase of \$0.3 million in Sales and Use tax, offset by a decrease of \$0.1 million in Utility tax.

The Village has a diversified revenue structure and depends on several key revenue sources to help pay for the services provided. The Village attempts to maintain its property tax level and capture new revenues from growth. Due to recent upturns in the housing market values, **the Village's EAV** increased by approximately 3.6% from levy year 2019 (\$982,740,828) to levy year 2020 (\$1,018,422,053). **The Village's property tax rate was** 0.5698 in 2019 and 0.5707 in 2020.

In the general government, state shared income tax increased 11.1% from FY20 to FY21. There were slight increases in sales/use tax (3.4%); home rule sales tax (2.6%); property tax receipts (2.2%); and utility tax (0.4%). There was a decrease in the telecommunication tax of \$0.1 million (22.8%). Sales/use tax and home rule sales tax increased due to the reopening of stores and restaurants as COVID19 restrictions decrease and restaurants were able to accommodate outside seating. Overall, total general revenues increased 21.9% from FY20 to FY21; the majority of this was from the lack of transfers of capital assets as compared to the prior year, offset by the increases to taxes noted above.

Expenses:

The Village's governmental activities total expenses decreased \$1.1 million for FY21.

General Government expenses decreased \$1.2 million from \$5.7 million to \$4.5 million. The General Government expenses decreased mainly due to decreases of \$0.1 million in salaries; \$0.3 in contractual services; and the remaining additional expenses were related to the government wide adjustments for capital assets during FY21.

Public Safety expenses decreased \$1.8 million from \$9.9 million to \$8.1 million. The Public Safety expenses had decrease of \$0.1 million in salaries; the remaining additional expenses being related to the increase in the government wide adjustment for the police pension expenses during FY 21.

Public Works expenses increased \$0.9 million from \$9.8 million to \$10.7 million. The Public Works expense increase of \$0.1 million in salaries; the remaining additional expenses were related to the government wide adjustments for capital asset during FY21.

Interest expenses remained unchanged.

Business-type Activities

Revenue:

Total revenues for Business-type Activities decreased \$2.8 million from \$15.8 million to \$13.0 million. There was a decrease of \$4.5 million in other revenues; offset by an increase of \$1.2 million in charges for service; and \$0.5 million in capital grants/contributions. The \$4.5 million decrease in other revenues was due to a prior year transfer of governmental (TIF Fund) for capital assets that did not occur in the current year and a decrease of \$0.2 million of investment income due to decreased interest rates during COVID19. The increase of \$1.2 million in charges for services is due to an increase of \$1.0 million in water and sewer revenue, and an increase of \$0.2 million in connection fees. Water and sewer revenue increased due to annual rate increases. Connections fees increased due to an increase in new development during FY21.

Expenses:

The Village's Business-type Activities total expenses decreased \$2.2 million from \$12.2 million to \$10.0 million. The decrease in expenses was due to decreases of \$1.9 million in meters and related supplies, \$.3 million in infrastructure maintenance.

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

Governmental Funds

At April 30, 2021, the governmental funds (as presented on the balance sheet on page 8-9) reported a combined fund balance of \$24.3 million or an increase of 5.2% from \$23.1 million at the beginning of the year. Of the total fund balance, (\$9.8) million is unassigned due to the liabilities in the TIF Fund. The General Fund has an unassigned fund balance of \$11.1 million, which indicates availability for continuing Village services. Total assets increased \$4.6 million and total liabilities and deferred inflows of resources increased \$3.4 million for an overall increase of \$1.2 million in fund balance.

The increase of \$4.6 million in total assets consisted of an increase of \$2.3 million in advance to other funds (TIF), \$0.9 million in other tax receivables, \$0.5 million in investments, \$0.3 million in property tax receivables, \$0.3 million in intergovernmental, grants, contributions, \$0.2 million in other receivables and \$0.1 in IPBC receivables. Cash and cash equivalents stayed consistent. The increase in total liabilities and deferred inflows of resources of \$3.4 million was due to increases of \$2.4 million in advances from other funds (TIF), \$0.7 million in accounts payable, and \$0.3 million in deferred inflows of resources for unavailable property tax revenue.

The general fund total fund balance increased \$1.1 million from \$17.7 million in FY20 to \$18.8 million in FY21. General fund assets had a net increase of \$1.6 million due to increases of \$0.8 million in cash and investments, \$1.0 million in property and other receivables, offset by a decrease of \$0.2 million in investments. General fund total liabilities increased \$0.2 million due to an increase in accounts payable. Deferred inflows of resources for property tax revenue increased \$0.2 million.

The street improvement fund total fund balance increased \$1.7 million to \$22.2 million from FY20 to FY21. Assets increased \$1.9 million from FY20 to FY21. This includes increases in advances to other funds of \$2.4 million (TIF fund expenses), and receivables of \$0.4 million. This increase was offset by a decrease of \$0.9 million in cash and investments. Street improvement fund total liabilities increased \$0.1 million due to an increase in accounts payable from FY20 to FY21.

The downtown TIF district fund was a major fund in FY21 and total fund balance decreased \$1.7 million to a negative fund balance of (\$20.8) million from FY20 to FY21. Assets increased \$0.8 million due to an increase of \$1.5 million in investments and \$0.1 million in property tax receivables. This was offset by a decrease of \$0.8 million in cash and equivalents. Total liabilities increased \$2.4 million due to an increase in advances from other funds. Deferred inflows of resources increased \$0.1 million due to an increase in unavailable property tax revenue from FY20 to FY21.

General Fund Budgetary Highlights

Below is a table that reflects the budget and the actual revenues and expenditures for the General Fund. More information can be found on the schedule of revenues, expenditures and changes in fund balance – budget and actual on page 58. Actual spending was \$2.5 million less than the budget, which was due to actual expenses less than budget of \$1.1 million in general government, \$0.6 million in public safety, \$0.6 million in public works, and \$0.2 million in transfers and other financing sources (uses).

The \$1.1 million savings in general government expenses was due to savings of \$0.3 million in personnel, \$0.3 million in contractual services, \$0.3 million in pool expenses as the pool was closed all season due to COVID and overall savings in various accounts of \$0.2 million.

The \$06 million savings in public safety expenses was due to savings of \$0.5 million in personnel and \$0.1 million in contractual services.

The \$0.6 million savings in public works was due to savings of \$0.3 million in contractual services, \$0.2 million in personnel, and \$0.1 million in overall general services division expenses.

Table 3: General Fund Budgetary Highlights
(in millions)

	Original Budget	Amended Budget	Actual
Revenues			
Taxes	\$ 6.125	\$ 6.125	\$ 6.079
Intergovernmental, Grants & Contributions	12.034	12.269	14.781
Other	2.051	2.051	1.901
Total Revenues	\$ 20.210	\$ 20.445	\$ 22.761
Expenditures and Transfers			
Expenditures	\$ 20.870	\$ 21.205	\$ 18.678
Transfers and Other Financing Sources (Uses)	3.000	3.000	3.000
Total Expenditures and Transfers Out	23.870	24.205	21.678
Change in Fund Balance	\$ (3.660)	\$ (3.760)	\$ 1.083

Capital Assets

At the end of FY21, the Village had a combined total of capital assets of \$273.94 million invested in a broad range of capital assets including land, buildings, vehicles, streets, bridges, storm sewers, water mains and sanitary sewer lines. (See Table 4 below.) This amount represents a net increase (including additions and deletions) of \$22.78 million.

Major capital asset events during the current fiscal year included the following:

- Wastewater Treatment Facility Improvements Phase 6B (IEPA Loan) for \$12.7 million.
- Downtown Streetscape Utilities Improvements (IEPA Loan) for \$7.6 million.
- Terrace Hill Road Construction for \$4.6 million.
- MCCD Trailhead and LaFox River Drive Bridge Improvements for \$1.8 million.
- Randall Road Watermain Relocation for \$1.2 million.
- Stoneybrook Park Improvements for \$0.8 million.
- Randall Road Pedestrian Underpass for \$0.6 million.
- PRV Replacement Program for \$0.5 million.
- Woods Creek Reach 4 Improvements for \$0.3 million.
- **Maker's Park Shared Use Bike Path for \$0.3 million.**
- Souwanas Creek Reach 2 Restoration for \$0.1 million.
- Downtown Streetscape Improvements (TIF – streetscape/water/sewer) for \$0.1 million.
- Route 62 Bridge Deck for \$0.1 million.
- Main St & Harrison Bike Trial & Roundabout for \$0.1 million.

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Land & Right of Way	\$ 96.17	\$ 95.94	\$ 3.64	\$ 3.64	\$ 99.81	\$ 99.58
Construction in Progress	9.82	4.59	14.43	5.43	24.25	10.02
Buildings	8.99	9.31	10.55	10.90	19.54	20.21
Vehicles and Equipment	1.00	0.92	0.15	0.20	1.15	1.12
Improvements other than Building	18.28	16.38	-	-	18.28	16.38
Streets, Storm Sewers, Bridges	64.57	67.51	-	-	64.57	67.51
Water and Sewer		-	46.34	36.34	46.34	36.34
Total	\$ 198.83	\$ 194.65	\$ 75.11	\$ 56.51	\$ 273.94	\$ 251.16

	Governmental Activities		Business-Type Activities		Total
Beginning Balance	\$ 194.65	\$ 56.51	\$ 251.16		
Additions					
Depreciable	\$ 3.91	\$ 13.47	\$ 17.38		
Non-Depreciation	\$ 0.23	\$ -	\$ 0.23		
Construction in Progress	\$ 9.10	\$ 22.01	\$ 31.11		
Retirements					
Depreciable	\$ (0.06)	\$ (0.19)	\$ (0.25)		
Non-Depreciation	\$ -	\$ -	\$ -		
Construction in Progress	\$ (3.88)	\$ (13.01)	\$ (16.89)		
Depreciation					
Retirement	\$ (5.12)	\$ (3.68)	\$ (8.80)		
Ending Balance	\$ 198.83	\$ 75.11	\$ 273.94		

The Governmental Activities net Capital Assets' net increase of \$4.2 million was due to increases in construction in progress (\$5.2 million); improvements other than building (\$1.9 million); land/right of way (\$0.2 million); and vehicles/equipment (\$.1 million). These were offset by decreases in streets/storm sewers/bridges (\$2.9 million); and buildings (\$0.3 million). The improvements other than building and streets/storm sewers/bridges increased substantially due to completion of a portion of the downtown streetscape improvement projects being constructed as part of the downtown TIF area. This accounts for the large decrease in construction in progress. The remaining various account decreases were due to normal depreciation expense.

The Business-type Activities net increase of \$18.6 million in net Capital Assets was due mainly to increases noted in water and sewer improvements (\$10 million) and construction in progress (\$9.0 million), offset by a decrease in buildings (\$4 million).

Additional information concerning capital assets can be found in Note 4.

Debt Outstanding

Since the mid-1990's, the Village of Algonquin has followed a "pay-as-you-go" philosophy to funding capital projects. Exceptions to this philosophy had been bonds issued to pay for the construction of the Village Hall (Ganek Municipal Center) in 1995-1996 and the Public Works Facility in 2002-2003. In December 2005, the Village authorized Bond Series 2005A for \$9.0 million to partially finance the expansion of Phase 6 of the Wastewater Treatment Plant. Bond Series 2013 was issued for \$7,645,000 to refund Series 2005A. During FY20, the Village entered into a loan agreement with the Illinois Environmental Protection Agency for improvements to the Wastewater Treatment Facility and watermain/sewermain improvements to the Downtown TIF area. During FY21, the IEPA loan payable balance was \$21,317,732 and portions of the loan began repayment during FY21.

The Village has established the following five funds to accumulate monies over time to systematically construct and/or replace major assets: Motor Fuel Tax, Street Improvement, Parks, Water and Sewer Improvement and Construction, and the Village Expansion. The Village also created a Downtown TIF District Fund to account for activities associated with improvements within the established downtown TIF district. The current Home Rule Sales Tax of 0.75% was allocated as an additional revenue source for capital and infrastructure to assist in the "pay as you go" philosophy. In FY21, 100% of the Home Rule Sales Tax is allocated to the Street Improvement Fund to provide funds for continued street infrastructure maintenance and improvements.

The Village currently has one general obligation bond series. A total of \$3.170 million of general obligation bonds were outstanding at April 30, 2021. The governmental activities have no general obligation bonds outstanding; business-type activities have \$3.170 million of general obligation bonds outstanding.

The Village, under its home rule authority, does not have a legal debt limit.

Additional information concerning long-term debt can be found in Note 7.

Economic Factors

The Village will continue to rely on sales tax and property taxes until the state economy improves and the state is able to operate a balanced budget without impairing local governments. The Village held the property tax levy steady in recent years and the property tax rate has decreased due to the increase in the Village's EAV. The 2020 tax extension increased \$212,000 for property tax collections in FY21.

The COVID19 pandemic did have some effect on Village revenues relating to decreases in telecommunications tax (\$0.1 million) and video gaming tax (\$0.02 million) during FY21. However, these were offset by increases in sales and use tax (\$0.3 million), home rule sales tax (\$0.1 million) and property tax (\$0.1 million). Due to the accommodations made for restaurants to have outdoor dining and stores reopening with masks, the Village was able to see revenue from these taxes that were not expected amidst the uncertainty of the pandemic. The Village is cautiously expecting stable revenue during FY22, while still preparing for a possible decline due to ongoing COVID19 restrictions. Management continues to monitor revenue trends and work towards eliminating structural deficits in operations.

The FY21 state income and local use tax per capita combined increased by 11.5% from FY20. Both income tax receipts (which increased 5.8%) and use tax receipts (which increased 44.7%) contributed to these positive gains. Current estimates indicate that the 2021 per-capita allocations are trending flat in FY22, mainly due to current unemployment rates, combined with recent changes to state sales and use tax laws. The State of Illinois continues to **discuss legislation cutting the local government's share of the state** income tax and possibly freezing property taxes for home rule communities such as the Village of Algonquin.

Construction in the local residential housing market decreased during FY21 (from 49 permits in 2019 to 29 in 2020). The number of new permits for commercial construction stayed consistent (3 permits in 2019 to 3 in 2020). The **Village's growth in** EAV and property tax receipts continue to increase each year. The property tax receipts had a 2.2% increase from FY20 to FY21. Combined sales tax and home rule sales tax experienced a 3.1% increase from FY20 to FY21.

The Village's population decreased to 30,046 with the 2010 Census (down from 30,482 reported in the 2007 Special Census). The Village has been able to budget for stable property tax receipts due its status of a home rule community.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of **the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning** this report or requests for additional financial information should be directed to Michael Kumbera, Assistant Village Manager or Susan Skillman, Comptroller, Village of Algonquin, 2200 Harnish Drive, Algonquin, IL 60102.

BASIC FINANCIAL STATEMENTS

VILLAGE OF ALGONQUIN, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2021

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 18,490,269	\$ 7,567,757	\$ 26,058,026
Investments	9,711,280	1,921,801	11,633,081
Restricted investments	-	852,175	852,175
Receivables (net, where applicable, of allowances for uncollectibles)			
Property taxes	6,605,462	-	6,605,462
Other taxes	3,467,134	-	3,467,134
Intergovernmental, grants, and contributions	784,176	2,371,197	3,155,373
IPBC	186,794	-	186,794
Accrued interest	21,888	-	21,888
Accounts	38,593	1,479,274	1,517,867
Other	511,615	-	511,615
Internal balances	(5,123,442)	5,123,442	-
Prepaid items	106,161	35,297	141,458
Inventory	121,076	-	121,076
Investment in joint venture	1,227,149	-	1,227,149
Capital assets			
Nondepreciable	105,986,989	18,073,404	124,060,393
Depreciable, net of accumulated depreciation	92,846,495	57,038,632	149,885,127
 Total assets	 234,981,639	 94,462,979	 329,444,618
DEFERRED OUTFLOWS OF RESOURCES			
Pension items - Police Pension Fund	246,823	-	246,823
Pension items - IMRF	749,500	358,911	1,108,411
Pension items - OPEB	1,131,748	273,179	1,404,927
Asset retirement obligation	-	253,182	253,182
Deferred loss on refunding	-	73,544	73,544
 Total deferred outflows of resources	 2,128,071	 958,816	 3,086,887
 Total assets and deferred outflows of resources	 237,109,710	 95,421,795	 332,531,505

(This statement is continued on the following page.)

VILLAGE OF ALGONQUIN, ILLINOIS

STATEMENT OF NET POSITION (Continued)

April 30, 2021

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
Accounts payable	\$ 3,789,369	\$ 4,256,160	\$ 8,045,529
Accrued interest	-	33,307	33,307
Unearned revenue - other	92,964	-	92,964
Other liabilities	77,601	-	77,601
Noncurrent liabilities			
Due within one year	790,636	1,240,750	2,031,386
Due in more than one year	12,157,996	24,570,528	36,728,524
Total liabilities	16,908,566	30,100,745	47,009,311
DEFERRED INFLOWS OF RESOURCES			
Pension items - Police Pension Fund	6,345,694	-	6,345,694
Pension items - IMRF	2,545,875	1,219,137	3,765,012
Pension items - OPEB	116,471	28,113	144,584
Deferred property tax revenue	6,605,462	-	6,605,462
Total deferred inflows of resources	15,613,502	1,247,250	16,860,752
Total liabilities and deferred inflows of resources	32,522,068	31,347,995	63,870,063
NET POSITION			
Net investment in capital assets	198,833,484	50,574,571	249,408,055
Restricted for			
Donor programs	658,658	-	658,658
Insurance	391,258	-	391,258
Street maintenance	3,127,664	-	3,127,664
Capital projects	41,068	-	41,068
Cemetery	365,235	-	365,235
Debt service	-	852,175	852,175
Unrestricted	1,170,275	12,647,054	13,817,329
TOTAL NET POSITION	\$ 204,587,642	\$ 64,073,800	\$ 268,661,442

See accompanying notes to financial statements.

VILLAGE OF ALGONQUIN, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2021

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 4,545,502	\$ 958,138	\$ 217,925	\$ 83,800
Public safety	8,134,629	216,681	1,972,401	25,003
Public works	10,649,318	10,308	751,927	2,111,216
Debt service - interest and fees	11,339	-	-	-
Total governmental activities	<u>23,340,788</u>	<u>1,185,127</u>	<u>2,942,253</u>	<u>2,220,019</u>
Business-Type Activities				
Waterworks and sewerage	10,006,844	11,927,303	-	459,855
Total business-type activities	<u>10,006,844</u>	<u>11,927,303</u>	<u>-</u>	<u>459,855</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 33,347,632</u>	<u>\$ 13,112,430</u>	<u>\$ 2,942,253</u>	<u>\$ 2,679,874</u>

	Net (Expense) Revenue and Change in Net Position		
	Primary Government		
	Governmental	Business-Type	Total
	Activities	Activities	
	\$ (3,285,639)	\$ -	\$ (3,285,639)
	(5,920,544)	-	(5,920,544)
	(7,775,867)	-	(7,775,867)
	(11,339)	-	(11,339)
	<u>(16,993,389)</u>	<u>-</u>	<u>(16,993,389)</u>
	-	2,380,314	2,380,314
	-	2,380,314	2,380,314
	<u>(16,993,389)</u>	<u>2,380,314</u>	<u>(14,613,075)</u>
General Revenues			
Taxes			
Property	6,710,556	-	6,710,556
Home rule sales tax	3,931,091	-	3,931,091
Utility	902,074	-	902,074
Telecommunications	391,613	-	391,613
Hotel	17,908	-	17,908
Video gaming tax	90,497	-	90,497
Intergovernmental, unrestricted			
Sales and use tax	7,591,524	-	7,591,524
Personal property replacement	70,993	-	70,993
Income tax	4,817,157	-	4,817,157
Franchise fees	484,155	-	484,155
Investment income	147,939	15,963	163,902
Miscellaneous	179,436	91,974	271,410
Transfers	(441,376)	441,376	-
Total	<u>24,893,567</u>	<u>549,313</u>	<u>25,442,880</u>
CHANGE IN NET POSITION	7,900,178	2,929,627	10,829,805
NET POSITION, MAY 1	<u>196,687,464</u>	<u>61,144,173</u>	<u>257,831,637</u>
NET POSITION, APRIL 30	<u>\$ 204,587,642</u>	<u>\$ 64,073,800</u>	<u>\$ 268,661,442</u>

See accompanying notes to financial statements.

VILLAGE OF ALGONQUIN, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

April 30, 2021

	General	Street Improvement	Downtown TIF District	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
ASSETS					
Cash and cash equivalents	\$ 8,648,502	\$ 5,191,823	\$ 846,816	\$ 3,803,128	\$ 18,490,269
Investments	7,253,786	767,298	1,502,543	187,653	9,711,280
Receivables (net, where applicable, of allowances for uncollectibles)					
Property taxes	5,812,002	-	793,460	-	6,605,462
Other taxes	2,261,520	1,139,908	-	65,706	3,467,134
Intergovernmental, grants, and contributions	11,711	128,404	-	644,061	784,176
IPBC	186,794	-	-	-	186,794
Accrued interest	21,888	-	-	-	21,888
Other	511,615	-	-	-	511,615
Due from other funds	91,321	-	-	-	91,321
Advance to other funds	654,966	17,410,769	-	-	18,065,735
Prepaid items	105,939	-	-	222	106,161
TOTAL ASSETS	\$ 25,560,044	\$ 24,638,202	\$ 3,142,819	\$ 4,700,770	\$ 58,041,835

(This statement is continued on the following page.)

VILLAGE OF ALGONQUIN, ILLINOIS

BALANCE SHEET (Continued)
GOVERNMENTAL FUNDS

April 30, 2021

	General	Street Improvement	Downtown TIF District	Nonmajor Governmental Funds	Total Governmental Funds
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 763,950	\$ 2,415,657	\$ -	\$ 557,462	\$ 3,737,069
Unearned revenue	92,964	-	-	-	92,964
Advances from other funds	-	-	23,189,177	-	23,189,177
Other liabilities	77,601	-	-	-	77,601
Total liabilities	934,515	2,415,657	23,189,177	557,462	27,096,811
DEFERRED INFLOWS OF RESOURCES					
Unavailable property tax revenue	5,812,002	-	793,460	-	6,605,462
Total deferred inflows of resources	5,812,002	-	793,460	-	6,605,462
Total liabilities and deferred inflows of resources	6,746,517	2,415,657	23,982,637	557,462	33,702,273
FUND BALANCES					
Nonspendable					
Prepays	105,939	-	-	222	106,161
Advances	654,966	-	-	-	654,966
Restricted					
Donor programs	658,658	-	-	-	658,658
Insurance	391,258	-	-	-	391,258
Street maintenance	-	-	-	3,127,664	3,127,664
Capital projects	-	-	-	41,068	41,068
Cemetery	-	-	-	365,235	365,235
Unrestricted					
Committed					
Capital projects	-	4,003,200	-	-	4,003,200
Assigned					
Capital projects	278,280	18,219,345	-	609,119	19,106,744
Historic commission	10,111	-	-	-	10,111
Susequent year's budget	5,500,000	-	-	-	5,500,000
Special purpose	162,361	-	-	-	162,361
Unassigned (deficit)	11,051,954	-	(20,839,818)	-	(9,787,864)
Total fund balances (deficit)	18,813,527	22,222,545	(20,839,818)	4,143,308	24,339,562
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 25,560,044	\$ 24,638,202	\$ 3,142,819	\$ 4,700,770	\$ 58,041,835

See accompanying notes to financial statements.

VILLAGE OF ALGONQUIN, ILLINOIS

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION

April 30, 2021

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 24,339,562
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	198,833,484
Less internal service fund capital assets included below	(44,836)
Investment in joint venture is not considered to represent a financial resource and, therefore, is not reported in the funds	1,227,149
The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position	60,884
Differences between expected and actual experiences, assumption changes, net difference between projected and actual earnings, and contributions after the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows and inflows or resources on the statement of net position	(1,796,375)
Differences between expected and actual experiences, assumption changes, and net difference between projected and actual earnings for the Police Pension Fund are recognized as deferred outflows and inflows or resources on the statement of net position	(6,098,871)
Differences between expected and actual experiences, assumption changes, and net difference between projected and actual earnings for other postemployment benefits are recognized as deferred outflows and inflows or resources on the statement of net position	1,015,277
Some liabilities reported in the statement of net position do not require the use of current financial resources and, therefore, are not reported as in governmental funds	
Total OPEB liability	(2,603,007)
Compensated absences	(1,151,139)
Net pension liability - IMRF	(12,712)
Net pension liability - Police Pension Plan	(9,181,774)
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 204,587,642</u></u>

See accompanying notes to financial statements.

VILLAGE OF ALGONQUIN, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended April 30, 2021

	General	Street Improvement	Downtown TIF District	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	\$ 6,078,479	\$ 5,009,391	\$ 716,559	\$ 239,310	\$ 12,043,739
Intergovernmental, grants, and contributions	14,781,301	128,404	-	2,762,888	17,672,593
Charges for services	123,920	-	-	23,300	147,220
Licenses and permits	726,096	-	-	-	726,096
Fees, fines, and forfeits	248,556	-	-	-	248,556
Investment income	130,887	7,713	3,063	6,277	147,940
Miscellaneous	671,405	-	-	24,793	696,198
Total revenues	22,760,644	5,145,508	719,622	3,056,568	31,682,342
EXPENDITURES					
Current					
General government	4,219,449	-	130,591	34,307	4,384,347
Public safety	9,633,165	-	-	-	9,633,165
Public works	4,333,035	1,108,938	-	1,902,719	7,344,692
Capital outlay	481,084	5,315,757	2,242,826	1,076,337	9,116,004
Debt service					
Interest and fiscal charges	11,339	-	-	-	11,339
Total expenditures	18,678,072	6,424,695	2,373,417	3,013,363	30,489,547
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	4,082,572	(1,279,187)	(1,653,795)	43,205	1,192,795
OTHER FINANCING SOURCES (USES)					
Transfers in	-	3,000,000	-	-	3,000,000
Transfers (out)	(3,000,000)	-	-	-	(3,000,000)
Total other financing sources (uses)	(3,000,000)	3,000,000	-	-	-
NET CHANGE IN FUND BALANCES	1,082,572	1,720,813	(1,653,795)	43,205	1,192,795
FUND BALANCES (DEFICIT), MAY 1	17,730,955	20,501,732	(19,186,023)	4,100,103	23,146,767
FUND BALANCES (DEFICIT), APRIL 30	\$ 18,813,527	\$ 22,222,545	\$ (20,839,818)	\$ 4,143,308	\$ 24,339,562

See accompanying notes to financial statements.

VILLAGE OF ALGONQUIN, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2021

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 1,192,795
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	9,807,804
The capital contribution to the enterprise fund are only reported in the statement of activities	(441,376)
The loss on the disposal of capital assets is reported as an expense in the statement of activities	(15,387)
The change in the net pension liability for the Illinois Municipal Retirement Fund and the related deferred inflows and outflows are only reported in the statement of activities	803,820
The change in the net pension liability for the Police Pension Fund and the related deferred inflows and outflows are only reported in the statement of activities	1,843,953
The change in the total OPEB liability and related deferred inflows and outflows are only reported in the statement of activities	(152,900)
The change in net position of the internal service funds is reported only in the statement of activities	(28,390)
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	
Depreciation	(5,152,416)
Change in investment in joint venture	35,328
Change in compensated absences	6,947
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 7,900,178

See accompanying notes to financial statements.

VILLAGE OF ALGONQUIN, ILLINOIS

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS**

April 30, 2021

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service
CURRENT ASSETS		
Cash and cash equivalents	\$ 7,567,757	\$ -
Investments	1,921,801	-
Receivables		
Grants	2,371,197	-
Accounts	1,479,274	38,593
Prepaid items	35,297	-
Inventory	-	121,076
Restricted assets - investments	852,175	-
	14,227,501	159,669
NONCURRENT ASSETS		
Advances to other funds	5,123,442	-
	5,123,442	-
Capital assets		
Nondepreciable	18,073,404	-
Depreciable, net of accumulated depreciation	57,038,632	44,836
	75,112,036	44,836
Total capital assets	75,112,036	44,836
	80,235,478	44,836
Total noncurrent assets	80,235,478	44,836
	94,462,979	204,505
DEFERRED OUTFLOWS OF RESOURCES		
Pension items - IMRF	358,911	-
Pension items - OPEB	273,179	-
Asset retirement obligation	253,182	-
Deferred loss on refunding	73,544	-
	958,816	-
Total deferred outflows of resources	958,816	-
	95,421,795	204,505
Total assets and deferred outflows of resources	95,421,795	204,505

(This statement is continued on the following page.)

VILLAGE OF ALGONQUIN, ILLINOIS

STATEMENT OF NET POSITION (Continued)
PROPRIETARY FUNDS

April 30, 2021

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service
CURRENT LIABILITIES		
Accounts payable	\$ 4,256,160	\$ 52,301
Accrued interest	33,307	-
Due to other funds	-	91,321
Current portion of long-term debt	1,240,750	-
	5,530,217	143,622
LONG-TERM LIABILITIES		
Long-term liabilities	24,570,528	-
	24,570,528	-
	30,100,745	143,622
DEFERRED INFLOWS OF RESOURCES		
Pension items - IMRF	1,219,137	-
Pension items - OPEB	28,113	-
	1,247,250	-
	31,347,995	143,622
NET POSITION		
Net investment in capital assets	50,574,571	44,836
Restricted for debt service	852,175	-
Unrestricted	12,647,054	16,047
	\$ 64,073,800	\$ 60,883

See accompanying notes to financial statements.

VILLAGE OF ALGONQUIN, ILLINOIS

STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS

For the Year Ended April 30, 2021

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service
OPERATING REVENUES		
Charges for services	\$ 10,503,875	\$ -
Administrative fee	87,491	-
Infrastructure fee	1,335,937	-
Maintenance billings	-	1,419,001
Fleet maintenance and fuel	-	301,578
Miscellaneous	91,974	6,326
	<u>12,019,277</u>	<u>1,726,905</u>
OPERATING EXPENSES		
Water operations	2,735,853	-
Sewer operations	2,549,420	-
Nondepartmental	649,869	-
Building services	-	739,256
Vehicle maintenance	-	1,004,601
Depreciation	3,844,760	16,047
	<u>9,779,902</u>	<u>1,759,904</u>
OPERATING INCOME (LOSS)	<u>2,239,375</u>	<u>(32,999)</u>
NON-OPERATING REVENUES (EXPENSES)		
Gain on sale of capital assets	-	4,608
Investment income	15,963	-
Interest expense and fiscal agent fees	(226,942)	-
	<u>(210,979)</u>	<u>4,608</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	<u>2,028,396</u>	<u>(28,391)</u>
CAPITAL CONTRIBUTIONS	<u>901,231</u>	<u>-</u>
CHANGE IN NET POSITION	<u>2,929,627</u>	<u>(28,391)</u>
NET POSITION, MAY 1	<u>61,144,173</u>	<u>89,274</u>
NET POSITION, APRIL 30	<u>\$ 64,073,800</u>	<u>\$ 60,883</u>

See accompanying notes to financial statements.

VILLAGE OF ALGONQUIN, ILLINOIS

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS

For the Year Ended April 30, 2021

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and users	\$ 11,910,558	\$ 301,578
Cash received for interfund services provided	-	1,389,713
Cash paid to suppliers	(3,442,546)	(907,313)
Cash paid to employees	(2,581,244)	(811,015)
Other receipts (payments)	91,974	6,326
Net cash from operating activities	<u>5,978,742</u>	<u>(20,711)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Interfund activity	-	16,103
Net cash from noncapital financing activities	<u>-</u>	<u>16,103</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds from sale of capital assets	-	4,608
Purchase of capital assets	(20,640,866)	-
Interest paid on bonds	(118,625)	-
Interest paid on notes payable	(30,632)	-
Proceeds from issuance of notes payable	16,424,242	-
Principal paid on notes payable	(45,966)	-
Principal paid on general obligation bond maturities	(715,000)	-
Net cash from capital and related financing activities	<u>(5,126,847)</u>	<u>4,608</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investment securities	(3,791,035)	-
Sale of investment securities	2,828,625	-
Interest received	15,964	-
Net cash from investing activities	<u>(946,446)</u>	<u>-</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(94,551)	-
CASH AND CASH EQUIVALENTS, MAY 1	<u>7,662,308</u>	<u>-</u>
CASH AND CASH EQUIVALENTS, APRIL 30	<u>\$ 7,567,757</u>	<u>\$ -</u>

(This statement is continued on the following page.)

VILLAGE OF ALGONQUIN, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)
 PROPRIETARY FUNDS

For the Year Ended April 30, 2021

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES		
Operating income (loss)	\$ 2,239,375	\$ (32,999)
Adjustments to reconcile operating income (loss) to net cash from operating activities		
Depreciation and amortization	3,844,760	16,047
Changes in assets and liabilities		
Accounts receivable	(6,089)	(27,619)
Grants receivable	-	-
Prepaid items	(10,656)	-
Inventory	-	2,949
Deferred outflow of resources - ARO	8,409	-
Accounts payable	206,026	20,911
Pension and OPEB related items	(322,412)	-
Compensated absences payable	19,329	-
NET CASH FROM OPERATING ACTIVITIES	\$ 5,978,742	\$ (20,711)
NONCASH TRANSACTIONS		
IEPA loan receivable and payable	\$ 2,371,197	\$ -
Capital asset additions included in accounts payable	3,664,821	-
Capital assets contributed by others	441,375	

See accompanying notes to financial statements.

VILLAGE OF ALGONQUIN, ILLINOIS

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS

April 30, 2021

	<u>Police Pension</u>
ASSETS	
Cash and short-term investments	\$ 390,809
Investments	
U.S. Treasury securities	3,558,402
U.S. agency securities	2,469,054
Equity mutual funds	27,784,084
Equities	2,738,964
The Illinois Funds	251,743
Money market mutual funds	369,771
Municipal bonds	218,016
Bond mutual fund	125,570
Corporate bonds	5,930,065
Receivables	
Accrued interest receivable	<u>86,403</u>
Total assets	<u>43,922,881</u>
LIABILITIES	
None	<u>-</u>
Total liabilities	<u>-</u>
NET POSITION RESTRICTED FOR PENSIONS	<u><u>\$ 43,922,881</u></u>

See accompanying notes to financial statements.

VILLAGE OF ALGONQUIN, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS

For the Year Ended April 30, 2021

ADDITIONS

Contributions	
Employer	\$ 2,068,000
Employee	429,150
	<hr/>
Total contributions	2,497,150
	<hr/>
Investment income	
Net appreciation in fair value of investments	9,061,561
Interest	718,132
	<hr/>
Total investment income	9,779,693
	<hr/>
Less investment expense	(149,073)
	<hr/>
Net investment income	9,630,620
	<hr/>
Total additions	12,127,770
	<hr/>

DEDUCTIONS

Benefits and refunds	1,555,055
Administration	31,935
	<hr/>
Total deductions	1,586,990
	<hr/>

NET INCREASE 10,540,780

**NET POSITION RESTRICTED
FOR PENSIONS**

May 1	<hr/>
	33,382,101
	<hr/>
April 30	\$ 43,922,881
	<hr/>

See accompanying notes to financial statements.

VILLAGE OF ALGONQUIN, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of Algonquin, Illinois (the Village) have been prepared in conformity with accounting principles generally accepted in the United States of America (hereinafter referred to as generally accepted accounting principles (GAAP)), as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Village's accounting policies are described below.

a. Reporting Entity

The Village is a municipal corporation governed by an elected Village President and six-member Village Board of Trustees. As required by GAAP, these financial statements present the Village and its component units, legally separate entities for which the Village is considered to be financially accountable. Blended component units, although legally separate entities are, in substance, part of the Village's operations and so data from these units are combined with data of the primary government. A discretely presented component unit, on the other hand, is reported in a separate column on the government-wide financial statements to emphasize it is legally separate from the Village. The Village has no discretely presented component units.

The Village's financial statements include the Police Pension System (the PPS) as a fiduciary component unit reported as a Pension Trust Fund. The Village's sworn police employees participate in the PPS. The PPS functions for the benefit of those employees and is governed by a five-member pension board. Two members appointed by the Mayor, one elected retired police officer, and two elected police officers constitute the pension board. The Village and the PPS participants are obligated to fund all the PPS costs based upon actuarial valuations, including administrative costs. 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 the contribution levels. Accordingly, the PPS is fiscally dependent on the Village. Separate financial statements are not available for the PPS.

b. Fund Accounting

The Village uses funds to report on its financial position and the changes in financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain village functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

Funds are classified into the following categories: governmental, proprietary, and fiduciary.

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

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds).

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments. The Village utilizes a pension trust fund which is used to account for assets that the Village holds in a fiduciary capacity or on behalf of others as their agent.

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Village. The effect of material interfund activity, other than interfund service transactions, has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment, or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The Village reports the following major governmental funds:

The General Fund is the general operating fund of the Village. It is used to account for all financial resources not accounted for in another fund.

The Downtown TIF District Fund is used to account for the activities associated with improvements within established downtown Tax Increment Financing District.

The Street Improvement Fund is used to account for the construction, improvement, and maintenance of village streets. Financing is provided by developer contributions, utility taxes, telecommunication taxes, and transfers from other funds.

The Village reports the following major proprietary fund:

The Waterworks and Sewerage Fund is used to account for the provision of water and sewer 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 collection.

The Village reports on the following internal service funds:

The Vehicle Maintenance Fund is used to account for the fueling, maintenance, and repair of village owned vehicles and equipment. Financing is provided by other funds for this purpose.

The Building Service Fund is used to account for maintenance and repairs of village owned buildings. Financing is provided by other funds for this purpose.

The Village reports a pension trust fund as a fiduciary fund to account for the Police Pension Fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the proprietary fund and fiduciary fund financial statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues and expenses are directly attributable to the operation of the proprietary funds. Non-operating revenue/expenses are incidental to the operations of these funds.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, generally 60 days except for certain revenues collected by the state (e.g., sales and telecom taxes) which use a 90-day period.

The Village recognizes property taxes when they become both measurable and available in the year intended to finance. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as expenditures when due.

Those revenues susceptible to accrual are property taxes, utility taxes, franchise fees, licenses, interest revenue, and charges for services. Sales and telecommunication taxes owed to the state at year end on behalf of the Village also are recognized as revenue. Fines and permits revenues are not susceptible to accrual because generally they are not measurable until received in cash.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidelines. Monies that are virtually unrestricted as to purpose of expenditure, which are usually revocable only for failure to comply with prescribed compliance requirements, are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria is met.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The Village reports unavailable/deferred revenue and unearned revenue on its financial statements. Unavailable/deferred revenues arise when a potential revenue does not meet the measurable and available or year intended to finance criteria for recognition in the current period. Unearned revenues arise when resources are received by the Village before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the deferred inflow for unavailable/deferred revenue or the liability for unearned revenue is removed from the financial statements and revenue is recognized.

e. Cash and Investments

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Village's proprietary funds consider their equity in pooled cash and all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased and all investments of the pension trust fund are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Village and Police Pension Fund categorize the fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

f. Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due to/from other funds" on the financial statements. Long-term interfund loans are classified as "advances to/from other funds."

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Prepaid Items/Expenses and Inventory

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses. Amounts are recorded as expenditures/expenses using the consumption method.

Inventories are accounted for at cost, using the first-in, first-out method. Inventories are accounted for under the consumption method, whereby acquisitions are recorded in inventory accounts initially and charged as expenditures/expenses when used.

h. Capital Assets

Capital assets which include land, buildings, building improvements, vehicles and equipment, infrastructure, which includes streets, storm sewers, bridges, and the water and sewer system, improvements other than buildings, and intangibles, which include internally generated software, easements and intangibles other than easements, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost ranging from \$25,000 to \$250,000, depending on asset type, and an estimated useful life of greater than one year. Purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated acquisition value on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant, and equipment is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	50
Streets/bridges	40-50
Vehicles and equipment	3-10
Water and sewer system	20-40
Improvements other than buildings	5-50
Other equipment and other intangibles	4-20

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Compensated Absences

Vested or accumulated vacation leave and sick leave that is due to employees who have retired or terminated by the end of the year is reported as an expenditure and a fund liability of the governmental fund that will pay it. Vested or accumulated vacation and sick leave of proprietary funds and governmental activities is recorded as an expense and liability of those funds as the benefits accrue to employees. The General Fund is typically used to liquidate these liabilities.

j. Fund Balance/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, externally imposed by outside entities, or as a result of the Village's own enabling legislation. Committed fund balance is constrained by formal actions of the Village Board of Trustees, which is considered the Village's highest level of decision-making authority. Formal actions include resolutions and ordinances (equally binding) approved by the Board of Trustees. Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose. The Village Board of Trustees has not delegated authority to any other body or official to assign amounts for a specific purpose within the General Fund. Within the other governmental fund types the Board of Trustees assigns resources in accordance with the established fund purpose through the passage of the annual budget/appropriation ordinance. Any residual fund balance of the General Fund and any deficit balances in other governmental funds are reported as unassigned.

In the General Fund, the Village considers restricted amounts to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, followed by committed amounts then assigned amounts. Unassigned amounts are used only after the other categories of fund balance have been fully utilized.

In governmental funds other than the General Fund, the Village considers restricted amounts to have been spent last. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Village will first utilize assigned amounts, followed by committed amounts then restricted amounts.

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the Village's investment in the book value of capital assets, less any outstanding debt that was issued to construct or acquire the capital asset.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Long-Term Obligations

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

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

l. Interfund Transactions

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

All other interfund transactions, except interfund service transactions and reimbursements, are reported as transfers.

m. Deferred Outflows/Inflows of Resources

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n. Use of Estimates

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

o. Postponement of Implementation of Certain Authoritative Guidance

In accordance with the provisions of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, the District has delayed the implementation of GASB Statement No. 87, *Leases*, to April 30, 2023.

2. DEPOSITS AND INVESTMENTS

Permitted Deposits and Investments - Illinois statutes and the Village's investment policy authorizes the Village to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, interest-bearing bonds of the State of Illinois or any county, township, or municipal corporation of the State of Illinois which are rated within the four highest general classifications established by a rating service of nationally recognized expertise, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and The Illinois Funds (a money market fund created by the State of Illinois under the State Treasurer that maintains a \$1 per share value).

The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than fair value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Deposits and Investments

It is the policy of the Village to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Village and conforming to all state and local statutes governing the investment of public funds, using the “prudent person” standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety, liquidity, and yield.

Deposits with Financial Institutions

Custodial credit risk is the risk that in the event of a bank failure, the Village’s deposits may not be returned to it. It is the policy of the Village to require that funds on deposit in excess of FDIC limits be secured by some form of collateral. The amount of collateral provided will not be less than 105% of the fair value of the net amount of public funds secured. Pledged collateral will be held in safekeeping by an independent third-party depository designated by the Village and evidenced by a safekeeping agreement in the Village’s name. As of April 30, 2021, the Village was not exposed to custodial credit risk as all deposits were either insured or collateralized with securities held by the Village or its agent, in the Village’s name.

Investments

The following table presents the investments and maturities of the Village’s securities subject to interest rate risk as of April 30, 2021:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury securities	\$ 385,176	\$ 35,623	\$ 349,553	\$ -	\$ -
U.S. agency securities	927,624	194,720	573,471	84,777	74,656
Municipal bonds	614,160	106,137	508,023	-	-
Negotiable certificates of deposit	3,716,462	812,249	2,904,213	-	-
TOTAL	\$ 5,643,422	\$ 1,148,729	\$ 4,335,260	\$ 84,777	\$ 74,656

The Village has the following recurring fair value measurements as of April 30, 2021: The U.S. agency securities, U.S. Treasury securities, municipal bonds, and negotiable CDs are valued using quoted matrix pricing models (Level 2 inputs).

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Deposits and Investments (Continued)

Investments (Continued)

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Village limits its exposure to interest rate risk by (1) structuring the investment 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, (2) managing fixed-income investments where the investor builds a ladder by dividing his or her investment dollars evenly among bonds or CDs that mature at regular intervals such as every six months, once a year, or every two years, and (3) investing operating funds primarily in shorter term securities, money market mutual funds, or similar investment pools and limiting the average maturity of the portfolio in accordance with this policy.

To the extent possible, the Village will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the Village will not directly invest in securities maturing more than three years or, in the case of mortgage-backed securities, the expected average life of any fixed income security shall not exceed three years, from the date of purchase. Reserve funds may be invested in securities exceeding three years if the maturity or average life of such investments is made to coincide as nearly as practicable with the expected use of the funds. Any investment purchased with a maturity or average life longer than five years must be supported with written documentation explaining the reason for the purchase and must be specifically approved by the Board of Trustees.

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Village limits its exposure to credit risk by limiting investments to the types of securities listed above, diversifying the investment portfolio to the best of its abilities based on the type of funds invested and the cash flow needs of those funds, pre-qualifying the financial institutions, brokers/dealers, intermediaries, and advisors, and diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized. The Illinois Funds and Illinois Metropolitan Investment Fund (IMET) are rated AAA. The Village's U.S. agency securities have ratings from AA+ to AAA. The Village's Municipal Bonds have ratings from AA+ to AA-. The negotiable certificates of deposit are not rated.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Deposits and Investments (Continued)

Investments (Continued)

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Village's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by an independent third-party custodian and evidenced by safekeeping receipts in the Village's name and a written custodial agreement. The Illinois Funds and IMET are not subject to custodial credit risk.

Concentration of credit risk is the risk that the Village has a high percentage of its investments invested in one type of investment. The Village's investment policy requires diversification of investments to avoid unreasonable risk. The investments shall be diversified by type of investment, number of institutions invested in, and length of maturity. No financial institution shall hold more than 40% of the Village's investment portfolio unless collateralized, exclusive of U.S. Treasury securities in safekeeping. Monies deposited at a financial institution shall not exceed 75% of the capital stock and surplus of that institution. Commercial paper shall not exceed 15% of the Village's investment portfolio. Brokered certificates of deposit shall not exceed 25% of the Village's investment portfolio.

3. RECEIVABLES - PROPERTY TAXES

Property taxes for the 2020 levy year attach as an enforceable lien on January 1, 2020, on property value assessed as of the same date. Taxes are levied by December 31 of the subsequent fiscal year end by passage of a Tax Levy Ordinance. Tax bills are prepared by the County and issued on or about May 1, 2021 and August 1, 2021, and are payable in two installments, on or about June 1, 2021 and September 1, 2021. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 1% to 2% of the tax levy, to reflect actual collection experience. The 2020 taxes are intended to finance the 2022 fiscal year and are not considered available for current operations and are, therefore, shown as unavailable/deferred revenue. The 2021 tax levy has not been recorded as a receivable at April 30, 2021, as the tax attached as a lien on property as of January 1, 2021; however, the tax will not be levied until December 2021 and, accordingly, is not measurable at April 30, 2021.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS

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

	Beginning Balances	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 95,936,885	\$ 236,026	\$ -	\$ 96,172,911
Construction in progress	4,591,947	9,095,758	3,873,627	9,814,078
Total capital assets not being depreciated	100,528,832	9,331,784	3,873,627	105,986,989
Capital assets being depreciated				
Buildings	15,976,573	-	-	15,976,573
Improvements other than buildings	29,233,335	3,432,251	-	32,665,586
Vehicles and equipment	6,572,976	476,020	64,296	6,984,700
Streets/storm sewers/bridges	121,734,487	-	-	121,734,487
Total capital assets being depreciated	173,517,371	3,908,271	64,296	177,361,346
Less accumulated depreciation for				
Buildings	6,666,163	319,008	-	6,985,171
Improvements other than buildings	12,853,481	1,530,266	-	14,383,747
Vehicles and equipment	5,650,901	383,126	48,909	5,985,118
Streets/storm sewers/bridges	54,224,752	2,936,063	-	57,160,815
Total accumulated depreciation	79,395,297	5,168,463	48,909	84,514,851
Total capital assets being depreciated, net	94,122,074	(1,260,192)	15,387	92,846,495
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	\$ 194,650,906	\$ 8,071,592	\$ 3,889,014	\$ 198,833,484
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 3,644,048	\$ -	\$ -	\$ 3,644,048
Construction in progress	5,429,467	22,012,788	13,012,899	14,429,356
Total capital assets not being depreciated	9,073,515	22,012,788	13,012,899	18,073,404
Capital assets being depreciated				
Water and sewer system	100,794,232	13,454,274	185,418	114,063,088
Buildings	17,403,306	-	-	17,403,306
Vehicles and equipment	1,210,140	17,726	-	1,227,866
Total capital assets being depreciated	119,407,678	13,472,000	185,418	132,694,260
Less accumulated depreciation for				
Water and sewer system	64,451,609	3,439,629	163,659	67,727,579
Buildings	6,500,237	348,068	-	6,848,305
Vehicles and equipment	1,022,681	57,063	-	1,079,744
Total accumulated depreciation	71,974,527	3,844,760	163,659	75,655,628
Total capital assets being depreciated, net	47,433,151	9,627,240	21,759	57,038,632
BUSINESS-TYPE ACTIVITIES CAPITAL ASSETS, NET	\$ 56,506,666	\$ 31,640,028	\$ 13,034,658	\$ 75,112,036

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

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

GOVERNMENTAL ACTIVITIES	
General government	\$ 197,377
Public safety	157,308
Highways and streets	<u>4,813,778</u>
TOTAL DEPRECIATION EXPENSE -	
GOVERNMENTAL ACTIVITIES	<u>\$ 5,168,463</u>

5. 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. The Village participates in the McHenry County Municipal Risk Management Association (MCMRMA).

The Village pays annual premiums to MCMRMA for its workers' compensation, general liability, public official's liability claims, and property coverage. The cooperative agreement provides that MCMRMA will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$150,000 per occurrence for workers' compensation and \$100,000 per occurrence for general liability and property. One representative from each member serves on the MCMRMA board, and each board member has one vote on the board. None of its members have any direct equity interest in MCMRMA.

The Village participates in the Intergovernmental Personnel Benefit Cooperative.

Intergovernmental Personnel Benefit Cooperative (IPBC) is a public entity risk pool established by certain units of local government in Illinois to administer some or all of the personnel benefit programs (primarily medical and life insurance coverage) offered by these members to their officers and employees and to the officers and employees of certain governmental, quasi-governmental, and nonprofit public service entities. IPBC receives, processes, and pays such claims as may come within the benefit program of each member. Management consists of a Board of Directors comprised of one appointed representative, along with an alternate, from each member. In addition, there are two officers; a chairperson and a Treasurer. The Village does not exercise any control over the activities of IPBC beyond its representation on the Board of Directors.

Complete financial statement, the latest available dated June 30, 2020, may be obtained directly from IPBC's administrative offices at 800 Roosevelt Road, Building C, Suite 312, Glen Ellyn, Illinois 60137.

5. RISK MANAGEMENT (Continued)

The Village has not had significant reductions in insurance coverage during the year nor did settlements exceed insurance coverage in any of the last three years.

6. JOINT VENTURE

The Village is a founding member of Southeast Emergency Communication (SEECOM). SEECOM is a municipal corporation and public body politic and corporate established pursuant to the Constitution of the State of Illinois and the Intergovernmental Cooperation Act of the State of Illinois, as amended (the Act). SEECOM is a cooperative joint venture organized for the purpose of providing the equipment, services, and other items necessary and appropriate for the establishment, operation, and maintenance of a joint public safety communications system for the mutual benefit of the members of SEECOM. The founding members of SEECOM consist of the Village of Algonquin, Illinois, the City of Crystal Lake, Illinois, and the Village of Cary, Illinois.

SEECOM is governed by an executive board established with three voting members consisting of the Village Manager/Village Administrator/City Manager, or their respective staff designees, from the three founding communities. Each member of the Executive Board is entitled to one vote. Two nonvoting members also consist of one member from the Fire Services Advisory Board and one member from the Law Enforcement Advisory Board. These nonvoting members represent other member communities.

Each of SEECOM's three members paid an initial entry fee as determined and agreed to by SEECOM's Executive Board and the three members. Each member also pays a portion of the initial capital cost financed by the issuance of a bond. Each member's portion of the initial capital costs are based on the actual capital cost multiplied by the member's proportionate share of the number of calls for service from the preceding year. Each member pays a percentage of the operating costs of SEECOM as determined by the total operational costs less contracted services by each member's proportional share of the calls for service handled by SEECOM. Calls for service are one year in arrears.

All property, real and personal, acquired by SEECOM are owned in common by the members under the intergovernmental agreement. Each of the three members under the intergovernmental agreement are liable for the debts and liabilities of SEECOM. The intergovernmental agreement establishing SEECOM is in effect for a period of 15 years from the effective date of June 2003. Thereafter, it is automatically renewed with no affirmative action by the three members for successive five-year periods commencing May 1 until notice of termination is given. Any terminating member shall remain liable for their share of the capital expenditures incurred prior to the effective date of their termination. Upon termination by any member, SEECOM shall reimburse the terminated member for its share of the undepreciated value of SEECOM's capital assets.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. JOINT VENTURE (Continued)

SEECOM financial statements can be obtained at SEECOM's office located at 100 West Woodstock Street, Crystal Lake, IL 60014.

The Village reports its activities in SEECOM as a governmental joint venture. In accordance with the joint venture agreement, the Village remitted \$577,062 to SEECOM during fiscal year 2021. In addition, the Village's equity interest in the joint venture's net position of \$1,227,147 is recorded within the governmental activities column of the statement of net position.

7. LONG-TERM DEBT

a. General Obligation Bonds

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

Issue	Fund Debt Retired by	Balances May 1	Issuances	Retirements	Balances April 30	Current Portion
\$7,645,000 General Obligation Refunding Bond Series 2013, due in annual installments of \$570,000 to \$830,000, plus interest of 3.00% to 3.25% payable each April 1 and October 1 through April 1, 2025.	Waterworks and Sewerage	\$ 3,885,000	\$ -	\$ 715,000	\$ 3,170,000	\$ 755,000
TOTAL GENERAL OBLIGATION BONDS		\$ 3,885,000	\$ -	\$ 715,000	\$ 3,170,000	\$ 755,000

b. IEPA loans payable

Issue	Fund Debt Retired by	Balances May 1	Issuances	Retirements	Balances April 30	Current Portion
\$16,332,467 IEPA loan payable, due in semiannual installments, plus interest of 2%.	Waterworks and Sewerage	\$ 491,862	\$ 12,002,502	\$ -	\$ 12,494,364	\$ -
\$2,569,506 IEPA loan payable, due in semiannual installments, plus interest of 1.84%.	Waterworks and Sewerage	2,590,202	203,793	45,966	2,748,029	122,037
\$5,164,060 IEPA loan payable, due in semiannual installments, plus interest of 2%.	Waterworks and Sewerage	604,344	5,470,995	-	6,075,339	166,494
TOTAL IEPA LOANS		\$ 3,686,408	\$ 17,677,290	\$ 45,966	\$ 21,317,732	\$ 288,531

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. LONG-TERM DEBT (Continued)

c. Debt Service Requirements to Maturity

Annual debt service requirements to maturity are as follows:

Fiscal Year	Business-Type Activities General Obligation Bonds	
	Principal	Interest
2022	\$ 755,000	\$ 97,175
2023	770,000	74,525
2024	815,000	51,425
2025	830,000	26,975
TOTAL	\$ 3,170,000	\$ 250,100

Fiscal Year	Business-Type Activities IEPA Loans Payable	
	Principal	Interest
2022	\$ 122,037	\$ 50,005
2023	124,294	47,749
2024	126,591	45,452
2025	128,931	43,112
2026	131,314	40,728
2027	133,742	38,301
2028	136,214	35,829
2029	138,732	33,311
2030	141,296	30,747
2031	143,908	28,135
2032	146,568	25,475
2033	149,277	22,765
2034	152,037	20,006
2035	154,847	17,196
2036	157,709	14,334
2037	160,624	11,418
2038	163,593	8,449
2039	166,617	5,425
2040	169,698	2,345
TOTAL	\$ 2,748,029	\$ 520,782

The repayment schedule for the remaining two IEPA loans payable are not determinable as the loans have not officially entered the repayment period.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. LONG-TERM DEBT (Continued)

d. Changes in Long-Term Liabilities

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

	Balances May 1	Issuances	Retirements	Balances April 30	Current Portion
Compensated absences*	\$ 1,158,087	\$ 1,361,925	\$ 1,368,873	\$ 1,151,139	\$ 700,091
Net pension liability (IMRF)*	2,257,827	-	2,245,115	12,712	-
Net pension liability (Police Pension)*	16,752,054	-	7,570,280	9,181,774	-
Total OPEB liability*	1,951,255	651,752	-	2,603,007	90,545
TOTAL	\$ 22,119,223	\$ 2,013,677	\$ 11,184,268	\$ 12,948,632	\$ 790,636

*These liabilities are generally retired by the General Fund.

During the fiscal year, the following changes occurred in long-term liabilities for business-type activities (retired by the Waterworks and Sewerage Fund):

	Balances May 1	Issuances	Retirements	Balances April 30	Current Portion
General obligation bonds payable	\$ 3,885,000	\$ -	\$ 715,000	\$ 3,170,000	\$ 755,000
Unamortized premium	148,350	-	25,073	123,277	-
IEPA loans payable	3,686,408	17,677,290	45,966	21,317,732	288,531
Asset retirement obligation	270,000	-	-	270,000	-
Compensated absences payable	276,544	332,344	313,015	295,873	173,476
Net pension liability (IMRF)	1,027,052	-	1,020,966	6,086	-
Total OPEB liability	511,658	116,652	-	628,310	23,743
TOTAL	\$ 9,805,012	\$ 18,126,286	\$ 2,120,020	\$ 25,811,278	\$ 1,240,750

e. 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 nine water wells at the end of their estimated useful lives in accordance state requirements. The ARO was measured using actual historical costs for similar abandonments, adjusted for inflation through the end of the year and engineering estimates. The estimated remaining useful lives of the water wells range from 18 to 46 years.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. INDIVIDUAL FUND DISCLOSURES

Individual fund amounts due to other funds were as follows:

Fund	Due from	Due to
General	\$ 91,321	\$ -
Internal Service Funds	-	91,321
TOTAL	\$ 91,321	\$ 91,321

The purposes of significant interfund balances are as follows:

- The balances between the General Fund and the Internal Service Funds were for short-term interfund loans. Repayment is expected within one year.

Individual fund advances were as follows:

Fund	Advances to	Advances from
General	\$ 654,966	\$ -
Street Improvement Fund	17,410,769	-
Downtown TIF District Fund	-	23,189,177
Water and Sewer	5,123,442	-
TOTAL	\$ 23,189,177	\$ 23,189,177

The purposes of significant advances are as follows:

- The advance from the General Fund, Street Improvement Fund, and Water/Sewer Improvement Fund to the Downtown TIF District Fund were made for TIF advances for expenses of the TIF District. The amounts are expected to be repaid over the remaining life of the TIF District.

Individual fund transfers were as follows:

Fund	Transfers In	Transfers Out
General	\$ -	\$ 3,000,000
Street Improvement	3,000,000	-
TOTAL	\$ 3,000,000	\$ 3,000,000

8. INDIVIDUAL FUND DISCLOSURES (Continued)

The purposes of significant transfers are as follows:

- The General Fund transferred surplus monies per the budget to the Street Improvement Fund.

9. CONTINGENT LIABILITIES

a. Litigation

The Village is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Village's attorneys, the resolution of these matters will not have a material adverse effect on the financial condition of the Village.

b. Grants

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

10. DEFINED BENEFIT PENSION PLANS

The Village contributes to two defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system, and the Police Pension Plan which is a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for all the plans are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly. The Police Pension Plan does not issue a separate report on the pension plan. IMRF, however, issues a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from their website at www.imrf.org.

The aggregate amount of pension expense recognized for all plans was \$(162,296) for the year ended April 30, 2021.

VILLAGE OF ALGONQUIN, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions

Illinois Municipal Retirement Fund

Plan Administration

All employees (other than those covered by the Police 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.

Plan Membership

At December 31, 2020, IMRF membership consisted of:

Inactive employees or their beneficiaries	
currently receiving benefits	59
Inactive employees entitled to but not yet receiving benefits	62
Active employees	84
 TOTAL	 205

Benefits Provided

All employees (other than those covered by the Police Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Benefits Provided (Continued)

IMRF also provides death and disability benefits. These benefit provisions are established by state statute.

Contributions

Participating members are required to contribute 4.50% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution for the fiscal year ended April 30, 2021 was 11.80% of covered payroll.

Actuarial Assumptions

The Village's net pension liability was measured as of December 31, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2020
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.25%
Salary increases	2.85% to 13.75%
Interest rate	7.25%
Asset valuation method	Fair value

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.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2020	\$ 34,542,450	\$ 31,257,571	\$ 3,284,879
Changes for the period			
Service cost	668,964	-	668,964
Interest	2,492,354	-	2,492,354
Difference between expected and actual experience	(530,044)	-	(530,044)
Changes in assumptions	(562,969)	-	(562,969)
Employer contributions	-	716,211	(716,211)
Employee contributions	-	278,561	(278,561)
Net investment income	-	4,224,661	(4,224,661)
Benefit payments and refunds	(999,258)	(999,258)	-
Other (net transfer)	-	114,953	(114,953)
Net changes	1,069,047	4,335,128	(3,266,081)
BALANCES AT DECEMBER 31, 2020	\$ 35,611,497	\$ 35,592,699	\$ 18,798

Changes in assumptions for inflation and salaries increases were made since the last actuarial valuation.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2020, the Village recognized pension expense (income) of \$(386,343).

At April 30, 2021, the Village reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 345,301	\$ 624,628
Changes in assumption	496,290	814,869
Contributions made between January 1, 2021 and April 30, 2021	266,820	-
Net difference between projected and actual earnings on pension plan investments	-	2,325,515
TOTAL	\$ 1,108,411	\$ 3,765,012

\$266,820 reported as deferred outflows of resources related to the Village contributions subsequent to the measurement date and will be recognized as a reduction of net pension liability in the reporting year ending April 30, 2022. Amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

Year Ending April 30,	
2022	\$ (904,828)
2023	(439,973)
2024	(1,007,201)
2025	(571,419)
2026	-
Thereafter	-
TOTAL	\$ (2,923,421)

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (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 of 7.25% as well as what the Village's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ 5,081,654	\$ 18,798	\$ (3,872,287)

Police Pension Plan

Plan Administration

Police sworn personnel are covered by the Police Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the Police Pension Plan as a Pension Trust Fund.

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

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.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Plan Membership

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

Inactive plan members or beneficiaries currently receiving benefits	22
Inactive plan members entitled to but not yet receiving benefits	6
Active plan members	<u>44</u>
 TOTAL	 <u><u>72</u></u>

Benefits Provided

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

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the greater of the average monthly salary obtaining by dividing the total salary during the 48 consecutive months of service within the last of 60 months in which the total salary was the highest by the number of months in that period; or the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$106,800, plus

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Benefits Provided (Continued)

the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. However, the Village has elected to fund 100% of the past service cost by 2033. For the year ended April 30, 2021, the Village's contribution was 48.27% of covered payroll.

Investment Policy

In accordance with the Police Pension Fund's (the Fund) investment policy, the Fund may invest in all investments allowed by ILCS. These include deposits/investments in insured commercial banks, savings and loan institutions, interest-bearing obligations of the U.S. Treasury and U.S. agencies, interest-bearing bonds of the State of Illinois or any county, township, or municipal corporation of the State of Illinois, direct obligations of the State of Illinois, money market mutual funds whose investments consist of obligations of the U.S. Treasury or U.S. agencies, separate accounts managed by life insurance companies, mutual funds, common and preferred stock, and The Illinois Funds.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Policy (Continued)

It is the policy of the Fund to invest its funds in a manner which will provide a competitive investment return with the maximum security while meeting the daily cash flow demands of the Fund and conforming to all state and local statutes governing the investment of public funds, using the “prudent person” standard for managing the overall portfolio. The primary objectives of the policy are: safety of principal, return on investment, legality, and meeting all funding requirements. The investment policy was not modified during the year ended April 30, 2021.

The Fund’s investment policy in accordance with ILCS establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return*
Fixed income	35%	1.00% to 2.70%
Equities and alternatives	65%	3.40% to 9.90%

*Net of inflation assumption of 1.70%.

ILCS limits the Fund’s investments in equities to 65%. Securities in any one company should not exceed 5% of the total fund.

Investment Valuations

All investments except for non-negotiable certificates of deposit and money market mutual funds in the plan are stated at fair value and are recorded as of the trade date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Rate of Return

For the year ended April 30, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 29.10%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Fund's deposits may not be returned to it. At April 30, 2021, all of the Fund's bank balances were collateralized in accordance with their investment policy.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for all reasonably anticipated operating requirements while providing a reasonable rate of return based on the current market.

The following table presents the investments and maturities of the Fund's debt securities and money market mutual funds as of April 30, 2021:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury securities	\$ 3,558,401	\$ -	\$ 819,996	\$ 1,228,318	\$ 1,510,087
U.S. agency securities	2,469,054	458	419,690	222,917	1,825,989
Bond mutual fund	125,570	-	125,570	-	-
Corporate bonds	5,930,065	223,446	1,630,780	2,787,828	1,288,011
Municipal bonds	218,016	121,955	37,021	59,040	-
TOTAL	\$ 12,301,106	\$ 345,859	\$ 3,033,057	\$ 4,298,103	\$ 4,624,087

The Fund has the following recurring fair value measurements as of April 30, 2021: The U.S. Treasury obligations, equity and bond mutual funds, and equity securities are valued using quoted prices in active markets for identical assets (Level 1 inputs). The U.S. agency obligations, municipal bonds, and corporate bonds are valued using quoted matrix pricing models (Level 2 inputs).

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Credit Risk

The Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in U.S. Treasury and U.S. agency obligations and other obligations which are rated in the top three classes by a national rating agency. The U.S. agency obligations are rated AAA by Moody's and AA+ by Standard and Poor's. The corporate bonds range in rating from AAA to BBB- and AAA-BAA3 by Standard and Poor's and Moody's, respectively. The municipal bonds range in rating from AAA-AA3 by Standard and Poor's. The Illinois Funds and IMET are rated AAA. The bond mutual fund is not rated.

Concentration of Credit Risk

Concentration of credit risk is the risk that the Fund has a high percentage of their investments invested in one type of investment. The Fund's investment policy requires diversification of investments to avoid unreasonable risk. There are no significant investments (other than United States Government guaranteed obligations and mutual funds) in any one organization that represent 5% or more of the Fund's investments.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Fund requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis. Securities are required to be held by a third party custodian or qualified broker/dealer as defined by 40 ILCS 5/81-113.7 (A). The money market mutual funds and equity and bond mutual funds are not subject to custodial credit risk.

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The Fund's funding policy is to have the Fund reach a funded ratio of 100% by April 30, 2033. Therefore, the Police Pension Plan's projected fiduciary net position can be expected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on the Police Pension Plan's investments was applied to all periods of projected benefits payments to determine the total pension liability.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Changes in Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT MAY 1, 2020	\$ 50,134,155	\$ 33,382,101	\$ 16,752,054
Changes for the period			
Service cost	1,171,575	-	1,171,575
Interest	3,266,660	-	3,266,660
Difference between expected and actual experience	87,320	-	87,320
Changes in assumptions	-	-	-
Changes of benefit terms	-	-	-
Employer contributions	-	2,068,000	(2,068,000)
Employee contributions	-	424,549	(424,549)
Other contributions	-	4,601	(4,601)
Net investment income	-	9,630,620	(9,630,620)
Benefit payments and refunds	(1,555,055)	(1,555,055)	-
Administrative expense	-	(31,935)	31,935
Net changes	2,970,500	10,540,780	(7,570,280)
BALANCES AT APRIL 30, 2021	\$ 53,104,655	\$ 43,922,881	\$ 9,181,774

The plan fiduciary net position as a percentage of total pension liability was 82.71% at April 30, 2021.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of April 30, 2021 using the following actuarial methods and assumptions.

Actuarial valuation date	April 30, 2021
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary increases	4.00% to 21.51%
Interest rate	6.75%
Postretirement benefit increases	3.00%
Asset valuation method	Fair Value

Mortality rates were based on the L&A 2020 Illinois Police Mortality Rates.

Discount Rate Sensitivity

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

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net pension liability	\$ 18,791,269	\$ 9,181,774	\$ 1,591,483

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended April 30, 2021, the Village recognized police pension expense of \$224,047. At April 30, 2021, the Village reported deferred outflows of resources and deferred inflows of resources related to the police pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 246,823	\$ (429,205)
Changes in assumption	-	(952,237)
Net difference between projected and actual earnings on pension plan investments	-	(4,964,252)
TOTAL	\$ 246,823	\$ (6,345,694)

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

<u>Year Ending April 30,</u>	
2022	\$ (1,421,998)
2023	(1,433,207)
2024	(1,401,929)
2025	(1,723,390)
2026	(159,652)
Thereafter	41,305
TOTAL	\$ (6,098,871)

11. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

In addition to providing the pension benefits described, the Village provides postemployment health care (OPEB) benefits for retirees and disabled employees through a single-employer defined benefit plan (the Plan). The benefits, benefit levels, employee contributions, and any employer contributions are governed by the Village and can be amended by the Village through its personnel manual and union contracts. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The Plan does not issue a separate report. The activity of the Plan is reported in the Village's General Fund and Waterworks and Sewerage Fund.

b. Benefits Provided

With the exception of funding HMO medical health care for police officers who retired due to a duty related disability, retired village employees are required to fully fund the premium for the health care policy. For certain disabled employees who qualify for health insurance benefits under the Public Safety Employee Benefits Act (PSEBA), the Village is required to pay 100% of the cost of basic health insurance for the employee and their dependents until they are Medicare eligible. The Plan provides medical and dental insurance benefits to eligible retirees and their dependents. The benefits, benefit levels, and employer contributions are governed by the Village Board of Trustees and can only be amended by the Village Board of Trustees. The Plan is not accounted for as a trust fund and an irrevocable trust has not been established.

All health care benefits are provided through the Village's insured health plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous, and substance abuse care; vision care; dental care; and prescriptions. Eligibility in village-sponsored health care plans is discontinued upon eligibility for federally sponsored health care benefits.

c. Membership

At April 30, 2020, membership consisted of:

Inactive fund members or beneficiaries currently receiving benefit payments	21
Inactive fund members entitled to but not yet receiving benefit payments	-
Active fund members	<u>119</u>
TOTAL	<u><u>140</u></u>
Participating employers	<u><u>1</u></u>

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

d. Actuarial Assumptions and Other Inputs

The total OPEB liability was measured at April 30, 2020, as determined by an actuarial valuation as of April 30, 2021, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Actuarial cost method	Entry-age normal
Actuarial value of assets	Not applicable
Inflation	3.00%
Salary increases	5.00%
Discount rate	1.83%
Healthcare cost trend rates	5.00% to 5.50% Initial 4.50% Ultimate
Retirees share of benefit-related costs	100% Regular Plan 0% PSEBA Eligible

The discount rate was based on the S&P Municipal Bond 20-Year High-Grade Rate Index at April 30, 2021.

Mortality rates were based on the IMRF and Police Pension rates in Note 10.

The actuarial assumptions used in the April 30, 2021 valuation are based on 20% participation assumed, with 40% electing spouse coverage.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

f. Rate Sensitivity (Continued)

The table below presents the total OPEB liability of the Village calculated using the healthcare rate of 4.50% to 5.00%-5.50% as well as what the Village's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (3.50% to 4.00%-4.50%) or 1 percentage point higher (5.50% to 6.00%-6.50%) than the current rate:

	1% Decrease (3.50% to 4.00% - 4.50%)	Current Healthcare Rate (4.50% to 5.00% - 5.50%)	1% Increase (5.50% to 6.00% - 6.50%)
Total OPEB liability	\$ 2,790,191	\$ 3,231,317	\$ 3,793,080

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

For the year ended April 30, 2021, the Village recognized OPEB expense of \$282,678. At April 30, 2021, 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
Differences between expected and actual experience	\$ 21,237	\$ 72,243
Changes in assumptions	1,383,690	72,341
TOTAL	\$ 1,404,927	\$ 144,584

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

- g. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

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

Year Ending April 30,	
2022	\$ 171,157
2023	171,157
2024	171,157
2025	171,157
2026	171,157
Thereafter	<u>404,558</u>
TOTAL	<u>\$ 1,260,343</u>

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual
REVENUES			
Taxes	\$ 6,124,500	\$ 6,124,500	\$ 6,078,479
Intergovernmental, grants, and contributions	12,034,000	12,268,900	14,781,301
Charges for services	323,300	323,300	123,920
Licenses and permits	580,000	580,000	726,096
Fees, fines, and forfeits	341,100	341,100	248,556
Investment income	237,200	237,200	130,887
Miscellaneous	569,600	569,600	671,405
Total revenues	20,209,700	20,444,600	22,760,644
EXPENDITURES			
Current			
General government	5,397,400	5,341,400	4,219,449
Public safety	10,181,300	10,191,300	9,633,165
Public works	4,788,600	4,888,600	4,333,035
Debt service			
Interest and fiscal charges	15,900	15,900	11,339
Capital outlay	486,500	767,400	481,084
Total expenditures	20,869,700	21,204,600	18,678,072
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
	(660,000)	(760,000)	4,082,572
OTHER FINANCING SOURCES (USES)			
Transfers in	193,400	193,400	92,263
Transfers (out)	(3,193,400)	(3,193,400)	(3,092,263)
Total other financing sources (uses)	(3,000,000)	(3,000,000)	(3,000,000)
NET CHANGE IN FUND BALANCE			
	<u>\$ (3,660,000)</u>	<u>\$ (3,760,000)</u>	1,082,572
FUND BALANCE, MAY 1			17,730,955
FUND BALANCE, APRIL 30			\$ 18,813,527

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DOWNTOWN TIF DISTRICT FUND**

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual
REVENUES			
Property taxes	\$ 870,300	\$ 870,300	\$ 716,559
Investment income	700	700	3,063
Total revenues	871,000	871,000	719,622
EXPENDITURES			
General government			
Engineering services	71,000	71,000	41,210
Professional services	-	-	175
Infrastructure maintenance improvements	-	-	89,206
Capital outlay	800,000	800,000	2,242,826
Total expenditures	871,000	871,000	2,373,417
NET CHANGE IN FUND BALANCE	\$ -	\$ -	(1,653,795)
FUND BALANCE (DEFICIT), MAY 1			(19,186,023)
FUND BALANCE (DEFICIT), APRIL 30			\$ (20,839,818)

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Six Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2016	2017	2018	2019	2020	2021
Actuarially determined contribution	\$ 753,644	\$ 745,068	\$ 750,471	\$ 669,837	\$ 636,395	\$ 739,740
Contributions in relation to the actuarially determined contribution	753,644	745,068	750,471	669,837	636,395	739,740
CONTRIBUTION DEFICIENCY (Excess)	\$ -					
Covered payroll	\$ 6,631,156	\$ 6,465,839	\$ 6,547,827	\$ 6,268,862	\$ 6,184,848	\$ 6,267,366
Contributions as a percentage of covered payroll	11.37%	11.52%	11.46%	10.69%	10.29%	11.80%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior IMRF plan year. Additional information as of the latest valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization period was 23 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.25% annually, projected salary increases assumption of 3.35% to 14.25% compounded annually, wage growth of 3.25%, and inflation of 2.50%.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND

Last Ten Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Actuarially determined contribution	\$ 933,392	\$ 987,225	\$ 1,010,427	\$ 1,178,898	\$ 1,239,425	\$ 1,836,961	\$ 1,899,008	\$ 1,983,552	\$ 1,984,537	\$ 2,067,570
Contributions in relation to the actuarially determined contribution	937,750	978,923	1,025,000	1,179,000	1,240,000	1,837,000	1,900,000	1,992,834	1,985,000	2,068,000
CONTRIBUTION DEFICIENCY (Excess)	\$ (4,358)	\$ 8,302	\$ (14,573)	\$ (102)	\$ (575)	\$ (39)	\$ (992)	\$ (9,282)	\$ (463)	\$ (430)
Covered payroll	\$ 4,145,760	\$ 4,221,895	\$ 4,193,768	\$ 4,151,265	\$ 4,077,186	\$ 4,250,692	\$ 4,095,714	\$ 4,107,186	\$ 4,389,213	\$ 4,284,035
Contributions as a percentage of covered payroll	22.62%	23.19%	24.44%	28.40%	30.41%	43.22%	46.39%	48.52%	45.22%	48.27%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of May 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed, and the amortization period was 14.02 years; the asset valuation was at five-year smoothed market value; and the significant actuarial assumptions were an investment rate of return at 6.75% annually, and projected salary increases assumption of 4.00% - 21.51%.

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Six Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018	2019	2020
TOTAL PENSION LIABILITY						
Service cost	\$ 756,829	\$ 727,336	\$ 716,835	\$ 642,958	\$ 674,525	\$ 668,964
Interest	1,819,378	1,956,191	2,069,862	2,142,009	2,327,014	2,492,354
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	(161,237)	(547,368)	(158,856)	459,661	221,880	(530,044)
Changes of assumptions	40,403	(82,880)	(972,243)	1,075,268	-	(562,969)
Benefit payments, including refunds of member contributions	(550,096)	(608,099)	(596,206)	(717,199)	(880,903)	(999,258)
Net change in total pension liability	1,905,277	1,445,180	1,059,392	3,602,697	2,342,516	1,069,047
Total pension liability - beginning	24,187,388	26,092,665	27,537,845	28,597,237	32,199,934	34,542,450
TOTAL PENSION LIABILITY - ENDING	\$ 26,092,665	\$ 27,537,845	\$ 28,597,237	\$ 32,199,934	\$ 34,542,450	\$ 35,611,497
PLAN FIDUCIARY NET POSITION						
Contributions - employer	\$ 773,192	\$ 745,680	\$ 755,526	\$ 704,046	\$ 601,151	\$ 716,211
Contributions - member	304,371	295,560	301,686	297,345	295,523	278,561
Net investment income	106,029	1,484,262	3,758,504	(1,053,036)	4,606,042	4,224,661
Benefit payments, including refunds of member contributions	(550,096)	(608,099)	(596,206)	(717,199)	(880,903)	(999,258)
Administrative expense	(456,684)	54,700	(211,695)	391,002	(85,241)	114,953
Net change in plan fiduciary net position	176,812	1,972,103	4,007,815	(377,842)	4,536,572	4,335,128
Plan fiduciary net position - beginning	20,942,111	21,118,923	23,091,026	27,098,841	26,720,999	31,257,571
PLAN FIDUCIARY NET POSITION - ENDING	\$ 21,118,923	\$ 23,091,026	\$ 27,098,841	\$ 26,720,999	\$ 31,257,571	\$ 35,592,699
EMPLOYER'S NET PENSION LIABILITY	\$ 4,973,742	\$ 4,446,819	\$ 1,498,396	\$ 5,478,935	\$ 3,284,879	\$ 18,798
Plan fiduciary net position as a percentage of the total pension liability	80.94%	83.85%	94.76%	82.98%	90.49%	99.95%
Covered payroll	\$ 6,631,156	\$ 6,484,170	\$ 6,530,052	\$ 6,263,753	\$ 6,242,492	\$ 6,190,245
Employer's net pension liability as a percentage of covered payroll	75.01%	68.58%	22.95%	87.47%	52.62%	0.30%

Notes to Required Supplementary Information

There was a change with respect to actuarial assumptions from 2014 to 2015 to reflect revised expectations with respect to mortality rates, disability rates, turnover rates, and retirement rates. There was a change in the discount rate assumption from 2015 to 2016. There was a change in assumptions related to price inflation, salary increases, retirement age, and mortality rates from 2016 to 2017. There was a change in the discount rate from 2017 to 2018. There was a change in price inflation and salary increases from 2019 to 2020.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
POLICE PENSION FUND

Last Seven Fiscal Years

MEASUREMENT DATE APRIL 30,	2015	2016	2017
TOTAL PENSION LIABILITY			
Service cost	\$ 806,170	\$ 861,719	\$ 1,038,677
Interest	2,306,932	2,602,515	2,704,064
Changes of benefit terms	-	-	-
Differences between expected and actual experience	481,935	(277,976)	(328,182)
Changes of assumptions	2,726,115	(744,218)	(1,238,868)
Benefit payments, including refunds of member contributions	(539,305)	(903,832)	(971,371)
Net change in total pension liability	5,781,847	1,538,208	1,204,320
Total pension liability - beginning	33,225,843	39,007,690	40,545,898
TOTAL PENSION LIABILITY - ENDING	\$ 39,007,690	\$ 40,545,898	\$ 41,750,218
PLAN FIDUCIARY NET POSITION			
Contributions - employer	\$ 1,179,000	\$ 1,240,000	\$ 1,837,000
Contributions - member	415,618	450,578	423,716
Contributions - other	-	-	-
Net investment income	1,125,257	(67,703)	2,101,867
Benefit payments, including refunds of member contributions	(539,305)	(903,832)	(971,371)
Administrative expense	(27,755)	(28,723)	(40,032)
Net change in plan fiduciary net position	2,152,815	690,320	3,351,180
Plan fiduciary net position - beginning	19,452,870	21,605,685	22,296,005
PLAN FIDUCIARY NET POSITION - ENDING	\$ 21,605,685	\$ 22,296,005	\$ 25,647,185
EMPLOYER'S NET PENSION LIABILITY	\$ 17,402,005	\$ 18,249,893	\$ 16,103,033
Plan fiduciary net position as a percentage of the total pension liability	55.39%	54.99%	61.43%
Covered payroll	\$ 4,151,265	\$ 4,077,186	\$ 4,250,692
Employer's net pension liability as a percentage of covered payroll	419.20%	447.61%	378.83%

Notes to Required Supplementary Information

2014-2015: There was a change with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to mortality rates, disability rates, turnover rates, and retirement rates.

2015-2016: The discount rate used in the determination of the total pension liability was changed from 7.00% to 6.75%. Additionally, there was a change with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to mortality rates, mortality improvement rates, retirement rates, disability rates, and termination rates.

2016-2017: There was a change with respect to actuarial assumptions from the prior year to include updated mortality assumptions from the MP-2016 table. Additionally, rates are being applied on a fully generational basis. These changes were made to better reflect the future anticipated experience in the fund.

2019-2020: There was a change with respect to the following assumptions: projected individual pay increases, inflation rate, mortality rate, mortality improvement rates, retirement rates, termination rates, disability rates, and marital assumptions. There were changes in plan benefits required under PA-101-0610 (SB 1300).

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

	2018	2019	2020	2021
\$	987,120	\$ 1,053,751	\$ 1,086,951	\$ 1,171,575
	2,778,626	2,936,198	3,123,750	3,266,660
	-	-	212,233	-
	(257,967)	65,822	154,826	87,320
	-	-	(32,162)	-
	(1,170,770)	(1,175,988)	(1,378,453)	(1,555,055)
	2,337,009	2,879,783	3,167,145	2,970,500
	41,750,218	44,087,227	46,967,010	50,134,155
\$	44,087,227	\$ 46,967,010	\$ 50,134,155	\$ 53,104,655
\$	1,900,000	\$ 1,992,834	\$ 1,985,000	\$ 2,068,000
	409,143	415,056	468,893	424,549
	-	-	-	4,601
	1,712,063	2,117,431	572,163	9,630,620
	(1,170,771)	(1,175,988)	(1,378,453)	(1,555,055)
	(43,767)	(35,747)	(32,941)	(31,935)
	2,806,668	3,313,586	1,614,662	10,540,780
	25,647,185	28,453,853	31,767,439	33,382,101
\$	28,453,853	\$ 31,767,439	\$ 33,382,101	\$ 43,922,881
\$	15,633,374	\$ 15,199,571	\$ 16,752,054	\$ 9,181,774
	64.54%	67.64%	66.59%	82.71%
\$	4,095,714	\$ 4,107,186	\$ 4,389,213	\$ 4,284,035
	381.70%	370.07%	381.66%	214.33%

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
TOTAL OPEB LIABILITY AND RELATED RATIOS
OTHER POSTEMPLOYMENT BENEFIT PLAN

Last Three Fiscal Years

MEASUREMENT DATE APRIL 30,	2019	2020	2021
TOTAL OPEB LIABILITY			
Service cost	\$ 43,171	\$ 47,364	\$ 43,073
Interest	57,199	73,158	68,448
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(103,808)	-	23,986
Changes of assumptions	797,515	110,280	755,371
Benefit payments	(87,605)	(93,899)	(122,474)
Net change in total OPEB liability	706,472	136,903	768,404
Total OPEB liability - beginning	1,619,538	2,326,010	2,462,913
TOTAL OPEB LIABILITY - ENDING	\$ 2,326,010	\$ 2,462,913	\$ 3,231,317
Covered payroll	\$ 10,179,525	\$ 10,179,525	\$ 10,224,916
Employer's total OPEB liability as a percentage of covered payroll	22.85%	24.19%	31.60%

Notes to Required Supplementary Information

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

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

Changes in assumptions:

2021 - There were changes in assumptions related to the discount rate and health care trend rate.

2020 - There were changes in assumptions related to the discount rate.

2019 - There were changes in assumptions related to the discount rate and health care trend rate. In addition, there were changes to the per capita costs and decrements were changed to reflect the most recent IMRF and Police Pension Fund valuation reports.

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND

Last Seven Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2015	2016	2017	2018	2019	2020	2021
Annual money-weighted rate of return, net of investment expense	5.77%	(0.31%)	9.37%	6.67%	7.42%	1.79%	29.10%

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2021

1. BUDGETS

Budgets are adopted on a basis consistent with GAAP. Annual appropriated budgets are adopted (at the fund level) for the General, Special Revenue, Debt Service, Capital Projects, Enterprise, and Police Pension Trust Funds. The annual appropriated budget is legally enacted and provides for a legal level of control at the fund level. All annual appropriations lapse at fiscal year end.

The Village follows these procedures in establishing the budgetary data reflected in the financial statements.

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

The proposed budget is presented to the governing body for review. The governing body holds public hearings and may add to, subtract from, or change appropriations, but may not change the form of the budget. The budget may be amended by the governing body.

All funds adopt an annual budget and budgets are prepared on a basis consistent with GAAP except for the Waterworks and Sewerage Fund in that depreciation, amortization, gains/losses on the sales of capital assets, and pension expense adjustments are not budgeted and capital outlay and debt principal retirements (other than defeasements) are budgeted.

2. EXPENDITURES OVER BUDGET OF INDIVIDUAL FUNDS

The following funds had expenditures that exceeded budget:

<u>Fund</u>	<u>Final Budget</u>	<u>Expenditures</u>
Downtown TIF District Fund	\$ 871,000	\$ 2,373,417
Village Expansion Fund	-	16,536

**COMBINING AND INDIVIDUAL FUND FINANCIAL
STATEMENTS AND SCHEDULES**

MAJOR GOVERNMENTAL FUNDS

VILLAGE OF ALGONQUIN, ILLINOIS

COMBINING BALANCE SHEET
GENERAL FUND - BY ACCOUNT

April 30, 2021

	<u>Operating</u>	<u>Public Swimming Pool</u>	<u>Special Revenue</u>	<u>Total</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
ASSETS				
Cash and cash equivalents	\$ 7,974,981	\$ 2,825	\$ 670,696	\$ 8,648,502
Investments	6,987,940	-	265,846	7,253,786
Receivables				
Property tax	5,812,002	-	-	5,812,002
Other taxes	2,258,500	-	3,020	2,261,520
Intergovernmental, grants, and contributions	11,711	-	-	11,711
IPBC	186,794	-	-	186,794
Accrued interest	21,888	-	-	21,888
Other	511,615	-	-	511,615
Due from other funds	91,321	-	-	91,321
Advance to other funds	654,966	-	-	654,966
Prepaid items	104,519	1,420	-	105,939
Total assets	24,616,237	4,245	939,562	25,560,044
DEFERRED OUTFLOWS OF RESOURCES				
None	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
	<u>\$ 24,616,237</u>	<u>\$ 4,245</u>	<u>\$ 939,562</u>	<u>\$ 25,560,044</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 450,026	\$ 3,244	\$ 310,680	\$ 763,950
Unearned revenue	50,682	-	42,282	92,964
Other liabilities	77,601	-	-	77,601
Total liabilities	578,309	3,244	352,962	934,515
DEFERRED INFLOWS OF RESOURCES				
Unavailable property tax revenue	5,812,002	-	-	5,812,002
Total liabilities and deferred inflows of resources	6,390,311	3,244	352,962	6,746,517
FUND BALANCES				
Nonspendable				
Prepays	104,519	1,420	-	105,939
Advances	654,966	-	-	654,966
Restricted				
Insurance	391,258	-	-	391,258
Donor programs	379,528	-	279,130	658,658
Assigned				
Capital projects	278,280	-	-	278,280
Historic commission	10,111	-	-	10,111
Subsequent year's budget	5,500,000	-	-	5,500,000
Special purpose	-	-	162,361	162,361
Unassigned (deficit)	10,907,264	(419)	145,109	11,051,954
Total fund balances	18,225,926	1,001	586,600	18,813,527
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
	<u>\$ 24,616,237</u>	<u>\$ 4,245</u>	<u>\$ 939,562</u>	<u>\$ 25,560,044</u>

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GENERAL FUND - BY ACCOUNT

For the Year Ended April 30, 2021

	Operating	Public Swimming Pool	Special Revenue	Eliminations	Total
REVENUES					
Taxes	\$ 6,060,571	\$ -	\$ 17,908	\$ -	\$ 6,078,479
Intergovernmental, grants, and contributions	14,781,301	-	-	-	14,781,301
Charges for services	123,901	19	-	-	123,920
Licenses and permits	726,096	-	-	-	726,096
Fees, fines, and forfeits	242,556	-	6,000	-	248,556
Investment income	129,410	1	1,476	-	130,887
Miscellaneous	671,291	114	-	-	671,405
Total revenues	22,735,126	134	25,384	-	22,760,644
EXPENDITURES					
Current					
General government	4,147,491	53,909	18,049	-	4,219,449
Public safety	9,633,165	-	-	-	9,633,165
Public works	4,204,045	-	128,990	-	4,333,035
Debt service					
Interest and fiscal charges	11,339	-	-	-	11,339
Capital outlay	481,084	-	-	-	481,084
Total expenditures	18,477,124	53,909	147,039	-	18,678,072
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	4,258,002	(53,775)	(121,655)	-	4,082,572
OTHER FINANCING SOURCES (USES)					
Transfers in	35,000	57,263	-	(92,263)	-
Transfers (out)	(3,057,263)	-	(35,000)	92,263	(3,000,000)
Total other financing sources (uses)	(3,022,263)	57,263	(35,000)	-	(3,000,000)
NET CHANGE IN FUND BALANCES	1,235,739	3,488	(156,655)	-	1,082,572
FUND BALANCES (DEFICIT), MAY 1	16,990,187	(2,487)	743,255	-	17,730,955
FUND BALANCES, APRIL 30	\$ 18,225,926	\$ 1,001	\$ 586,600	\$ -	\$ 18,813,527

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL FUND - OPERATING ACCOUNT**

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual
TAXES			
Property taxes			
Road and bridge	\$ 400,000	\$ 400,000	\$ 403,827
Social Security	412,000	412,000	411,280
Insurance	400,000	400,000	399,302
IMRF	300,000	300,000	299,474
Police protection	2,420,000	2,420,000	2,415,747
Police pension	2,068,000	2,068,000	2,064,367
Telecommunications tax	76,500	76,500	66,574
Total taxes	6,076,500	6,076,500	6,060,571
LICENSES AND PERMITS			
Liquor licenses	115,000	115,000	117,729
Building permits	400,000	400,000	550,201
Miscellaneous licenses	65,000	65,000	58,166
Total licenses and permits	580,000	580,000	726,096
INTERGOVERNMENTAL, GRANTS, AND CONTRIBUTIONS			
Income tax	4,175,000	4,175,000	4,817,157
Sales tax	7,500,000	7,500,000	7,591,524
Personal property replacement tax	65,000	65,000	70,993
Intergovernmental agreements	160,000	160,000	484,610
Grants - operating, public safety, general	-	224,900	1,508,472
Contributions	134,000	144,000	308,545
Total intergovernmental, grants, and contributions	12,034,000	12,268,900	14,781,301
CHARGES FOR SERVICES			
Building and zoning	10,000	10,000	7,110
Park usage fees	8,000	8,000	1,800
Recreation programs	99,000	99,000	13,545
Site development fee	1,000	1,000	763
Public art impact fee	2,000	2,000	2,325

(This schedule is continued on the following page.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)
GENERAL FUND - OPERATING ACCOUNT

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual
CHARGES FOR SERVICES (Continued)			
Platting fees	\$ 10,000	\$ 10,000	\$ 30,113
Rental income	80,800	80,800	51,690
Outsourced service fees	25,000	25,000	12,518
Police training reimbursement	-	-	4,013
Signage billings	-	-	24
Historical commission	500	500	-
	<hr/>		
Total charges for services	236,300	236,300	123,901
	<hr/>		
FEES, FINES, AND FORFEITS			
County court and drug fines	143,000	143,000	139,239
County prosecution fines	14,000	14,000	773
Police fines	8,000	8,000	729
Restitution - court cases	15,500	15,500	12,306
Police accident reports	6,000	6,000	3,857
Reports, maps, and ordinance	500	500	346
Building permit fines	20,000	20,000	25,840
Towing and storage	40,000	40,000	29,929
Traffic light enforcement	-	-	101
Municipal fines	89,000	89,000	29,740
Maintenance fee	5,000	5,000	(304)
Administrative fees	100	100	-
	<hr/>		
Total fines and forfeits	341,100	341,100	242,556
	<hr/>		
INVESTMENT INCOME	226,100	226,100	129,410
	<hr/>		
MISCELLANEOUS			
Cable TV franchise fees	500,000	500,000	484,155
Other receipts	41,000	41,000	187,136
	<hr/>		
Total miscellaneous	541,000	541,000	671,291
	<hr/>		
TOTAL REVENUES	\$ 20,035,000	\$ 20,269,900	\$ 22,735,126
	<hr/> <hr/>		

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND - OPERATING ACCOUNT**

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual
CURRENT			
General government			
Administration			
Personnel	\$ 1,614,100	\$ 1,614,100	\$ 1,476,724
Commodities	306,500	318,050	252,151
Contractual services	1,326,500	1,354,200	1,200,199
Other charges	229,800	190,550	57,532
Total administration	3,476,900	3,476,900	2,986,606
Community development			
Personnel	1,074,500	988,500	803,504
Commodities	54,100	54,100	12,617
Contractual services	381,900	381,900	297,537
Other charges	30,900	60,900	47,227
Total community development	1,541,400	1,485,400	1,160,885
Total general government	5,018,300	4,962,300	4,147,491
Public safety			
Police department			
Personnel	6,576,000	6,576,000	6,122,633
Commodities	193,900	197,200	160,515
Contractual services	1,211,900	1,211,900	1,160,505
Other charges	2,199,500	2,206,200	2,189,512
Total public safety	10,181,300	10,191,300	9,633,165
Public works			
Public works administration			
Personnel	265,700	265,700	226,175
Commodities	22,900	22,900	15,048
Contractual services	79,300	79,300	60,350
Other charges	9,000	9,000	3,010
Total public works administration	376,900	376,900	304,583

(This schedule is continued on the following page.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND - OPERATING ACCOUNT

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual
CURRENT (Continued)			
Public works (Continued)			
Streets department			
Personnel	\$ 2,111,000	\$ 2,111,000	\$ 2,019,835
Commodities	286,800	273,900	237,087
Contractual services	1,915,000	1,927,900	1,621,778
Other charges	38,900	38,900	20,762
Total streets department	4,351,700	4,351,700	3,899,462
Total public works	4,728,600	4,728,600	4,204,045
Debt service			
Interest and fiscal charges	15,900	15,900	11,339
Total debt service	15,900	15,900	11,339
Capital outlay			
General government	-	86,000	70,900
Public works	344,500	395,300	168,470
Public safety	142,000	286,100	241,714
Total capital outlay	486,500	767,400	481,084
TOTAL EXPENDITURES	\$ 20,430,600	\$ 20,665,500	\$ 18,477,124

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND - PUBLIC SWIMMING POOL ACCOUNT

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual
REVENUES			
Charges for services			
Swimming pool fees	\$ 35,000	\$ 35,000	\$ -
Swimming daily fees	26,500	26,500	-
Swimming lessons	16,000	16,000	19
Concessions	9,500	9,500	-
Investment income	100	100	1
Miscellaneous	28,600	28,600	114
Total revenues	115,700	115,700	134
EXPENDITURES			
General government			
Personnel	124,600	124,600	-
Commodities	30,100	30,100	12,926
Contractual services	108,900	108,900	40,983
Other	10,500	10,500	-
Total expenditures	274,100	274,100	53,909
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(158,400)	(158,400)	(53,775)
OTHER FINANCING SOURCES (USES)			
Transfers in	158,400	158,400	57,263
Total other financing sources (uses)	158,400	158,400	57,263
NET CHANGE IN FUND BALANCE	\$ -	\$ -	3,488
FUND BALANCE (DEFICIT), MAY 1			(2,487)
FUND BALANCE, APRIL 30			\$ 1,001

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND - PUBLIC SWIMMING POOL ACCOUNT

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual
CURRENT			
General government			
Personnel			
Salary of pool employees	\$ 115,000	\$ 115,000	\$ -
FICA	8,700	8,700	-
SUI	900	900	-
Total personnel	124,600	124,600	-
Commodities			
Office supplies	500	500	-
Bank processing fee	800	800	-
Concessions	7,800	7,800	-
IT supplies and equipment	2,400	2,400	833
Small tools and equipment	18,600	18,600	12,093
Total commodities	30,100	30,100	12,926
Contractual services			
Telephone	2,300	2,300	1,715
Gas - heat	4,800	4,800	1,918
Electricity	6,000	6,000	1,656
Water	6,500	6,500	2,093
Professional services	300	300	-
Maintenance	75,000	75,000	25,437
Insurance	9,000	9,000	8,164
Maintenance - outsourced building	5,000	5,000	-
Total contractual services	108,900	108,900	40,983
Other			
Recreation programs	1,400	1,400	-
Travel, training, dues	6,300	6,300	-
Uniforms and safety items	2,800	2,800	-
Total other	10,500	10,500	-
TOTAL EXPENDITURES	\$ 274,100	\$ 274,100	\$ 53,909

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND - SPECIAL REVENUE ACCOUNT

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Hotel	\$ 48,000	\$ 48,000	\$ 17,908
Fees, fines, and forfeits	-	-	6,000
Investment income	11,000	11,000	1,476
Total revenues	59,000	59,000	25,384
EXPENDITURES			
General government			
Regional marketing	13,000	13,000	7,639
Economic development	92,000	92,000	10,410
Public works			
Contractual services - snow removal	60,000	160,000	128,990
Total expenditures	165,000	265,000	147,039
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
	(106,000)	(206,000)	(121,655)
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(35,000)	(35,000)	(35,000)
Total other financing sources (uses)	(35,000)	(35,000)	(35,000)
NET CHANGE IN FUND BALANCE	\$ (141,000)	\$ (241,000)	(156,655)
FUND BALANCE, MAY 1			<u>743,255</u>
FUND BALANCE, APRIL 30			<u><u>\$ 586,600</u></u>

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
STREET IMPROVEMENT FUND

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Home rule sales tax	\$ 4,050,000	\$ 4,050,000	\$ 3,931,091
Utility taxes	920,000	920,000	902,074
Telecommunication taxes	205,000	205,000	176,226
Intergovernmental	150,000	150,000	128,404
Investment income	75,000	75,000	7,713
Total revenues	5,400,000	5,400,000	5,145,508
EXPENDITURES			
Public works			
Contractual services			
Legal services	10,000	10,000	9,630
Engineering services	1,268,000	1,383,000	792,642
Infrastructure maintenance	645,000	525,000	306,666
Capital outlay	7,820,000	7,825,000	5,315,757
Total expenditures	9,743,000	9,743,000	6,424,695
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(4,343,000)	(4,343,000)	(1,279,187)
OTHER FINANCING SOURCES (USES)			
Transfers in	3,000,000	3,000,000	3,000,000
Total other financing sources (uses)	3,000,000	3,000,000	3,000,000
NET CHANGE IN FUND BALANCE	\$ (1,343,000)	\$ (1,343,000)	1,720,813
FUND BALANCE, MAY 1			20,501,732
FUND BALANCE, APRIL 30			\$ 22,222,545

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Motor Fuel Tax Fund - to account for maintenance and various street improvements in the Village. Financing is provided by the Village's share of Motor Fuel Tax allotments. State statutes require those allotments to be used to maintain streets.

Parks Fund - to account for the acquisition of new park sites. Financing is provided by developer contributions. In addition, monies have been allocated in this fund for design and development of existing parks throughout the Village.

Cemetery Fund - to account for the operations of the Village owned cemetery. Financing is provided by fees and transfers from the General Fund.

DEBT SERVICE FUND

Debt Service Fund - to account for the accumulation of resources for, and the payment of, general obligation debt principal, interest, and related costs.

CAPITAL PROJECTS FUND

Village Expansion Fund - to account for village expansion projects. Financing is provided from the issuance of debt and development fees.

VILLAGE OF ALGONQUIN, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2021

	Special Revenue	Capital Projects	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
ASSETS			
Cash and cash equivalents	\$ 3,735,259	\$ 67,869	\$ 3,803,128
Investments	135,451	52,202	187,653
Receivables			
Other taxes	65,706	-	65,706
Intergovernmental, grants, and contributions	644,061	-	644,061
Prepaid items	222	-	222
	<hr/>	<hr/>	<hr/>
Total assets	4,580,699	120,071	4,700,770
DEFERRED OUTFLOWS OF RESOURCES			
None	-	-	-
	<hr/>	<hr/>	<hr/>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 4,580,699	\$ 120,071	\$ 4,700,770
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 557,462	\$ -	\$ 557,462
	<hr/>	<hr/>	<hr/>
Total liabilities	557,462	-	557,462
DEFERRED INFLOWS OF RESOURCES			
None	-	-	-
	<hr/>	<hr/>	<hr/>
Total liabilities and deferred inflows of resources	557,462	-	557,462
	<hr/>	<hr/>	<hr/>
FUND BALANCES			
Nonspendable			
Prepays	222	-	222
Restricted			
Street maintenance	3,127,664	-	3,127,664
Capital projects	41,068	-	41,068
Cemetery	365,235	-	365,235
Assigned			
Capital projects	489,048	120,071	609,119
	<hr/>	<hr/>	<hr/>
Total fund balances	4,023,237	120,071	4,143,308
	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 4,580,699	\$ 120,071	\$ 4,700,770
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(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS**

For the Year Ended April 30, 2021

	Special Revenue	Capital Projects	Total
REVENUES			
Taxes	\$ 239,310	\$ -	\$ 239,310
Intergovernmental, grants, and contributions	2,679,088	83,800	2,762,888
Charges for services	23,300	-	23,300
Investment income	6,074	203	6,277
Miscellaneous	24,793	-	24,793
Total revenues	2,972,565	84,003	3,056,568
EXPENDITURES			
Current			
General government	34,307	-	34,307
Public works	1,902,719	-	1,902,719
Capital outlay	1,059,801	16,536	1,076,337
Total expenditures	2,996,827	16,536	3,013,363
NET CHANGE IN FUND BALANCES	(24,262)	67,467	43,205
FUND BALANCES, MAY 1	4,047,499	52,604	4,100,103
FUND BALANCES, APRIL 30	\$ 4,023,237	\$ 120,071	\$ 4,143,308

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS

April 30, 2021

	Special Revenue			
	Motor Fuel Tax	Parks	Cemetery	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
ASSETS				
Cash and cash equivalents	\$ 2,743,077	\$ 759,856	\$ 232,326	\$ 3,735,259
Investments	-	-	135,451	135,451
Receivables				
Other taxes	-	65,706	-	65,706
Intergovernmental, grants, and contributions	429,005	215,056	-	644,061
Prepaid items	-	-	222	222
	<hr/>			
Total assets	3,172,082	1,040,618	367,999	4,580,699
DEFERRED OUTFLOWS OF RESOURCES				
None	-	-	-	-
	<hr/>			
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 3,172,082	\$ 1,040,618	\$ 367,999	\$ 4,580,699
	<hr/>			
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 44,418	\$ 510,502	\$ 2,542	\$ 557,462
	<hr/>			
Total liabilities	44,418	510,502	2,542	557,462
DEFERRED INFLOWS OF RESOURCES				
None	-	-	-	-
	<hr/>			
Total liabilities and deferred inflows of resources	44,418	510,502	2,542	557,462
	<hr/>			
FUND BALANCES				
Nonspendable				
Prepays	-	-	222	222
Restricted				
Street maintenance	3,127,664	-	-	3,127,664
Capital projects	-	41,068	-	41,068
Cemetery	-	-	365,235	365,235
Assigned				
Capital projects	-	489,048	-	489,048
	<hr/>			
Total fund balances	3,127,664	530,116	365,457	4,023,237
	<hr/>			
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 3,172,082	\$ 1,040,618	\$ 367,999	\$ 4,580,699
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(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended April 30, 2021

	Special Revenue			
	Motor Fuel Tax	Parks	Cemetery	Total
REVENUES				
Taxes	\$ -	\$ 239,310	\$ -	\$ 239,310
Intergovernmental, grants, and contributions	2,131,991	547,097	-	2,679,088
Charges for services	-	-	23,300	23,300
Investment income	4,495	877	702	6,074
Miscellaneous	-	-	24,793	24,793
Total revenues	2,136,486	787,284	48,795	2,972,565
EXPENDITURES				
Current				
General government	-	-	34,307	34,307
Public works	1,394,198	508,521	-	1,902,719
Capital outlay	-	1,059,801	-	1,059,801
Total expenditures	1,394,198	1,568,322	34,307	2,996,827
NET CHANGE IN FUND BALANCES	742,288	(781,038)	14,488	(24,262)
FUND BALANCES, MAY 1	2,385,376	1,311,154	350,969	4,047,499
FUND BALANCES, APRIL 30	\$ 3,127,664	\$ 530,116	\$ 365,457	\$ 4,023,237

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MOTOR FUEL TAX FUND**

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual
REVENUES			
Intergovernmental, grants, and contributions			
Motor fuel tax allotments	\$ 797,000	\$ 797,000	\$ 2,131,991
Investment income	40,000	40,000	4,495
Total revenues	837,000	837,000	2,136,486
EXPENDITURES			
Public works			
Materials	340,000	338,300	263,282
Maintenance	1,290,000	1,291,700	1,130,916
Total expenditures	1,630,000	1,630,000	1,394,198
NET CHANGE IN FUND BALANCE	\$ (793,000)	\$ (793,000)	742,288
FUND BALANCE, MAY 1			2,385,376
FUND BALANCE, APRIL 30			\$ 3,127,664

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
PARKS FUND

For the Year Ended April 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
REVENUES			
Taxes			
Video gaming	\$ 115,000	\$ 115,000	\$ 90,497
Telecommunications tax	170,000	170,000	148,813
Intergovernmental	455,000	455,000	547,097
Investment income	11,000	11,000	877
	<hr/>	<hr/>	<hr/>
Total revenues	751,000	751,000	787,284
	<hr/>	<hr/>	<hr/>
EXPENDITURES			
Public works			
Infrastructure maintenance	135,000	302,000	258,079
Ecosystem maintenance	144,000	89,000	69,295
Engineering services	248,000	232,000	181,147
Capital outlay	1,020,000	1,270,000	1,059,801
	<hr/>	<hr/>	<hr/>
Total expenditures	1,547,000	1,893,000	1,568,322
	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	<u>\$ (796,000)</u>	<u>\$ (1,142,000)</u>	(781,038)
FUND BALANCE, MAY 1			<hr/> 1,311,154
FUND BALANCE, APRIL 30			<hr/> <u>\$ 530,116</u>

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CEMETERY FUND**

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual
REVENUES			
Charges for services			
Opening graves and closing crypts	\$ 12,000	\$ 12,000	\$ 14,250
Perpetual care	1,500	1,500	2,250
Sale of lots	5,000	5,000	6,800
Investment income	4,000	4,000	702
Miscellaneous	24,500	24,500	24,793
Total revenues	47,000	47,000	48,795
EXPENDITURES			
General government			
Professional services	31,200	31,200	20,212
Grave openings	10,000	10,000	12,600
Insurance	1,500	1,500	1,404
Building supplies	500	500	-
Bank processing fees	200	200	91
Total expenditures	43,400	43,400	34,307
NET CHANGE IN FUND BALANCE	\$ 3,600	\$ 3,600	14,488
FUND BALANCE, MAY 1			350,969
FUND BALANCE, APRIL 30			\$ 365,457

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
VILLAGE EXPANSION FUND**

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual
REVENUES			
Intergovernmental, grants, and contributions	\$ 4,000	\$ 4,000	\$ 83,800
Investment income	200	200	203
Total revenues	4,200	4,200	84,003
EXPENDITURES			
Capital outlay	-	-	16,536
Total expenditures	-	-	16,536
NET CHANGE IN FUND BALANCE	\$ 4,200	\$ 4,200	67,467
FUND BALANCE, MAY 1			52,604
FUND BALANCE, APRIL 30			\$ 120,071

(See independent auditor's report.)

MAJOR ENTERPRISE FUND

VILLAGE OF ALGONQUIN, ILLINOIS

COMBINING STATEMENT OF NET POSITION
WATERWORKS AND SEWERAGE FUND

April 30, 2021

	Operations and Maintenance	Improvements and Extension	Total
CURRENT ASSETS			
Cash and cash equivalents	\$ 5,848,391	\$ 1,719,366	\$ 7,567,757
Investments	1,647,493	274,308	1,921,801
Receivables			
Grants	-	2,371,197	2,371,197
Accounts	1,474,905	4,369	1,479,274
Prepaid expenses	35,297	-	35,297
Restricted assets - investments	852,175	-	852,175
Total current assets	9,858,261	4,369,240	14,227,501
NONCURRENT ASSETS			
Advances to other funds	-	5,123,442	5,123,442
Capital assets			
Nondepreciable	18,073,404	-	18,073,404
Depreciable, net of accumulated depreciation	57,038,632	-	57,038,632
Net capital assets	75,112,036	-	75,112,036
Total noncurrent assets	75,112,036	5,123,442	80,235,478
Total assets	84,970,297	9,492,682	94,462,979
DEFERRED OUTFLOWS OF RESOURCES			
Pension items - IMRF	358,911	-	358,911
OPEB items	273,179	-	273,179
Asset retirement obligation	253,182	-	253,182
Deferred loss on refunding	73,544	-	73,544
Total deferred outflows of resources	958,816	-	958,816
Total assets and deferred outflows of resources	85,929,113	9,492,682	95,421,795

(This statement is continued on the following page.)

VILLAGE OF ALGONQUIN, ILLINOIS

COMBINING STATEMENT OF NET POSITION (Continued)
WATERWORKS AND SEWERAGE FUND

April 30, 2021

	Operations and Maintenance	Improvements and Extension	Total
CURRENT LIABILITIES			
Accounts payable	\$ 270,189	\$ 3,985,971	\$ 4,256,160
Accrued interest	33,307	-	33,307
Compensated absences payable - current	173,476	-	173,476
IEPA loan payable	288,531	-	288,531
Total OPEB liability	23,743	-	23,743
Bonds payable - current	755,000	-	755,000
	<u>1,544,246</u>	<u>3,985,971</u>	<u>5,530,217</u>
LONG-TERM LIABILITIES			
Compensated absences payable - long-term	122,397	-	122,397
IMRF net pension liability	6,086	-	6,086
Total OPEB liability	604,567	-	604,567
IEPA loan payable	8,534,837	12,494,364	21,029,201
Asset retirement obligation	270,000	-	270,000
Bonds payable - long-term	2,538,277	-	2,538,277
	<u>12,076,164</u>	<u>12,494,364</u>	<u>24,570,528</u>
DEFERRED INFLOWS OF RESOURCES			
Pension items - IMRF	1,219,137	-	1,219,137
OPEB items	28,113	-	28,113
	<u>1,247,250</u>	<u>-</u>	<u>1,247,250</u>
Total liabilities and deferred inflows of resources	<u>14,867,660</u>	<u>16,480,335</u>	<u>31,347,995</u>
NET POSITION			
Net investment in capital assets	63,068,935	(12,494,364)	50,574,571
Restricted for debt service	852,175	-	852,175
Unrestricted	7,140,343	5,506,711	12,647,054
TOTAL NET POSITION (DEFICIT)	<u>\$ 71,061,453</u>	<u>\$ (6,987,653)</u>	<u>\$ 64,073,800</u>

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
WATERWORKS AND SEWERAGE FUND

For the Year Ended April 30, 2021

	Operations and Maintenance	Improvements and Extension	Total
OPERATING REVENUES			
Charges for services			
Water and sewer revenue	\$ 9,636,047	\$ -	\$ 9,636,047
Meter sales	29,796	-	29,796
Connection fees	-	838,032	838,032
Infrastructure fees	1,335,937	-	1,335,937
Administration fee	87,491	-	87,491
Miscellaneous	91,974	-	91,974
	<hr/>		
Total operating revenues	11,181,245	838,032	12,019,277
	<hr/>		
OPERATING EXPENSES			
Water operations	2,735,853	-	2,735,853
Sewer operations	2,549,420	-	2,549,420
Non departmental	-	649,869	649,869
Depreciation	3,844,760	-	3,844,760
	<hr/>		
Total operating expenses	9,130,033	649,869	9,779,902
	<hr/>		
OPERATING INCOME	2,051,212	188,163	2,239,375
	<hr/>		
NON-OPERATING REVENUES (EXPENSES)			
Investment income	13,312	2,651	15,963
Interest expense and fiscal agent fees	(226,942)	-	(226,942)
	<hr/>		
Total non-operating revenues (expenses)	(213,630)	2,651	(210,979)
	<hr/>		
INCOME BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS	1,837,582	190,814	2,028,396
	<hr/>		
TRANSFERS			
Transfers in	22,012,788	10,145,531	32,158,319
Transfers (out)	(10,145,531)	(22,012,788)	(32,158,319)
	<hr/>		
Total transfers	11,867,257	(11,867,257)	-
	<hr/>		
CAPITAL CONTRIBUTIONS	441,376	459,855	901,231
	<hr/>		
CHANGE IN NET POSITION	14,146,215	(11,216,588)	2,929,627
	<hr/>		
NET POSITION, MAY 1	56,915,238	4,228,935	61,144,173
	<hr/>		
NET POSITION (DEFICIT), APRIL 30	\$ 71,061,453	\$ (6,987,653)	\$ 64,073,800
	<hr/> <hr/>		

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL
WATERWORKS AND SEWERAGE FUND

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual
WATER DEPARTMENT			
Personnel			
IMRF	\$ 141,000	\$ 141,000	\$ 132,444
FICA	93,000	93,000	85,260
Unemployment tax	2,000	2,000	1,581
Health insurance	184,000	184,000	172,136
Salaries	1,144,000	1,144,000	1,113,252
Overtime	50,000	50,000	52,200
Commodities			
Meters	59,200	59,200	36,085
Office supplies	500	500	-
Materials	17,500	17,500	11,742
Chemicals	187,000	187,000	140,513
Postage	28,400	28,400	26,234
Small tools and equipment	9,500	9,600	9,341
Fuel	17,000	17,000	13,501
Lab supplies	10,400	10,400	9,133
Vehicles and equipment	-	-	-
Office furniture and equipment	2,000	2,000	-
IT equipment and supplies	54,600	54,600	42,254
Contractual services			
Utilities	293,050	312,020	282,462
Alarm lines	8,300	8,300	1,847
Legal services	4,000	4,000	131
Audit services	6,200	6,200	5,941
Engineering/design services	30,000	18,500	8,936
Professional services	371,200	371,200	279,417
Insurance	99,000	99,000	106,919
Publications	1,200	1,200	478
Printing	3,750	3,750	4,841
Physical exams	1,600	1,600	70
Travel, training, dues	10,700	8,300	3,542
Bank processing fees	27,000	27,000	27,078
Equipment rental	1,000	22,800	13,504
ACH rebates	25,000	25,000	25,999
Uniforms	10,700	10,700	8,376
Maintenance			
Wells	174,700	167,700	9,722
Booster station	16,400	11,250	6,039
Maintenance storage facility	8,500	6,980	5,925
Treatment facility	85,200	85,200	39,419
Distribution system	75,200	75,200	64,748
Vehicle maintenance	21,000	21,000	29,665
Building maintenance	103,000	103,000	99,793
Maintenance - other	800	800	298
Equipment maintenance	25,500	25,500	23,060
Total water department	3,403,100	3,416,400	2,893,886

(This schedule is continued on the following pages.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL (Continued)
WATERWORKS AND SEWERAGE FUND

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual
SEWER DEPARTMENT			
Personnel			
IMRF	\$ 126,000	\$ 126,000	\$ 114,551
FICA	83,000	83,000	73,603
Unemployment tax	2,000	2,000	1,354
Health insurance	138,000	138,000	124,279
Salaries	1,042,000	1,042,000	965,771
Overtime	32,000	32,000	47,896
Commodities			
Meters	59,200	57,991	29,174
Office supplies	500	500	511
Materials	17,500	9,500	920
Chemicals	114,500	92,124	58,937
Postage	28,400	28,400	26,256
Vehicles and equipment	-	-	-
Small tools and equipment	19,000	22,000	18,322
Fuel	17,000	17,000	15,864
Lab supplies	7,500	7,500	6,719
Office furniture and equipment	1,000	1,000	-
IT equipment and supplies	78,600	78,600	73,669
Contractual services			
Utilities	354,300	355,509	307,727
Alarm lines	8,300	8,300	1,847
Legal services	4,000	4,000	1,269
Audit services	6,200	6,200	5,941
Engineering services	39,000	55,877	49,392
Professional services	213,600	213,600	187,560
Insurance	93,000	93,000	94,437
Publications	1,100	1,100	445
Printing	1,000	1,000	880
Physical exams	1,600	1,600	120
Sludge removal	123,500	118,500	101,130
Travel, training, dues	8,500	8,500	2,229
Bank processing fees	27,000	27,000	27,078
ACH rebates	25,000	25,000	26,100
Equipment rental	18,800	18,800	8,910
Uniforms	12,500	12,500	8,008
Maintenance			
Treatment facility	52,300	78,300	72,000
Lift station	89,900	81,900	64,179
Collection station	32,600	24,600	22,273
Vehicle maintenance	38,000	38,000	37,717
Building maintenance	101,000	101,000	91,125
Equipment maintenance	32,000	32,000	29,728
Other	1,100	1,100	315
Total sewer department	3,050,500	3,045,001	2,698,236

(This schedule is continued on the following page.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL (Continued)
 WATERWORKS AND SEWERAGE FUND

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual
NONDEPARTMENTAL			
Contractual services			
Legal services	\$ 10,000	\$ 10,000	\$ 962
Engineering services	2,030,000	397,251	263,739
Infrastructure maintenance	1,300,000	221,105	347,941
Capital outlay	18,650,000	19,541,000	22,067,740
Total nondepartmental	<u>21,990,000</u>	<u>20,169,356</u>	<u>22,680,382</u>
TOTAL WATER AND SEWER OPERATIONS	<u>\$ 28,443,600</u>	<u>\$ 26,630,757</u>	<u>28,272,504</u>
ADJUSTMENTS TO GAAP BASIS			
Water Department			
Asset retirement obligation amortization			8,409
Pension and OPEB expense			<u>(166,442)</u>
Total water department			<u>(158,033)</u>
Sewer Department			
Pension and OPEB expense			<u>(148,816)</u>
Total sewer department			<u>(148,816)</u>
Capitalized assets			(22,030,513)
Depreciation			<u>3,844,760</u>
TOTAL WATER AND SEWER OPERATIONS - GAAP BASIS			<u>\$ 9,779,902</u>

(See independent auditor's report.)

INTERNAL SERVICE FUNDS

VILLAGE OF ALGONQUIN, ILLINOIS

**COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS**

April 30, 2021

	Building Service Fund	Vehicle Maintenance Fund	Total
CURRENT ASSETS			
Cash and cash equivalents	\$ -	\$ -	\$ -
Receivables			
Accounts	-	38,593	38,593
Inventory	50,342	70,734	121,076
Total current assets	50,342	109,327	159,669
CAPITAL ASSETS			
Depreciable, net of accumulated depreciation	-	44,836	44,836
Net capital assets	-	44,836	44,836
Total assets	50,342	154,163	204,505
CURRENT LIABILITIES			
Accounts payable	21,998	30,303	52,301
Due to other funds	28,344	62,977	91,321
Total current liabilities	50,342	93,280	143,622
NET POSITION			
Net investment in capital assets	-	44,836	44,836
Unrestricted	-	16,047	16,047
TOTAL NET POSITION	\$ -	\$ 60,883	\$ 60,883

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS

For the Year Ended April 30, 2021

	Building Service Fund	Vehicle Maintenance Fund	Total
OPERATING REVENUES			
Charges for services			
Maintenance billings	\$ 720,954	\$ 698,047	\$ 1,419,001
Fire district fuel	-	42,134	42,134
Fuel billings	-	156,494	156,494
Fleet maintenance	-	102,950	102,950
Miscellaneous	1,350	4,976	6,326
Total operating revenues	722,304	1,004,601	1,726,905
OPERATING EXPENSES			
Personnel	396,047	414,968	811,015
Contractual services	16,580	18,849	35,429
Supplies and materials	97,916	448,584	546,500
Maintenance	219,217	110,634	329,851
Other charges	9,496	11,566	21,062
Depreciation	-	16,047	16,047
Total operating expenses	739,256	1,020,648	1,759,904
OPERATING INCOME (LOSS)	(16,952)	(16,047)	(32,999)
NON-OPERATING REVENUES (EXPENSES)			
Gain on sale of capital assets	4,608	-	4,608
Total non-operating revenues (expenses)	4,608	-	4,608
CHANGE IN NET POSITION	(12,344)	(16,047)	(28,391)
NET POSITION, MAY 1	12,344	76,930	89,274
NET POSITION, APRIL 30	\$ -	\$ 60,883	\$ 60,883

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS**

For the Year Ended April 30, 2021

	Building Service Fund	Vehicle Maintenance Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ -	\$ 301,578	\$ 301,578
Cash received for interfund services provided	720,954	668,759	1,389,713
Payments to suppliers	(346,037)	(561,276)	(907,313)
Payments to employees	(396,047)	(414,968)	(811,015)
Other receipts (payments)	1,350	4,976	6,326
Net cash from operating activities	<u>(19,780)</u>	<u>(931)</u>	<u>(20,711)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Interfund transactions	<u>15,172</u>	<u>931</u>	<u>16,103</u>
Net cash from noncapital financing activities	<u>15,172</u>	<u>931</u>	<u>16,103</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from sale of capital assets	<u>4,608</u>	<u>-</u>	<u>4,608</u>
Net cash from capital and related financing activities	<u>4,608</u>	<u>-</u>	<u>4,608</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
None	<u>-</u>	<u>-</u>	<u>-</u>
Net cash from investing activities	<u>-</u>	<u>-</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>-</u>	<u>-</u>	<u>-</u>
CASH AND CASH EQUIVALENTS, MAY 1	<u>-</u>	<u>-</u>	<u>-</u>
CASH AND CASH EQUIVALENTS, APRIL 30	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

(This schedule is continued on the following page.)

VILLAGE OF ALGONQUIN, ILLINOIS

COMBINING STATEMENT OF CASH FLOWS (Continued)
INTERNAL SERVICE FUNDS

For the Year Ended April 30, 2021

	Building Service Fund	Vehicle Maintenance Fund	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income (loss)	\$ (16,952)	\$ (16,047)	\$ (32,999)
Adjustments to reconcile operating income (loss) to net cash from operating activities			
Depreciation	-	16,047	16,047
Increase (decrease) in			
Accounts receivable	1,669	(29,288)	(27,619)
Inventory	(12,534)	15,483	2,949
Accounts payable	8,037	12,874	20,911
	<hr/>		
Total adjustments	(2,828)	15,116	12,288
	<hr/>		
NET CASH FROM OPERATING ACTIVITIES	\$ (19,780)	\$ (931)	\$ (20,711)

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION - BUDGET AND ACTUAL - BUDGETARY BASIS
BUILDING SERVICE FUND

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Charges for services			
Maintenance billings	\$ 880,000	\$ 880,000	\$ 720,954
Miscellaneous	-	-	1,350
	<hr/>	<hr/>	<hr/>
Total operating revenues	880,000	880,000	722,304
	<hr/>	<hr/>	<hr/>
OPERATING EXPENSES			
Personnel	437,600	437,600	396,047
Contractual services	22,350	22,350	16,580
Supplies and materials	149,300	149,035	97,916
Maintenance	260,300	260,300	219,217
Other charges	10,450	10,715	9,496
	<hr/>	<hr/>	<hr/>
Total operating expenses	880,000	880,000	739,256
	<hr/>	<hr/>	<hr/>
NON-OPERATING REVENUES (EXPENSES)			
Gain on sale of capital assets	-	-	4,608
	<hr/>	<hr/>	<hr/>
Total non-operating revenues (expenses)	-	-	4,608
	<hr/>	<hr/>	<hr/>
CHANGE IN NET POSITION (BUDGETARY BASIS)	\$ -	\$ -	(12,344)
	<hr/>	<hr/>	<hr/>
ADJUSTMENTS TO GAAP BASIS			
None			<hr/>
			-
Total adjustments to GAAP basis			<hr/>
			-
CHANGE IN NET POSITION (GAAP BASIS)			(12,344)
NET POSITION, MAY 1			<hr/>
			12,344
NET POSITION, APRIL 30			<hr/>
			\$ -
			<hr/>

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL
BUILDING SERVICE FUND

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual
OPERATING EXPENSES			
Personnel			
IMRF	\$ 35,000	\$ 35,000	\$ 32,084
FICA	26,000	26,000	21,960
SUI	600	600	517
Health insurance	54,000	54,000	46,095
Salaries	310,000	310,000	284,021
Overtime	12,000	12,000	11,370
Total personnel	437,600	437,600	396,047
Contractual services			
Telephone	5,800	5,800	4,356
Alarm lines	8,250	8,250	1,847
Professional services	250	250	432
Publications	250	250	-
Printing and advertising	550	550	24
Physical exams	150	150	-
Equipment rental	7,100	7,100	9,921
Total contractual services	22,350	22,350	16,580
Supplies and materials			
Office supplies	250	250	-
Postage	500	500	57
Building supplies	133,750	133,750	89,673
Tools, equipment, and supplies	11,800	11,535	7,318
Fuel	3,000	3,000	868
Total supplies and materials	149,300	149,035	97,916
Maintenance			
Vehicle maintenance	6,000	6,000	1,662
Equipment maintenance	5,000	5,000	-
Outsourced building maintenance	248,300	248,300	216,793
Office equipment maintenance	1,000	1,000	762
Total maintenance	260,300	260,300	219,217
Other charges			
Travel, training, and dues	4,200	4,200	3,240
Uniforms and safety items	4,450	4,715	4,496
Interest	1,800	1,800	1,760
Total other charges	10,450	10,715	9,496
TOTAL OPERATING EXPENSES	\$ 880,000	\$ 880,000	\$ 739,256

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION - BUDGET AND ACTUAL - BUDGETARY BASIS
VEHICLE MAINTENANCE FUND

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Charges for services			
Maintenance billings	\$ 830,000	\$ 830,000	\$ 698,047
Fire district fuel	46,000	46,000	42,134
Fuel billings	192,000	192,000	156,494
Fleet maintenance	110,000	110,000	102,950
Miscellaneous	-	-	4,976
Total operating revenues	1,178,000	1,178,000	1,004,601
OPERATING EXPENSES			
Personnel	428,500	428,500	414,968
Contractual services	40,000	40,000	18,849
Supplies and materials	562,700	562,700	448,584
Maintenance	128,500	128,500	110,634
Other charges	18,300	18,300	11,566
Total operating expenses	1,178,000	1,178,000	1,004,601
CHANGE IN NET POSITION (BUDGETARY BASIS)	\$ -	\$ -	-
ADJUSTMENTS TO GAAP BASIS			
Depreciation			(16,047)
Total adjustments to GAAP basis			(16,047)
CHANGE IN NET POSITION (GAAP BASIS)			(16,047)
NET POSITION, MAY 1			76,930
NET POSITION, APRIL 30			\$ 60,883

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL
VEHICLE MAINTENANCE FUND

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual
OPERATING EXPENSES			
Personnel			
IMRF	\$ 37,000	\$ 37,000	\$ 33,937
FICA	25,000	25,000	22,277
SUI	600	600	473
Health insurance	53,000	53,000	54,268
Salaries	305,000	305,000	298,393
Overtime	7,900	7,900	5,620
Total personnel	428,500	428,500	414,968
Contractual services			
Telephone	5,300	5,300	4,689
Alarm lines	8,250	8,250	1,847
Professional services	10,150	10,150	7,544
Publications	4,400	4,400	1,525
Printing and advertising	550	550	-
Physical exams	150	150	-
Equipment rental	11,200	11,200	3,244
Total contractual services	40,000	40,000	18,849
Supplies and materials			
Office supplies	225	225	42
Postage	425	425	39
Tools, equipment, and supplies	10,100	10,100	4,151
Fuel	240,500	240,500	200,200
Oil, lubricants, and fluids	311,450	311,450	244,152
Total supplies and materials	562,700	562,700	448,584
Maintenance			
Vehicle maintenance	5,000	5,000	3,510
Equipment maintenance	2,500	2,500	1,898
Building maintenance	60,000	60,000	60,186
Outsourced vehicle and equipment maintenance	1,000	1,000	389
Office equipment maintenance	60,000	60,000	44,651
Total maintenance	128,500	128,500	110,634
Other charges			
Travel, training, and dues	7,000	5,000	463
Uniforms and safety items	9,200	11,200	10,621
Interest	2,100	2,100	482
Total other charges	18,300	18,300	11,566
TOTAL OPERATING EXPENSES	\$ 1,178,000	\$ 1,178,000	\$ 1,004,601

(See independent auditor's report.)

FIDUCIARY FUNDS

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION -
BUDGET AND ACTUAL
POLICE PENSION FUND

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual
ADDITIONS			
Contributions			
Employer	\$ 2,068,000	\$ 2,068,000	\$ 2,068,000
Employee	466,700	466,700	429,150
Total contributions	2,534,700	2,534,700	2,497,150
Investment income			
Net appreciation in fair value of investments	-	-	9,061,561
Interest	2,200,000	2,200,000	718,132
Total investment income	2,200,000	2,200,000	9,779,693
Less investment expense	(115,000)	(115,000)	(149,073)
Net investment income	2,085,000	2,085,000	9,630,620
Total additions	4,619,700	4,619,700	12,127,770
DEDUCTIONS			
Pension benefits	1,530,000	1,530,000	1,555,055
Administrative expenses	49,400	49,400	31,935
Total deductions	1,579,400	1,579,400	1,586,990
CHANGE IN NET POSITION	\$ 3,040,300	\$ 3,040,300	10,540,780
NET POSITION RESTRICTED FOR PENSIONS			
May 1			33,382,101
April 30			\$ 43,922,881

(See independent auditor's report.)

SUPPLEMENTAL SCHEDULES

VILLAGE OF ALGONQUIN, ILLINOIS

**LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING
BOND SERIES OF 2013 WATER AND SEWER**

April 30, 2021

Date of Issue December 3, 2013
Date of Maturity April 1, 2025
Interest Rate 3.00% to 3.25%
Interest Dates October 1 and April 1
Payable at BNY Midwest Trust Company

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	October 1		April 1		Total
	Interest	Principal	Interest		
2022	\$ 48,588	\$ 755,000	\$ 48,588	\$ 852,176	
2023	37,263	770,000	37,263	844,526	
2024	25,713	815,000	25,713	866,426	
2025	13,488	830,000	13,488	856,976	
	<u>\$ 125,052</u>	<u>\$ 3,170,000</u>	<u>\$ 125,052</u>	<u>\$ 3,420,104</u>	

(See independent auditor's report.)

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.	102-111
Revenue Capacity These schedules contain information to help the reader assess the Village's most significant local revenue source, the property tax.	112-117
Debt Capacity These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future.	118-121
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.	122-123
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.	124-126

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

VILLAGE OF ALGONQUIN, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years

Fiscal Year	2012	2013	2014	2015
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	\$ 177,068,931	\$ 181,677,850	\$ 179,276,332	\$ 181,340,289
Restricted	2,266,916	1,860,785	2,309,292	3,055,239
Unrestricted	15,271,626	17,932,292	21,967,034	24,222,228
TOTAL GOVERNMENTAL ACTIVITIES	\$ 194,607,473	\$ 201,470,927	\$ 203,552,658	\$ 208,617,756
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	\$ 57,848,186	\$ 55,074,145	\$ 54,136,285	\$ 52,805,499
Restricted	1,523,000	872,688	866,338	830,426
Unrestricted	8,938,628	13,150,719	13,024,609	11,375,018
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 68,309,814	\$ 69,097,552	\$ 68,027,232	\$ 65,010,943
PRIMARY GOVERNMENT				
Net investment in capital assets	\$ 234,917,117	\$ 236,751,995	\$ 233,412,617	\$ 234,145,788
Restricted	3,789,916	2,733,473	3,175,630	3,885,665
Unrestricted	24,210,254	31,083,011	34,991,643	35,597,246
TOTAL PRIMARY GOVERNMENT	\$ 262,917,287	\$ 270,568,479	\$ 271,579,890	\$ 273,628,699

*The Village implemented GASB Statement No. 68 for the fiscal year ended April 30, 2016.

**The Village implemented GASB Statement No. 75 for the fiscal year ended April 30, 2019.

Data Source

Audited Financial Statements

2016*	2017	2018	2019**	2020	2021
\$ 179,194,896	\$ 181,389,998	\$ 183,768,380	\$ 190,831,120	\$ 194,650,906	\$ 198,833,484
3,114,451	6,534,289	4,548,278	3,955,860	3,999,847	4,583,883
8,095,190	2,549,697	7,516,172	2,899,101	(1,963,289)	1,170,275
\$ 190,404,537	\$ 190,473,984	\$ 195,832,830	\$ 197,686,081	\$ 196,687,464	\$ 204,587,642
\$ 49,930,507	\$ 47,453,693	\$ 45,841,568	\$ 43,721,778	\$ 48,875,410	\$ 50,574,571
806,625	808,325	824,426	834,476	833,625	852,175
10,973,454	11,540,473	12,119,933	12,954,329	11,435,138	12,647,054
\$ 61,710,586	\$ 59,802,491	\$ 58,785,927	\$ 57,510,583	\$ 61,144,173	\$ 64,073,800
\$ 229,125,403	\$ 228,843,691	\$ 229,609,948	\$ 234,552,898	\$ 243,526,316	\$ 249,408,055
3,921,076	7,342,614	5,372,704	4,790,336	4,833,472	5,436,058
19,068,644	14,090,170	19,636,105	15,853,430	9,471,849	13,817,329
\$ 252,115,123	\$ 250,276,475	\$ 254,618,757	\$ 255,196,664	\$ 257,831,637	\$ 268,661,442

VILLAGE OF ALGONQUIN, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	2012	2013	2014	2015
EXPENSES				
Governmental activities				
General government	\$ 4,742,261	\$ 4,682,238	\$ 4,538,905	\$ 5,218,534
Public safety	8,267,862	8,668,334	8,842,616	9,089,370
Public works	8,872,523	8,059,774	10,521,914	11,339,697
Interest	345,353	190,092	160,780	93,117
Total governmental activities expenses	22,227,999	21,600,438	24,064,215	25,740,718
BUSINESS-TYPE ACTIVITIES				
Water and sewer	8,551,752	8,738,058	8,487,380	9,580,289
Total business-type activities expenses	8,551,752	8,738,058	8,487,380	9,580,289
TOTAL PRIMARY GOVERNMENT EXPENSES	\$ 30,779,751	\$ 30,338,496	\$ 32,551,595	\$ 35,321,007
PROGRAM REVENUES				
Governmental activities				
Charges for services				
General government	\$ 883,440	\$ 1,470,286	\$ 886,332	\$ 821,200
Public safety	1,003,544	1,022,031	1,062,432	932,375
Public works	26,448	52,023	27,637	7,157
Operating grants and contributions	1,278,892	1,288,203	1,218,237	1,942,714
Capital grants and contributions	1,783,794	4,130,903	1,616,727	3,851,095
Total governmental activities program revenues	4,976,118	7,963,446	4,811,365	7,554,541
Business-type activities				
Charges for services				
Water/sewer	5,596,381	7,858,350	6,073,440	6,079,733
Operating grants and contributions	112,067	-	687,145	2,681
Capital grants and contributions	-	-	-	390,177
Total business-type activities program revenues	5,708,448	7,858,350	6,760,585	6,472,591
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	\$ 10,684,566	\$ 15,821,796	\$ 11,571,950	\$ 14,027,132
NET (EXPENSE) REVENUE				
Governmental activities	\$ (17,251,881)	\$ (13,636,992)	\$ (19,252,850)	\$ (18,186,177)
Business-type activities	(2,843,304)	(879,708)	(1,726,795)	(3,107,698)
TOTAL PRIMARY GOVERNMENT NET (EXPENSE) REVENUE	\$ (20,095,185)	\$ (14,516,700)	\$ (20,979,645)	\$ (21,293,875)

	2016*	2017	2018	2019	2020	2021
\$	5,526,982	\$ 4,950,693	\$ 4,117,420	\$ 5,000,206	\$ 5,647,200	\$ 4,545,502
	9,516,306	9,649,552	9,111,816	9,439,213	9,897,004	8,134,629
	10,339,204	12,779,514	10,361,180	11,110,272	9,834,769	10,649,318
	58,580	46,848	34,363	21,478	13,687	11,339
	25,441,072	27,426,607	23,624,779	25,571,169	25,392,660	23,340,788
	9,514,803	9,066,657	9,731,632	11,112,382	12,153,331	10,006,844
	9,514,803	9,066,657	9,731,632	11,112,382	12,153,331	10,006,844
\$	34,955,875	\$ 36,493,264	\$ 33,356,411	\$ 36,683,551	\$ 37,545,991	\$ 33,347,632
\$	1,282,209	\$ 1,058,488	\$ 1,286,862	\$ 1,165,023	\$ 1,076,651	\$ 958,138
	498,868	409,390	364,744	283,432	287,109	216,681
	-	18,103	-	-	6,968	10,308
	1,218,006	1,144,420	1,117,302	1,232,259	1,757,339	2,942,253
	425,781	394,426	1,700,083	490,530	836,436	2,220,019
	3,424,864	3,024,827	4,468,991	3,171,244	3,964,503	6,347,399
	6,909,153	7,032,664	8,480,944	9,889,295	10,722,645	11,927,303
	-	-	-	-	-	459,855
	-	-	-	-	-	-
	6,909,153	7,032,664	8,480,944	9,889,295	10,722,645	12,387,158
\$	10,334,017	\$ 10,057,491	\$ 12,949,935	\$ 13,060,539	\$ 14,687,148	\$ 18,734,557
\$	(22,016,208)	\$ (24,401,780)	\$ (19,155,788)	\$ (22,399,925)	\$ (21,428,157)	\$ (16,993,389)
	(2,605,650)	(2,033,993)	(1,250,688)	(1,223,087)	(1,430,686)	2,380,314
\$	(24,621,858)	\$ (26,435,773)	\$ (20,406,476)	\$ (23,623,012)	\$ (22,858,843)	\$ (14,613,075)

VILLAGE OF ALGONQUIN, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

Fiscal Year	2012	2013	2014	2015
GENERAL REVENUES AND OTHER				
CHANGES IN NET POSITION				
Governmental activities				
Taxes				
Property	\$ 6,000,829	\$ 5,904,067	\$ 5,874,845	\$ 5,844,048
Home rule sales tax	-	-	-	-
Utility	963,634	999,135	998,361	951,723
Other	1,438,886	1,220,371	1,150,583	1,219,631
Intergovernmental - unrestricted				
Sales and use tax	8,630,053	9,023,020	10,129,119	11,459,955
Income tax	3,003,337	3,294,417	3,393,115	3,699,105
Franchise fees	-	-	-	-
Investment income	177,276	74,537	(219,130)	69,180
Miscellaneous	15,078	17,146	7,688	7,633
Transfers	-	-	-	-
	20,229,093	20,532,693	21,334,581	23,251,275
Business-type activities				
Sales	2,189,131	1,665,803	742,925	-
Investment income	35,586	45,222	(205,050)	72,105
Miscellaneous	-	-	118,600	19,304
Transfers	-	-	-	-
	2,224,717	1,711,025	656,475	91,409
TOTAL PRIMARY GOVERNMENT	\$ 22,453,810	\$ 22,243,718	\$ 21,991,056	\$ 23,342,684
CHANGE IN NET POSITION				
Governmental activities	\$ 2,977,212	\$ 6,895,701	\$ 2,081,731	\$ 5,065,098
Business-type activities	(618,587)	831,317	(1,070,320)	(3,016,289)
TOTAL PRIMARY GOVERNMENT	\$ 2,358,625	\$ 7,727,018	\$ 1,011,411	\$ 2,048,809

*Beginning in fiscal year 2016, home rule sales tax and franchise fees are presented separately from sales and use tax and other taxes, respectively.

Data Source

Audited Financial Statements

	2016*	2017	2018	2019	2020	2021
\$	5,937,891	\$ 6,266,415	\$ 6,376,663	\$ 6,489,997	\$ 6,565,496	\$ 6,710,556
	4,120,849	4,227,205	4,187,426	4,147,954	3,833,333	3,931,091
	899,377	923,668	919,160	963,975	898,906	902,074
	869,147	870,321	792,159	762,167	667,102	500,018
	7,635,490	7,704,133	7,733,394	7,618,630	7,344,889	7,591,524
	3,899,246	3,645,402	3,576,767	3,898,163	4,414,348	4,888,150
	546,474	547,683	531,436	513,038	498,795	484,155
	111,774	139,744	276,459	626,353	738,705	147,939
	293,938	146,656	121,170	58,342	152,602	179,436
	-	-	-	-	(4,684,636)	(441,376)
	24,314,186	24,471,227	24,514,634	25,078,619	20,429,540	24,893,567
	-	-	-	-	-	-
	24,551	55,540	147,987	189,136	265,156	15,963
	80,427	70,358	86,137	84,330	114,484	91,974
	-	-	-	-	4,684,636	441,376
	104,978	125,898	234,124	273,466	5,064,276	549,313
\$	24,419,164	\$ 24,597,125	\$ 24,748,758	\$ 25,352,085	\$ 25,493,816	\$ 25,442,880
\$	2,297,978	\$ 69,447	\$ 5,358,846	\$ 2,678,694	\$ (998,617)	\$ 7,900,178
	(2,500,672)	(1,908,095)	(1,016,564)	(949,621)	3,633,590	2,929,627
\$	(202,694)	\$ (1,838,648)	\$ 4,342,282	\$ 1,729,073	\$ 2,634,973	\$ 10,829,805

VILLAGE OF ALGONQUIN, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2012	2013	2014	2015
GENERAL FUND				
Nonspendable	\$ 104,327	\$ 128,636	\$ 87,013	\$ 86,209
Restricted	-	-	-	578,255
Assigned	-	-	-	-
Unassigned	13,237,235	14,576,319	14,953,584	15,176,721
TOTAL GENERAL FUND	\$ 13,341,562	\$ 14,704,955	\$ 15,040,597	\$ 15,841,185
ALL OTHER GOVERNMENTAL FUNDS				
Nonspendable	\$ 225	\$ 235	\$ 167	\$ 166
Restricted	2,266,916	1,860,785	2,309,292	2,476,984
Committed	-	-	-	-
Assigned	5,247,710	6,098,107	7,180,275	8,236,873
Unassigned	(94,471)	-	-	(279,467)
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 7,420,380	\$ 7,959,127	\$ 9,489,734	\$ 10,434,556
TOTAL FUND BALANCES	\$ 20,761,942	\$ 22,664,082	\$ 24,530,331	\$ 26,275,741

Data Source

Audited Financial Statements

2016	2017	2018	2019	2020	2021
\$ 706,122	\$ 735,904	\$ 737,981	\$ 741,954	\$ 739,955	\$ 760,905
395,843	1,440,207	1,261,957	1,157,306	1,154,437	1,049,916
-	271,471	276,168	446,466	3,971,384	5,950,752
16,469,895	14,551,378	16,165,039	16,187,728	15,384,179	11,051,954
<u>\$ 17,571,860</u>	<u>\$ 16,998,960</u>	<u>\$ 18,441,145</u>	<u>\$ 18,533,454</u>	<u>\$ 21,249,955</u>	<u>\$ 18,813,527</u>
\$ 135	\$ 169	\$ 151	\$ 179	\$ 182	\$ 222
3,114,451	4,475,414	3,286,321	2,798,554	2,845,410	3,533,967
-	-	-	-	-	4,003,200
12,921,405	10,291,077	15,374,279	19,799,227	21,756,243	18,828,464
(834,949)	(1,672,058)	(4,342,140)	(13,339,537)	(19,186,023)	(20,839,818)
<u>\$ 15,201,042</u>	<u>\$ 13,094,602</u>	<u>\$ 14,318,611</u>	<u>\$ 9,258,423</u>	<u>\$ 5,415,812</u>	<u>\$ 5,526,035</u>
<u>\$ 32,772,902</u>	<u>\$ 30,093,562</u>	<u>\$ 32,759,756</u>	<u>\$ 27,791,877</u>	<u>\$ 26,665,767</u>	<u>\$ 24,339,562</u>

VILLAGE OF ALGONQUIN, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2012	2013	2014	2015
REVENUES				
Taxes	\$ 19,922,146	\$ 20,385,852	\$ 21,452,273	\$ 23,141,444
Licenses and permits	397,652	705,734	407,800	589,957
Intergovernmental, grants, and contributions	1,553,508	2,378,726	1,438,538	2,436,940
Charges for services	338,722	340,063	333,652	343,116
Fees, fines, and forfeits	864,061	798,921	749,287	687,897
Investment income (loss)	177,277	74,537	(219,130)	69,180
Miscellaneous	135,304	128,322	263,402	218,533
Total revenues	23,388,670	24,812,155	24,425,822	27,487,067
EXPENDITURES				
General government	4,138,167	4,343,983	4,279,256	4,531,249
Public safety	8,328,490	8,570,284	8,787,750	9,114,836
Public works	5,685,056	7,485,932	7,066,611	8,060,229
Capital outlay	1,217,825	1,754,682	2,054,583	2,957,881
Debt service				
Principal	3,420,695	590,000	634,615	689,757
Interest	176,146	165,134	153,287	89,505
Total expenditures	22,966,379	22,910,015	22,976,102	25,443,457
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	422,291	1,902,140	1,449,720	2,043,610
OTHER FINANCING SOURCES (USES)				
Transfers in	852,355	852,355	850,000	596,147
Transfers (out)	(852,355)	(852,355)	(850,000)	(596,147)
Proceeds from capital lease	-	-	106,265	-
Proceeds from bonds/issuance of refunding bonds	-	-	2,885,000	-
Premium on general obligation bonds	-	-	119,392	-
Transfer to refunded bond escrow	-	-	(2,992,328)	-
Total other financing sources (uses)	-	-	118,329	-
NET CHANGE IN FUND BALANCES	\$ 422,291	\$ 1,902,140	\$ 1,568,049	\$ 2,043,610
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	16.54%	3.57%	3.77%	3.47%

*Beginning in fiscal year 2016, state sales tax, use tax, and income tax are reported as intergovernmental revenue.

Data Source

Audited Financial Statements

	2016*	2017	2018	2019	2020	2021
\$	11,770,767	\$ 12,287,609	\$ 12,275,407	\$ 12,364,092	\$ 11,964,838	\$ 12,043,739
	823,414	612,193	774,553	651,171	642,865	726,096
	12,809,274	12,876,044	12,767,070	13,307,351	14,408,168	17,672,593
	778,570	368,237	351,454	347,722	297,990	147,220
	551,438	459,464	414,078	322,254	311,253	248,556
	119,847	206,719	301,119	626,353	738,707	147,940
	885,770	685,788	689,944	630,920	714,858	696,198
	27,739,080	27,496,054	27,573,625	28,249,863	29,078,679	31,682,342
	4,740,911	5,263,774	4,992,141	4,969,495	5,046,318	4,384,347
	8,864,640	9,285,421	9,391,707	9,809,188	9,574,851	9,633,165
	6,207,114	10,521,050	7,067,477	8,071,952	7,217,689	7,344,692
	2,084,527	3,858,214	3,442,779	9,729,848	11,247,124	9,116,004
	565,825	571,951	588,138	605,979	615,000	-
	68,040	56,316	43,857	31,280	22,807	11,339
	22,531,057	29,556,726	25,526,099	33,217,742	33,723,789	30,489,547
	5,208,023	(2,060,672)	2,047,526	(4,967,879)	(4,645,110)	1,192,795
	599,829	1,909,801	625,000	1,860,230	3,654,063	3,000,000
	(599,829)	(1,909,801)	(625,000)	(1,860,230)	(3,654,063)	(3,000,000)
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
\$	5,208,023	\$ (2,060,672)	\$ 2,047,526	\$ (4,967,879)	\$ (4,645,110)	\$ 1,192,795
	3.04%	2.70%	3.05%	2.84%	3.18%	0.05%

VILLAGE OF ALGONQUIN, ILLINOIS

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	Residential Property	Commercial Property	Industrial Property	Other Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value	Commercial or Industrial		Residential	
									Number of Permits	Value (1)	Number of Permits	Value (1)
2011	\$ 777,644,853	\$ 186,100,950	\$ 14,937,997	\$ 2,596,949	\$ 981,280,749	0.5642	\$ 2,943,842,247	33.333%	1	\$ 5,136,364	-	\$ -
2012	701,596,262	170,572,789	12,346,224	2,685,421	887,200,696	0.6208	2,661,602,088	33.333%	-	-	11	21,107,592
2013	638,297,331	153,327,229	10,791,813	2,595,085	805,011,458	0.6775	2,415,034,374	33.333%	5	1,582,118	4	1,355,749
2014	614,951,665	150,078,586	10,302,225	2,478,946	777,811,422	0.7047	2,333,434,266	33.333%	2	6,917,760	18	6,917,018
2015	632,117,357	155,044,307	10,869,811	2,539,920	800,571,395	0.7159	2,401,714,185	33.333%	5	23,264,060	24	8,535,989
2016	677,131,371	161,982,750	10,764,196	2,487,423	852,365,740	0.6570	2,557,097,220	33.333%	2	842,887	34	12,381,885
2017	721,868,930	165,068,135	11,045,596	2,652,140	900,634,801	0.6218	2,701,904,403	33.333%	3	8,823,020	33	10,895,670
2018	770,387,014	167,531,028	11,371,762	2,297,789	951,587,593	0.5885	2,854,762,779	33.333%	4	6,152,537	86	12,359,718
2019	799,471,194	170,917,770	9,992,552	2,359,312	982,740,828	0.5698	2,948,222,484	33.333%	3	10,900,000	49	6,469,974
2020	834,666,665	171,152,131	10,274,330	2,328,927	1,018,422,053	0.5707	3,055,266,159	33.333%	3	31,821,174	29	3,699,120

Note: Property is assessed at 33 1/3% of actual value; property tax rates are per \$100 of assessed valuation
 Property is assessed on the following basis: McHenry Township - Annual; Dundee Township - Quadrennial (minimum)
 Grafton Township - Quadrennial (minimum)
 Value (1) - The estimated construction cost is provided by the permit applicant

Data Sources

Assessed Value, Tax Rate, Taxable Value: Office of the County Clerks and Township Assessors
 Permits and Construction Value: Village of Algonquin Records

VILLAGE OF ALGONQUIN, ILLINOIS

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Levy Years

Levy Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
DIRECT TAX RATES										
General Corporate	0.1126	0.1133	0.1283	0.1377	0.0829	-	-	-	-	-
Crossing Guards	0.0019	0.0022	0.0024	0.0024	0.0022	0.0018	0.0017	-	-	-
Police Protection	0.1720	0.1920	0.2106	0.2259	0.2195	0.2851	0.2665	0.2538	0.2463	0.2376
IMRF	0.0459	0.0476	0.0522	0.0559	0.0500	0.0469	0.0333	0.0315	0.0305	0.0295
Social Security	0.0688	0.0714	0.0783	0.0840	0.0687	0.0645	0.0500	0.0473	0.0419	0.0405
Police Pension	0.1007	0.1158	0.1465	0.1594	0.2295	0.2229	0.2210	0.2086	0.2104	0.2239
ESDA	0.0010	0.0006	0.0006	0.0008	0.0006	0.0006	0.0006	-	-	-
Liability Insurance	0.0613	0.0779	0.0586	0.0386	0.0625	0.0352	0.0487	0.0473	0.0407	0.0393
Total direct rates	0.5642	0.6208	0.6775	0.7047	0.7159	0.6570	0.6218	0.5885	0.5698	0.5707
OVERLAPPING TAX RATES										
Fire District(s)	2.4758	3.5099	3.8524	4.0108	3.9311	3.8735	3.7550	3.6610	3.6700	3.6467
Kane County	0.3990	0.4336	0.4623	0.4684	0.4479	0.4201	0.4025	0.3877	0.3739	0.3618
Kane County Forest Preserve	0.2609	0.2710	0.3039	0.3126	0.2944	0.2253	0.1658	0.1607	0.1549	0.1477
McHenry County	0.8879	0.9958	1.0960	1.1412	1.0781	1.0539	0.9019	0.8317	0.7868	0.7621
McHenry County Conservation	0.2191	0.2481	0.2748	0.2840	0.2766	0.2588	0.2449	0.2380	0.2286	0.2236
Park districts (3)	0.8665	0.7645	1.0765	1.1276	1.0618	0.8914	0.8136	0.7956	0.7627	0.7294
Public libraries (4)	1.0266	1.1517	1.2313	1.3632	1.3227	1.2601	1.2351	1.1307	1.1827	1.2053
Road and bridge (4)	0.2794	0.3942	0.4387	0.4548	0.4374	0.3999	0.3689	0.3473	0.7238	0.3160
Schools (4)	10.4509	12.0424	13.1491	14.0008	13.4877	12.5931	12.3311	12.1154	11.7426	11.6239
Townships (4)	0.3230	0.4165	0.4316	0.4468	0.4283	0.3792	0.2406	0.2248	0.6822	0.2068
Algonquin SSA #1	-	-	-	-	5.6066	23.0860	3.6278	-	-	-
Total overlapping rates	17.1891	20.2277	22.3166	23.6102	28.3726	44.4413	24.0872	19.8929	20.3082	19.2233
TOTAL TAX RATES	17.7533	20.8485	22.9941	24.3149	29.0885	45.0983	24.7090	20.4814	20.8780	19.7940

Property tax rates are per \$100 of assessed valuation

Data Source

Office of the County Clerk

VILLAGE OF ALGONQUIN, ILLINOIS

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Taxpayer	2021			2012		
	2020 Taxable Equalized Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation	2011 Taxable Equalized Assessed Value	Rank	Percentage of Total Village Equalized Assessed Valuation
In Retail Fund Algonquin Commons LLC	\$ 16,150,517	1	1.59%	\$ 31,423,219	1	3.54%
Marquette EJP Algonquin LLC	9,701,126	2	0.95%			0.00%
HSRE Algonquin LLC	6,708,266	3	0.66%			0.00%
RPA Shopping Center Phase I/II LLC	5,671,436	4	0.56%			0.00%
B33 Woodsreek Commons LLC	5,506,566	5	0.54%			0.00%
Meijer Stores LTD Partnership	3,865,760	6	0.38%	4,000,000	5	0.45%
Oakridget Ct LLC	3,737,395	7	0.37%	4,743,946	3	0.53%
Wal-Mart Stores Inc	3,667,834	8	0.36%	4,640,081	4	0.52%
Algonquin Galleria TIC Rollup LLC	3,320,224	9	0.33%	-		0.00%
Target Corporation	3,294,271	10	0.32%	3,824,873	6	0.43%
Ruflobb Oakridge Algonquin LLC	-		0.00%	8,009,116	2	0.90%
LTF Real Estate Co Inc	-		0.00%	3,477,235	7	0.39%
Randall Holdings LLC	-		0.00%	3,345,334	8	0.38%
HD Development of MD Inc.	-		0.00%	2,839,376	9	0.32%
Jewel Food Stores, Inc.	-		0.00%	2,765,275	10	0.31%
TOTAL	<u>\$ 61,623,395</u>		<u>6.06%</u>	<u>\$ 69,068,455</u>		<u>7.77%</u>

Note: Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked.

Data Source

Office of the County Clerk

VILLAGE OF ALGONQUIN, ILLINOIS
PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Levy Years

Levy Year	Tax Levy	Total Collections within the Levy Year		Collections in Subsequent Years	Total Collections To Date	Total Collections To Date*
		Amount	Percentage of Levy*			
2011	\$ 5,575,000	\$ 5,522,438	99.06%	\$ 162	\$ 5,522,600	99.06%
2012	5,481,000	5,490,574	100.17%	-	5,490,574	100.17%
2013	5,481,000	5,451,343	99.46%	103	5,451,446	99.46%
2014	5,481,000	5,468,468	99.77%	817	5,469,285	99.79%
2015	5,893,481	5,870,423	99.61%	767	5,871,190	99.62%
2016	5,991,475	5,981,894	99.84%	5,706	5,981,894	99.94%
2017	6,102,372	6,102,657	100.00%	107	6,102,657	100.00%
2018	6,181,877	6,155,750	99.58%	-	6,155,750	99.58%
2019	6,316,337	6,306,619	99.85%	-	6,306,619	99.85%
2020	6,605,462	N/A	N/A	N/A	N/A	N/A

N/A - Information not available

*Collection rates exceeding 100% are attributed to the differences due to timing Village's Tax Levy and the County's corresponding Final Tax Extension. This can occur when a county relies on estimated equalized assessed valuation (EAV) due to changes made to the EAV upon review of the state equalization board.

Note: Property is assessed at 33 1/3% of actual value.

Property is assessed on the following basis: McHenry Township - Annual;

Dundee Township - Quadrennial (minimum); Grafton Township - Quadrennial (minimum)

Data Source

Office of the County Treasurer

VILLAGE OF ALGONQUIN, ILLINOIS

SALES TAX BY CATEGORY

Last Ten Calendar Years

Calendar Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General merchandise	\$ 1,253,051	\$ 1,366,558	\$ 1,365,588	\$ 2,094,389	\$ 2,120,466	\$ 2,063,688	\$ 1,998,831	\$ 2,031,205	\$ 1,979,138	\$ 1,841,227
Food	989,997	975,961	989,451	1,072,713	1,069,547	946,826	903,442	931,727	909,178	994,881
Drinking and eating places	667,728	717,117	732,747	754,333	776,846	832,807	857,156	875,504	888,365	761,089
Apparel	685,012	588,495	593,205	607,179	586,989	644,790	671,557	662,548	622,395	397,796
Furniture and H.H. and radio	491,866	523,162	549,625	590,672	628,199	760,486	627,696	607,712	618,027	623,668
Lumber, building hardware	304,682	301,486	346,042	356,151	368,429	330,374	346,174	352,379	368,749	415,036
Automobile and filling stations	1,223,019	1,254,027	1,258,100	557,652	511,290	605,334	671,991	695,963	746,345	698,620
Drugs and miscellaneous retail	1,065,226	1,036,697	1,081,094	1,150,529	998,903	1,152,036	1,152,124	1,036,151	1,019,417	974,438
Agriculture and all others	103,667	94,845	106,527	129,176	333,903	156,600	280,459	338,873	269,689	189,355
Manufacturers	117,709	75,772	81,124	103,111	157,401	151,712	186,256	178,181	166,265	154,838
TOTAL	\$ 6,948,585	\$ 6,991,371	\$ 7,144,335	\$ 7,453,273	\$ 7,580,028	\$ 7,667,131	\$ 7,695,686	\$ 7,710,243	\$ 7,587,566	\$ 7,050,948
Total number of payers	1,128	807	794	810	815	848	822	822	837	802
Village direct sales tax rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Village home rule sales tax rate	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%

Data Source

Illinois Department of Revenue

VILLAGE OF ALGONQUIN, ILLINOIS

DIRECT AND OVERLAPPING SALES TAX RATES

Last Ten Fiscal Years

Fiscal Year	Village Direct Rate	Village State Rate
2012	1.75%	6.00%
2013	1.75%	6.00%
2014	1.75%	6.00%
2015	1.75%	6.00%
2016	1.75%	6.00%
2017	1.75%	6.00%
2018	1.75%	6.00%
2019	1.75%	6.00%
2020	1.75%	6.00%
2021	1.75%	6.00%

Data Sources

Village and County Records

VILLAGE OF ALGONQUIN, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities		Business-Type Activities		Total Primary Government	Ratio of Total Outstanding Debt to Equalized Assessed Valuation	Total Outstanding Debt Per Capita
	General Obligation Bonds	Capital Leases	General Obligation Bonds	IEPA Loans			
2012	\$ 4,791,375	\$ -	\$ 8,751,165	\$ -	\$ 13,542,540	1.26%	\$ 451
2013	4,199,853	-	8,233,893	-	12,433,746	1.27%	414
2014	3,665,621	91,650	7,943,788	-	11,701,059	1.32%	389
2015	2,970,191	71,893	7,348,715	-	10,390,799	1.29%	346
2016	2,405,830	51,068	6,733,642	-	9,190,540	1.18%	306
2017	1,836,469	29,117	6,098,569	-	7,964,155	0.99%	265
2018	1,252,108	5,979	5,443,496	-	6,701,583	0.79%	223
2019	632,747	-	4,753,423	-	5,386,170	0.60%	179
2020	-	-	4,033,350	3,686,408	7,719,758	0.81%	257
2021	-	-	3,293,277	21,317,732	24,611,009	2.42%	819

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

VILLAGE OF ALGONQUIN, ILLINOIS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less Amounts Available for Repayment	Total	Percentage of Estimated Actual Taxable Value of Property*	Per Capita
2012	\$ 13,542,540	\$ 885,085	\$ 12,657,455	1.17%	421.27
2013	12,433,746	675,164	11,758,582	1.20%	391.35
2014	11,609,409	767,180	10,842,229	1.22%	360.85
2015	10,318,906	-	10,318,906	1.28%	323.07
2016	9,139,472	-	9,139,472	1.18%	304.18
2017	7,935,038	-	7,935,038	0.99%	264.10
2018	6,695,604	-	6,695,604	0.79%	222.85
2019	5,386,170	-	5,386,170	0.60%	179.26
2020	4,033,350	833,625	4,033,350	0.42%	134.24
2021	3,293,277	852,175	2,441,102	0.32%	81.25

*See schedule of Assessed Value and Actual Value of Taxable Property for property value data.

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

VILLAGE OF ALGONQUIN, ILLINOIS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

April 30, 2021

Governmental Unit	Gross Debt	Percentage Debt Applicable to the Village*	Village's Share of Debt
Kane County	\$ 28,850,000	1.82%	\$ 525,070
McHenry County Conservation District	67,510,000	8.02%	5,414,302
Kane County Forest Preserve	119,460,000	1.82%	2,174,172
Huntley Area Public Library District	12,170,000	3.33%	405,261
Dundee Township Park District	16,303,355	14.13%	2,303,664
Huntley Park District	2,690,000	8.87%	238,603
Schools			
District No. 300	231,746,782	22.30%	51,679,532
District No. 158	94,131,195	9.30%	8,754,201
District No. 509	<u>146,490,000</u>	6.54%	<u>9,580,446</u>
Subtotal overlapping debt	719,351,332		81,075,251
Village of Algonquin direct debt	<u>-</u>		<u>-</u>
	<u><u>\$ 719,351,332</u></u>		<u><u>\$ 81,075,251</u></u>

*Determined by ratio of assessed valuation of property subject to taxation in the Village to valuation of property subject to taxation in overlapping unit.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Village. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the Village. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and, therefore, responsible for repaying the debt, of each overlapping government.

VILLAGE OF ALGONQUIN, ILLINOIS

LEGAL DEBT MARGIN

April 30, 2021

The Village is a home rule municipality.

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes governs computation of the legal debt margin.

"The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property....(2) if its population is more than 25,000 and less than 500,000 in aggregate of one per cent:....indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum...shall not be included in the foregoing percentage amounts."

To date the General Assembly has set no limits for home rule municipalities.

VILLAGE OF ALGONQUIN, ILLINOIS

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

Fiscal Year	Population		Equalized Assessed Value (EAV)	Per Capita EAV	Unemployment Rate
2012	30,046	**	\$ 1,077,620,673	\$ 35,866	8.60%
2013	30,046	**	981,280,749	32,659	8.10%
2014	30,046	**	887,200,696	29,528	5.20%
2015	30,046	**	805,011,458	26,793	4.90%
2016	30,046	**	777,811,422	25,887	5.47%
2017	30,046	**	800,571,395	26,645	4.70%
2018	30,046	**	852,365,740	28,369	4.28%
2019	30,046	**	900,634,801	29,975	4.85%
2020	30,046	**	951,587,593	31,671	8.60%
2021	30,046	**	1,018,422,053	33,895	N/A

**Estimate

N/A - information not available

Note: Personal income data not available

Data Source

Illinois Department of Employment Security

VILLAGE OF ALGONQUIN, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

Employer	2021			2012		
	Rank	No. of Employees	Percent of Total Village Population	Rank	No. of Employees	Percent of Total Village Population
School District Number 300*	1	425	1.41%	1	371	2.38%
Jewel Osco	2	272	0.91%	-	-	0.00%
Walmart	3	227	0.76%	-	-	0.00%
LifeTime Fitness	4	177	0.59%	-	-	0.00%
School District Number 158*	5	165	0.55%	-	-	0.00%
Kenmode Tool and Engineering, Inc.	6	150	0.50%	3	135	0.87%
Home Depot	6	150	0.50%	-	-	0.00%
Meijer	7	136	0.45%	-	-	0.00%
Village of Algonquin	8	122	0.41%	2	159	1.02%
Super Target	9	120	0.40%	-	-	0.00%
Clarendale of Algonquin	10	102	0.34%	-	-	0.00%
PEP Wauconda LLC (formerly Wauconda Tool and Engineering)	-	-	0.00%	4	120	0.77%
Meyer Material Co.	-	-	0.00%	5	100	0.64%
Duro-Life Corp	-	-	0.00%	6	62	0.40%
Target Manufacturing Inc.	-	-	0.00%	7	50	0.32%
Coldwell Banker Primus	-	-	0.00%	7	50	0.32%
Algonquin State Bank	-	-	0.00%	8	40	0.26%
G.W. Thiel, Inc	-	-	0.00%	8	40	0.26%
Hanson Material Service Corp.	-	-	0.00%	9	30	0.19%
RE/MAX Unlimited Northwest	-	-	0.00%	9	30	0.19%
SubCon Mfg. Corp.	-	-	0.00%	9	30	0.19%
Schiffmayer Plastics Corp.	-	-	0.00%	10	28	0.18%

*Only schools located in the Village

Data Sources

2017 Illinois Manufacturers Directory, 2017 Illinois Services Directory, Speer Financial, the Village, and a selective telephone survey

VILLAGE OF ALGONQUIN, ILLINOIS

FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
GENERAL GOVERNMENT										
Administration	19	20	19	19	18	19	17	19	18	17
Community development	12	12	12	12	12	11	8	8	9	6
PUBLIC SAFETY										
Police										
Officers	49	48	46	46	44	46	44	46	47	44
Civilians	11	11	11	10	8	9	8	8	7	6
PUBLIC WORKS										
Public works administration	6	6	6	4	4	4	4	4	3	3
Public works general services	29	30	29	25	26	25	23	23	23	21
Internal services	9	9	8	9	8	9	9	9	9	8
WATER										
Water and sewer	20	20	21	23	21	20	20	20	20	19
POOL										
	4	3	4	4	4	4	4	3	3	-
TOTAL	159	159	156	152	145	147	137	140	139	124

Employees in the public works streets and park departments were combined and reported in public works general services with the April 30, 2016 financial statement.

Data Source

Village Finance Department

VILLAGE OF ALGONQUIN, ILLINOIS

OPERATING INDICATORS

Last Ten Fiscal Years

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
GENERAL GOVERNMENT										
Community Development										
Building permits issued	2,170	2,354	2,467	4,107	3,122	3,050	2,864	3,123	2,681	2,997
Building inspections conducted	4,096	4,023	4,562	8,589	6,229	6,239	5,611	6,721	6,246	5,659
Property maintenance inspections conducted	4,330	4,605	3,982	4,292	4,737	4,105	3,169	2,668	7,339	10,532
PUBLIC SAFETY										
Police										
Physical arrests	724	555	511	488	520	640	460	435	351	380
Parking violations	1,271	1,302	1,287	1,040	839	879	932	447	800	384
Traffic violations	4,818	3,708	3,305	2,233	4,937	6,359	2,326	4,582	4,417	1,910
PUBLIC WORKS										
Streets										
Street resurfacing (miles)	1.76	2.00	4.90	5.10	-	4.80	4.80	1.20	3.34	3.20
Parks and Recreation										
Park sites	22	22	22	22	22	22	22	22	22	22
Developed park acreage	155	155	155	155	155	155	155	155	155	155
Open space	512	512	512	512	512	512	512	512	512	512
Water										
New connections (tap-ons)	-	13	7	22	2	38	28	78	43	38
Average daily consumption*	2,679	2,864	2,682	2,725	2,478	2,401	2,535	2,078	2,741	2,596
Peak daily consumption*	3,382	5,151	4,253	3,231	4,097	3,200	2,893	2,641	2,975	2,877
Wastewater										
Average daily sewage treatment**	2.9	2.8	3.0	2.9	3.1	3.3	3.5	3.8	3.8	3.5

*Thousands of gallons

**Millions of gallons

Data Source

Various village departments

VILLAGE OF ALGONQUIN, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
PUBLIC SAFETY										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Geographic patrol areas	6	6	6	6	6	6	6	6	6	6
PUBLIC WORKS										
Street										
Streets (miles)	286	267	256	256	256	130	130	130	130	130
Streetlights	228	189	189	211	211	319	319	319	381	381
Parks and Recreation										
Acreage	667	667	667	667	667	667	667	667	667	667
Playgrounds	18	18	18	18	18	18	18	18	18	18
Sites with baseball diamonds	9	9	9	9	9	9	9	9	9	9
Sites with soccer fields	11	11	11	11	11	11	11	11	11	11
Sites with basketball courts	14	14	14	14	14	14	14	14	14	14
Sites with tennis courts	5	5	5	5	5	5	5	5	5	5
Water										
Water mains (miles)	165	165	165	168	168	168	168	168	168	174
Fire hydrants	2,208	2,213	2,213	2,214	2,224	2,276	2,264	2,260	2,260	2,328
Storage capacity*	3.390	3.390	3.390	3.390	3.390	3.390	3.390	3.390	3.390	3.390
Wastewater										
Sanitary sewers (miles)	138	135	137	144	145	144	139	139	139	141
Treatment capacity*	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000

*Thousands of gallons

Data Source

Various village departments